

**OFFICE OF SUPPORTIVE HOUSING
FISCAL YEAR 2017 BUDGET TESTIMONY
May 3, 2016**

INTRODUCTION

Good afternoon, President Clarke and Members of City Council. I am Liz Hersh, Director of the Office of Supportive Housing. Joining me today are Joye Presson, Chief of Staff and Rodney Cherry, Fiscal Officer. I am pleased to provide testimony on the Office of Supportive Housing's Fiscal Year 2017 operating budget. The staff and clients of the Office of Supportive Housing are deeply appreciative of the precious public funds that are entrusted to us to carry out this important work. Thank you again.

DEPARTMENT MISSION/PLANS

Mission: The mission of the Office of Supportive Housing is to provide the leadership, coordination, planning and mobilization of resources to make homelessness rare, brief and non-recurring for the City of Philadelphia.

The Office of Supportive Housing (OSH) works collaboratively with 63 (mostly not-for-profit) homeless housing and service providers, city departments, state and federal governmental entities to comprise Philadelphia's homeless service system. This system provides emergency housing and services to people who are both literally homeless and at imminent risk of homelessness. It includes homelessness prevention and diversion, emergency assistance and housing, short and long-term rental assistance both with and without case management.

In addition to these homeless services, OSH provides emergency response and service days (cleanup of encampments), manages food and commodity distribution to contracted emergency housing facilities and soup kitchens, provides emergency transport during snow storms, offers services to people when Licenses and Inspections issues a building "cease operations" and runs a personal care home called Riverview.

OSH had some notable successes to report for FY2016. First, the city reached functional zero on veterans' homelessness, an accomplishment we are now working to sustain. Second, no families were found living on the street. Yes, there are homeless families in the City, but we were able to provide shelter to all of them. Third, the Emergency Assistance Response Units provided homelessness prevention to 608 households, a total of 1,517 people, thus preventing shelter admission. Our Rapid Re-housing Program earned an 85% success rate in preventing a return to homelessness, a promising light touch intervention. Our goal is to learn from, expand and replicate these successes.

The numbers of people seeking help are dramatic. Our intake units have seen 8,070 single men, 6,246 single women and 3,276 families in FY16 to date. Tragically, in 2015, 60 people died while homeless.

It is useful to have a picture of homelessness in the city to better understand the work of OSH. Homelessness is quantified in two ways:

- 1) An annual **Point-in-Time Count** is conducted on one night each January, this year on the 27th, to identify all who are living on the street. This unsheltered number is then added to the count of those staying in emergency housing, safe havens and transitional housing that, while sheltered, are still considered to be homeless. This is our best measure of how many people are literally homeless.
- 2) A **Housing Inventory Count** adds up privately and publicly available beds and units dedicated exclusively to housing homeless people. This includes housing first, permanent supported housing and subsidized housing such as through the Philadelphia Housing Authority that may or may not have services attached. The Housing Inventory Count is considered to be system capacity. The result of these two counts follows.

2016 Point-in-Time Count: 6,112 Philadelphians were known to be experiencing homelessness.

- Of these, no families were unsheltered.
- 885 families were in shelter, a total of 2,682 adults and their children.
- 705 single adults were unsheltered.
- 2,154 singles were in shelter, 471 were in transitional housing and 77 were in safe haven.¹

Of the people experiencing homelessness:

- 13% or 525 of the adults were between the ages of 18-24;
- 41% were severely mentally ill (although the representation of mental illness among the unsheltered was significantly higher);
- 43% had chronic substance abuse; and
- 11% reported having been victims of domestic violence (469).

2016 Housing Inventory Count: 11,545 total beds comprise the homeless system.

Of these, there are 3,768 emergency beds:

- 1,562 are for families with children (450 units since the number of children in a family varies);
- 2,181 are for households without children; and
- 20 are for children under 18, “runaways.”²

There are 1,905 transitional housing beds which provide up to 24 months of rental assistance with services:

- 1,370 beds for families with children (473 units);
- 535 beds for households without children.

¹This does not include Department of Behavioral Health-funded Safe Haven beds.

² Generally, children would be served by the Department of Human Services; these 25 beds are for “runaway” youth between the ages of 13-18.

There are 6,046 permanent beds, with and without supportive services:

- 3,447 beds for families with children (1,010 units);
- 2,599 beds for households without children; and
- There are 1,110 more under development.

This number includes the annual allocation of subsidized units made available by the Philadelphia Housing Authority through the Blueprint, which provides for 200 singles and 300 family units or Housing Choice Vouchers annually.

Plans for Fiscal Year 2017

In FY17, OSH plans to sustain and improve the programs that prevent, alleviate and end homelessness for the most vulnerable Philadelphians. We plan to use data to continue to drive our system toward programs and services that help make homelessness rare, brief and nonrecurring. Specifically, here are some of our plans:

1) Reducing the harm to children in families experiencing homelessness and improving their outcomes.

Like the Mayor's goal of expanded Pre-K, we know that what happens to children affects them for the rest of their lives. Children who experience homelessness are more likely to have mental health and substance addiction disorders, experience a lifetime of dependency, commit suicide and live in poverty. We have established classrooms in our family intake site to reduce their days out of school. Thanks to a partnership with Bright Spaces and People's Emergency Center, we are benefitting from a grant from the William Penn Foundation to improve their experience while entering the system. We also have nurses on site to ensure they are immunized. We plan to continue to identify ways to shorten family shelter stays, enhance the services they receive and prevent entry into the system in the first place where possible. We must do better, especially with generational homelessness.

2) Target youth homelessness.

As City Council has rightly noted, youth homelessness is a disturbing emergent trend. It is exacerbated by access to heroin, related to the rejection of LGBTQ youth by their families. There is a lack of data about youth homelessness which we are optimistic is being addressed this summer. Philadelphia is thrilled to be one of twenty-two cities to be included in the Voices of Youth Count, a national homeless youth count being conducted by Chapin Hall, the pre-eminent research entity on youth issues. But not knowing numbers cannot be a deterrent to implementing new solutions: more specialized outreach and engagement, residentially based services and mediation to reconnect children with their families. These programs need to be built on positive youth development and trauma-informed to help youth make connections to peers and adults, education and employment. We look forward to working collaboratively with our tremendous youth provider network to make progress.

3) Chronic street homelessness

Our data shows that chronic street homelessness continues to be a significant problem. Chronically homeless men and women are more likely to be dually diagnosed with mental illness and substance abuse addiction. It takes significant outreach and engagement to help them come inside.

We know from our experience with veterans that we can succeed when we employ a collective impact model and approach the task with a sense of urgency. Already we have a powerful network of providers with the dedication and track record. However, unlike with veterans, Congress has not put additional housing resources on the table.

We have two plans in place. First, based on data, our Department of Behavioral Health outreach teams are redeploying to be zone-based in four main areas: Convention Center, South Broad, Rittenhouse Square and Market East. You will soon see them in their orange shirts serving as ambassadors to business and residents while engaging homeless individuals. Second, we will conduct a 100-day Street Homelessness Action Plan using the rapid results model successfully piloted to address veterans' homelessness, involving stakeholders to take immediate action. This 100-day action planning process will also focus on youth.

4) Safety and Security

With the recent tragic death of a shelter worker, OSH is taking additional steps to assure the security and physical safety of clients and staff. Site assessments by Licenses and Inspections, Homeland Security and the Fire Department are already underway. The results will be used to drive improvements in the physical sites we own and lease, as well as enhanced policies and procedures. Already we have taken steps to ensure our sites have hand-held metal detectors, locked front doors with trained security personnel. De-escalation training is on the calendar.

Staff Demographics Summary (as of January 2016)

	Total	Minority	White	Female
Full-Time Staff	156	135	21	108
Executive Staff	11	8	3	6
Average Salary - Full-Time Staff	\$52,811	\$55,390	\$68,090	\$47,612
Average Salary - Executive Staff	\$92,062	\$81,594	\$105,000	\$93,613
Median Salary - Full-Time Staff	\$48,528	\$59,869	\$62,780	\$44,676
Median Salary - Executive Staff	\$90,803	\$90,402	\$100,000	\$100,000

Employment Levels (as of January 2016)

	Budgeted	Approved	Filled
Full-Time Positions	171	171	156
Part-Time Positions	0	0	0
Executive Positions	11	11	11
<i>Overall Average Salary</i>	\$51,572	\$51,572	\$52,811
<i>Overall Median Salary</i>	\$47,914	\$47,914	\$48,528

Financial Summary by Class - General Fund

	Fiscal 2015 Actual Obligations	Fiscal 2016 Original Appropriations	Fiscal 2016 Estimated Obligations	Fiscal 2017 Proposed Appropriations	Difference FY17-FY16
Class 100 - Employee Compensation	\$8,234,305	\$8,281,213	\$8,281,213	\$8,636,443	\$355,230
Class 200 - Purchase of Services	\$36,559,527	\$36,886,621	\$37,064,156	\$37,044,215	(\$19,941)
Class 300 - Materials and Supplies	\$153,497	\$162,177	\$181,732	\$181,732	\$0
Class 400 - Equipment	\$189,593	\$181,950	\$162,395	\$162,395	\$0
Class 500 - Contributions	\$41,340	\$32,421	\$32,421	\$32,421	\$0
Class 700 - Debt Service	\$	\$	\$	\$	-
Class 800 - Payment to Other Funds	\$	\$	\$	\$	-
Class 900 - Advances/Misc. Payments	\$	\$	\$	\$	-
TOTAL	\$45,178,262	\$45,544,382	\$45,721,917	\$46,057,206	\$335,289

Contracts Summary (as of December 2015)

	FY11	FY12	FY13	FY14	FY15	FY16*
Total amount of contracts	\$4,276,757	\$4,026,492	\$4,518,015	\$4,546,644	\$4,046,399	\$3,446,855
Total amount to M/W/DBE	\$880,773	\$1,469,777	\$1,709,346	\$1,242,480	\$1,154,927	\$491,800
Participation Rate	21%	37%	38%	27%	29%	14%

* as of December 2015

- For FY16, OSH’s OEO goal is 25%. OSH is on track to meet that goal. There are contracts and Miscellaneous Purchase Orders which are 100% MWDBE that were conformed after December 31, 2015.
- OSH requires all of its providers to expend 5% of their discretionary funds on MWDBEs.
- For FY16, the OSH budget supports 123 contracts with 63 distinct entities of which 9 are for-profit and 54 are nonprofit.
- All 54 of the nonprofit entities have racial and gender diversity in their workforce.
- To date, 10 out of 14 providers with contracts of \$1M or more have provided expenditure reports detailing spending with MWDBEs and have provided Supplier Diversity Plans. OSH will follow up with the remaining 4 providers to secure Supplier Diversity Plans.

Diversity of Executive Staff and Boards of Directors of Three Largest Vendors

1. Share Food Program (Nonprofit) - \$2,969,892
 Executive Staff: 4 total – 2 Caucasian Females, 2 African-American Females
 Board of Directors: 6 Caucasian Males, 3 Caucasian Females
 Disabled Workforce: 1 person
2. Salvation Army (Eliza Shirley & Red Shield) (Nonprofit) - \$2,793,949
 Executive Staff: 10 total – 2 Caucasian Females, 4 African-American Females, 3 African-American Males, 1 Caucasian Male
 Board of Directors: 37 total – 23 Caucasian Males; 3 Hispanic Males; 3 African-American Males; 4 Caucasian Females, 3 African-American Females
3. Women Against Abuse (Nonprofit)- \$2,700,000
 Executive Staff Composition: 8 total – 6 Caucasian Females, 2 African-American Females
 Board of Directors: 23 total – 13 Caucasian Females, 5 African-American Females, 1 Hispanic Female, 4 Caucasian Males

OFFICE OF SUPPORTIVE HOUSING PROPOSED BUDGET OVERVIEW

PROPOSED FUNDING REQUEST

The proposed Fiscal Year 2017 general fund budget totals \$46,057,206, an increase of \$335,289 over Fiscal Year 2016 estimated obligation levels. This increase is primarily due to increased personnel costs.

The proposed budget includes:

- \$8,636,443 in Class 100, a \$355,230 increase over FY16. This funding will cover the cost of increased salaries to DC47 and non-represented Civil Service employees negotiated in a collective bargaining agreement. Additionally, the increase will fund 3 new positions assigned to perform duties related to the Homeless Management Information System (HMIS).
- \$37,044,215 in Class 200, a \$19,941 decrease from FY16. This decrease is a result of a one-time expense related to the Papal visit in FY16.
- \$181,732 in class 300. This funding will provide materials and supplies needed for operations.
- \$162,395 in class 400. This funding will provide equipment needed for operations.
- \$32,421 in class 500. This funding will provide recreational activities for residents residing at the Riverview Home.

STAFFING LEVELS as of January 4, 2016

- 171 budgeted and approved full-time positions as of January 4, 2016; 0 part-time positions; 156 general-funded; 12 grant-funded.
- 156 of the 171 budgeted and approved positions are filled; 15 vacancies.

LIST NUMBER OF NEW HIRES BY ETHNICITY AND LANGUAGE since January 4, 2016

- 8 employees - 1 White Female, 2 African-American Males, 5 African-American Females.
- There have been two promotions since January 4, 2016 – 2 African-American Females.

OFFICE OF SUPPORTIVE HOUSING PERFORMANCE, CHALLENGES AND INITIATIVES

FY 16 Highlights

- Reached functional zero on Veterans' Homelessness in collaboration with the VA, HUD and seven not-for-profit organizations by housing 1,462 veterans. We are now focused on sustaining this accomplishment.
- Funded by the state's Department of Human Services to pilot TANF for Rapid Re-Housing to serve 50 families experiencing homelessness in Mantua. The Year One goal of housing 25 TANF families getting homes has been met. This is the first such program in the state of Pennsylvania and is expected to be a model.
- Selected to be one of 22 US cities to be part of national Voices for Youth Count Research being conducted by Chapin Hall at the University of Chicago, which will perform a point-in-time count of homeless youth in June 2016.
- Funded through a grant from the William Penn Foundation in conjunction with Bright Spaces and People's Emergency Center to improve the facilities and programming for children experiencing homelessness. This augments our two classrooms at Apple Tree Family Intake Center so that children get attention and education while their mothers are admitted into the homeless system.

Challenges

In order to fulfill our vision of making homelessness rare, brief and nonrecurring, we have significant challenges to address.

The current thinking about how best to address homelessness is to drive the system toward data-informed outcomes beginning with a coordinated entry system that provides easy and consistent access to services based on a standardized assessment. OSH faces three challenges to implementing this approach.

First, we need to have a Homeless Management Information System or HMIS. We have contracted with EccoVia Solutions to establish Client Track, a nationally recognized system. Our legacy data is being migrated and implementation of HMIS is planned for May, but full utilization and back-filling of data will take some months. Overcoming this challenge is a priority for us to make progress.

Second, we need to transform our system to adopt a Coordinated Entry System. The goal is streamlined participant access to services with a standardized assessment of needs that links them to the most appropriate available resources to address their housing crisis, regardless of where they line up. Thanks to HUD Technical Assistance and dedicated staff, we are now well into the design phase, but it is imperative that we address this challenge and coordinate entry into our system to maximize the quality, length and appropriateness of services to meet people's needs.

Third, we need a new game plan. The last ten-year plan ended in 2015. It is time to have a data-informed, evidence-based and outcomes-driven system that employs stakeholder input and is achievable, clear and concise.

Finally, we need to better integrate these system goals in contracting performance metrics. Aligning with the Mayor's goal of performance based contracting, we need to ensure that the services provided by our network is driven by appropriate performance measures.

Initiatives

The following three initiatives are designed to help OSH meet and address our infrastructure challenges to fulfilling our mission and vision.

Implementation of the Homeless Management Information Service (HMIS)

This initiative is funded by HUD through the Continuum of Care (CoC) and is now in the process of being fully staffed. Implementation and full utilization is planned for late spring through the summer.

Design and Development of a Coordinated Entry System (CES)

Our vision is for entry into our system to be consistent for all individuals, accessible from multiple access points and referrals to services based on information about what's available via the HMIS and based on a standardized assessment. This process is funded and staffed and is benefitting from HUD-provided technical assistance. Nonetheless, it is major systems change and will take at least a year to design, plan and implement.

New Multi-Year Strategic Plan to Address Homelessness

Thanks to the excellent work of the OSH staff and providers, we have secured funding through HUD to develop a new Strategic Plan. The CoC board voted at its March meeting to begin the planning process in fall 2016. The new thinking and practices in addressing homelessness focus on data-informed and evidence-based practice, earlier intervention to prevent homelessness, especially among families and youth, close coordination with other systems to address problems holistically and the use of outcome metrics to drive system design and performance.

**OFFICE OF SUPPORTIVE HOUSING
PERFORMANCE (OPERATIONS)**

Performance Measures	FY15 Actual	FY16 YTD	FY17 Target
Emergency housing	No Data	Review and prioritize capital improvement needs for City-owned facilities in coordination with Budget, City Planning, and Public Property	Implement and monitor capital improvement plan
Emergency Assistance and Response Unit (EARU)*	814 Families	415 Families	651 Families
Number of families served by rapid re-housing*	356	209	264
Percent of adults with increased financial resources	36%	39%	42%
Percent of adults who increased employment income	9%	10%	12%
Number of Pop-up Legal Clinics	0	1	1
Number of new housing units	115	100	135

*These services are grant-funded. Projected performance is based on expected grant dollars for Fiscal Year 2017.

A primary focus on OSH's work in FY17 will be in better capturing the outcomes of our system, reflecting these in our contracts and system goals. We look forward to working with the Mayor's Office of Performance Management to begin to establish these measures and reflect them in system performance.

**OFFICE OF SUPPORTIVE HOUSING
OTHER BUDGETARY IMPACTS**

FEDERAL AND STATE (WHERE APPLICABLE)

- OSH receives State Housing Assistance Program funds. Delays in the State adopting a budget have the potential to impact plan projections.
- Increased State and/or Federal Funds provide OSH an opportunity to expand existing services and/or move to fill unmet needs, close gaps in funding, and provide our contracted providers an increase in funding to cover their increasing costs. (Our providers have been level-funded for many years and they have had to realign their contract allocations to allow them to provide the same level of service with no increase in funding).

**OFFICE OF SUPPORTIVE HOUSING
CONTRACTING EXPERIENCE**

**M/W/DSBE Participation on Large Contracts
FY16 Contracts**

Vendor	Service Provided	Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % and \$ Value Participation - All DSBES	Local Business	Living Wage Compliant?
Food Management Service d/b/a Linton's Management *	Food Service for the Riverview Home	\$712,527	4/20/12	7/1/12	MBE: 10-15%	0%	\$0		y	y
					WBE: 10-15%	0%	\$0	0%		
					DSBE: 0%	0%	\$0	\$0		
EccoVia Solutions Client Track Inc. **	customization/on-going support for HUD mandated HMIS Database	\$687,000	exemption request approved by Finance 6/24/15	10/1/15	MBE: 0%	0%	\$0		n	y
					WBE: 0%	0%	\$0	0%		
					DSBE: 0%	0%	\$0	\$0		
Core Care Food Services, Inc.***	Food Service for Families Forward Phila. & Kirkbride Campus	\$673,715	4/9/13	7/1/13	MBE: 5-15%	0%	\$0		y	y
					WBE: 5-15%	0%	\$0	0%		
					DSBE: 0%	0%	\$0	\$0		
US Facilities Inc.	Maintenance service at 6 City Supported Emergency Housing Facilities	\$647,000	4/19/13	7/1/13	MBE: 5-10%	100%	\$647,000		y	y
					WBE: 5-10%	0%	\$0	100%		
					DSBE: 0%	0%	\$0	\$647,000		
Darlene Morris	Emergency Housing & Support Services to Homeless Families	\$431,320	3/17/14	7/1/14	MBE: Best Efforts	0%	\$0		y	y
					WBE: Best Efforts	100%	\$431,320	100%		
					DSBE: Best Efforts	0%	\$0	\$431,320		

*Current Vendor does not have any subcontractors. OSH issued an RFP on 4/11/16 for FY 17 with MBE at 11% and WBE at 7-10%.

** HUD limits the vendors available to carry out this work. EccoVia Solutions was selected competitively from the list. Currently, there are no subcontracting opportunities available. However, OSH is working with this contractor to ensure that, should any subcontracting opportunities arise, said opportunities will be aggressively marketed to minority- and women-owned firms.

*** OSH will issue an RFP in FY18 for food service at this site. We will conduct intensive outreach to ensure proposals from MBE and WBE providers.

**OFFICE OF SUPPORTIVE HOUSING
EMPLOYEE DATA**

Staff Demographics (as of January 2016)

<i>Full-Time Staff</i>				<i>Executive Staff</i>			
		Male	Female			Male	Female
		African-American	African-American			African-American	African-American
<i>Total</i>		38	81	<i>Total</i>		5	2
<i>% of Total</i>		24.4%	51.9%	<i>% of Total</i>		45.5%	18.2%
<i>Average Salary</i>		\$54,941	\$47,979	<i>Average Salary</i>		\$82,468	\$103,000
<i>Median Salary</i>		\$58,281	\$40,313	<i>Median Salary</i>		\$85,000	\$103,000
		White	White			White	White
<i>Total</i>		7	14	<i>Total</i>		0	3
<i>% of Total</i>		4.5%	9.0%	<i>% of Total</i>		0	27.3%
<i>Average Salary</i>		\$62,590	\$70,840	<i>Average Salary</i>		\$	\$105,000
<i>Median Salary</i>		\$60,469	\$67,580	<i>Median Salary</i>		\$	\$100,000
		Hispanic	Hispanic			Hispanic	Hispanic
<i>Total</i>		1	7	<i>Total</i>		0	1
<i>% of Total</i>		0.6%	4.5%	<i>% of Total</i>		0	9.1%
<i>Average Salary</i>		\$59,869	\$54,972	<i>Average Salary</i>		\$	\$79,339
<i>Median Salary</i>		\$59,869	\$59,869	<i>Median Salary</i>		\$	\$79,339
		Asian	Asian			Asian	Asian
<i>Total</i>		1	2	<i>Total</i>		0	0
<i>% of Total</i>		0.6%	1.3%	<i>% of Total</i>		0	0
<i>Average Salary</i>		\$62,890	\$49,777	<i>Average Salary</i>		\$	\$
<i>Median Salary</i>		\$62,890	\$49,777	<i>Median Salary</i>		\$	\$
		Other	Other			Other	Other
<i>Total</i>		1	4	<i>Total</i>		0	0
<i>% of Total</i>		0.6%	2.6%	<i>% of Total</i>		0	0
<i>Average Salary</i>		\$60,469	\$41,117	<i>Average Salary</i>		\$	\$
<i>Median Salary</i>		\$60,469	\$34,026	<i>Median Salary</i>		\$	\$
		Bi-lingual	Bi-lingual			Bi-lingual	Bi-lingual
<i>Total</i>		3	9	<i>Total</i>		0	1
<i>% of Total</i>		1.9%	5.8%	<i>% of Total</i>		0	9.1%
<i>Average Salary</i>		\$66,311	\$55,085	<i>Average Salary</i>		\$	\$79,339
<i>Median Salary</i>		\$62,890	\$59,869	<i>Median Salary</i>		\$	\$79,339
		Male	Female			Male	Female
<i>Total</i>		48	108	<i>Total</i>		5	6
<i>% of Total</i>		30.8%	69.2%	<i>% of Total</i>		45.5%	54.5%
<i>Average Salary</i>		\$56,440	\$47,612	<i>Average Salary</i>		\$82,468	\$100,057
<i>Median Salary</i>		\$60,269	\$44,676	<i>Median Salary</i>		\$85,000	\$100,000

Number of Bilingual Employees (as of January 2016)				
	Spanish	French	Cantonese & Mandarin	Yoruba/Igbo
Unit A - Div 16 Emergency Housing	4	0	0	0
Unit B - Div 17 Supportive Housing	1	0	0	0
Unit C - Div 18 Grants Mgt	0	0	0	1
Unit D - Div 19 Admin	2	0	0	0
Unit E - Div 20 Riverview	3	1	1	0
Total All Divisions	10	1	1	1
Total # of Bilingual Employees: 13				
Total # of Languages Spoken: 4				