



Sonoma County COC

LONG-TERM FUNDING STRATEGY TO END HOMELESSNESS – February 2023

This Report

The goal of this report is to establish a comprehensive, long-term funding framework aligned with Sonoma County's homelessness strategic planning efforts. This report was created by Andrew Hening Consulting, LLC and was endorsed by the Sonoma County Continuum of Care Board of Directors on February 22, 2023.

Disclaimer

This report is based on the best available data as of December 2022 and has been synced with concurrent countywide and subregional strategic planning efforts.

Importantly, public budgets are dynamic. They are subject to political and socioeconomic “shocks” that can complicate long-term financial projections and commitments.

As such, rather than “line-item” detail, this report focuses on higher-level analysis and modeling to conceptualize long-term investment strategies.

Given all of these factors, as well as specific “research initiatives” identified within this report, **this framework should be revisited and updated at least annually.**

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I. Process

Public budgets are moral documents – they communicate what we value.

Objectives

Align analysis with concurrent strategic planning efforts

Clearly prioritize most pressing investment areas

Analyze current spending vs. proposed investment areas

Recommend new funding structure(s) and process(es)

Strive for simplicity and transparency

Process

Aggregated universe of potential funding sources

Analyzed current local funding commitments

Established **an "annualized" public operating budget**

Quantified needed future investments

Developed potential financial and programmatic models

Identified implementation recommendations

Intended Outcomes

A widely endorsed and supported investment strategy

Improved alignment across local funders

Strategies for leveraging State and Federal resources

Increased private and philanthropic financial partnerships

An actionable roadmap for increasing capacity in key service areas

II. “The Modern Homelessness Crisis”

“The Modern Homelessness Crisis”

A unique socioeconomic phenomenon that began in the late 1970s and early 1980s and **is generally characterized by:**

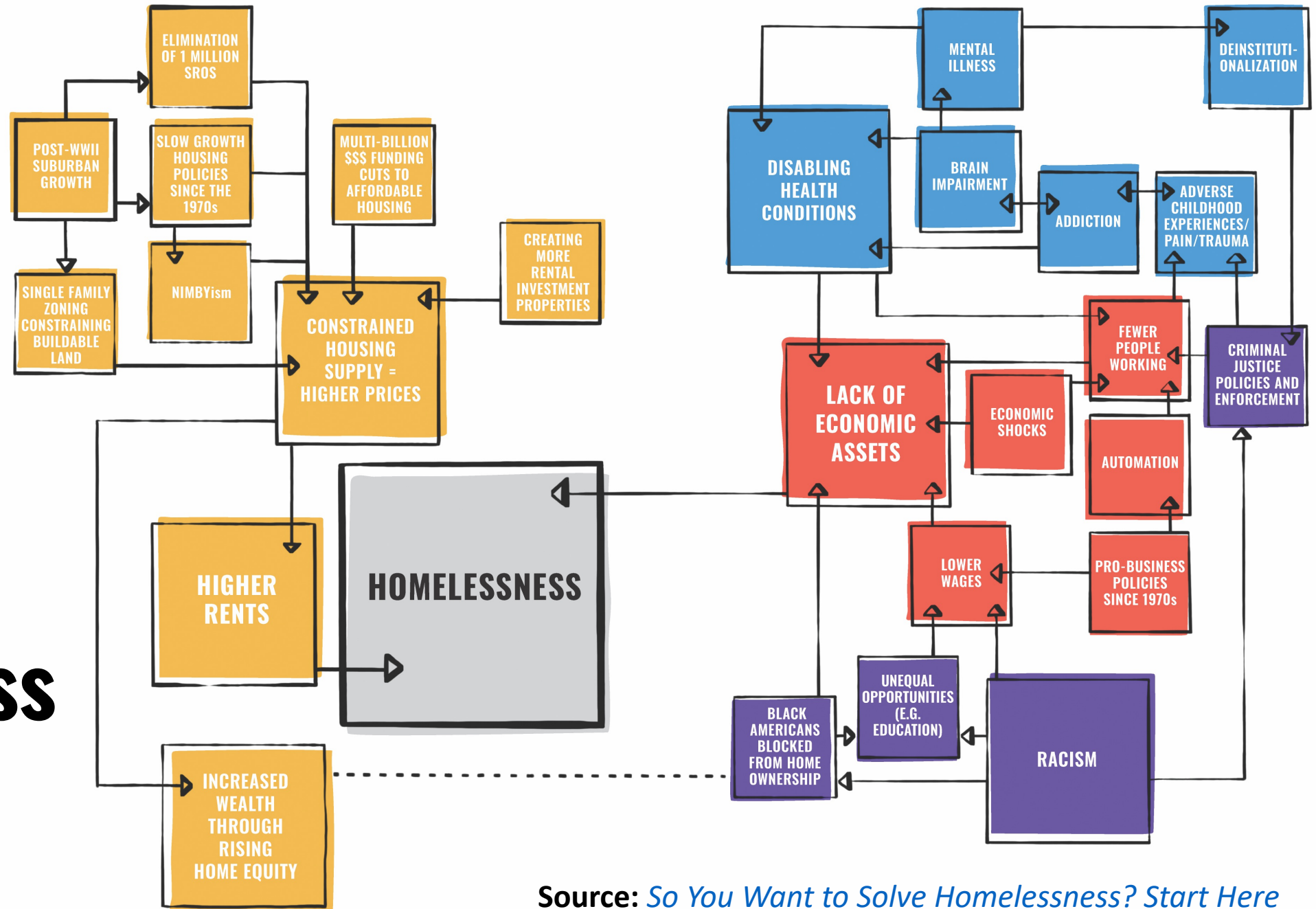
Rising housing costs, particularly rental prices

Declining real wages for the median household

The ongoing and lingering impact of systemic racism on economic well-being

Insufficient behavioral health supports for people with mental illness and/or substance use disorders

The Modern Homeless Crisis



Overall Trend

Rent keeps going up, and for a wide variety of reasons – racism, economic policies, mental illness, addiction – people do not have the economic assets to cover that cost. To put hard numbers to this, according to a study from Harvard University, between 1960 to 2016, adjusting for inflation, the median American rent payment rose 61% while the median renter's income increased by only 5%. **For most, “homelessness is a housing problem.”**

In Sonoma County Specifically ...

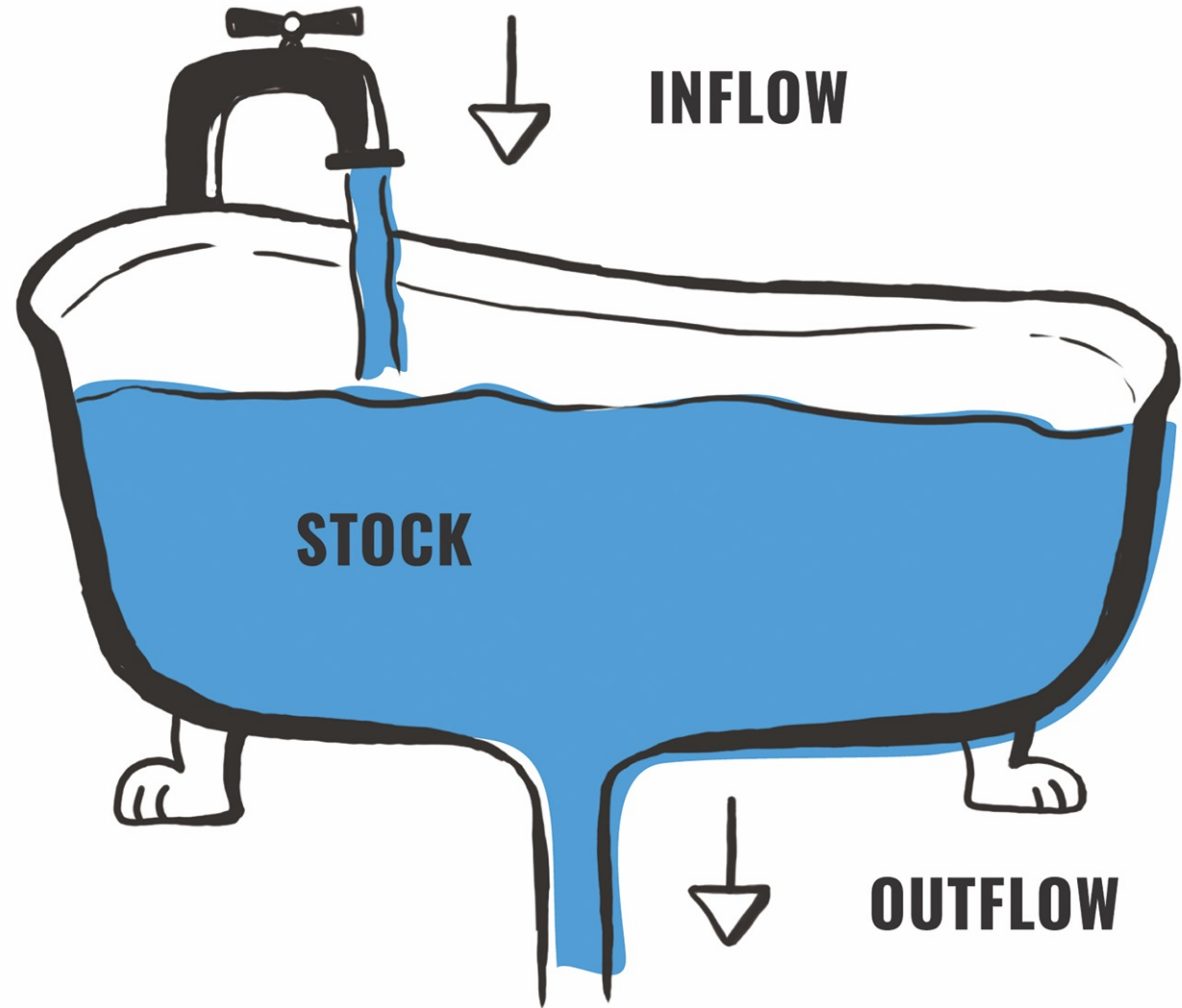
According to reporting from the North Bay Business Journal, in 2021 there was a 12.9% year-over-year increase in the median countywide rental price; whereas, according to data from the Federal Reserve, over the last five years, median household income in Sonoma County has only been increasing by 6% per year.

Source: [Local Rental Data](#)

Source: [Household Income Data](#)

Critical Nuance

Seeing Homelessness as a Phenomenon Over Time vs. a Moment in Time



Rapid Resolution

Studies have attempted to quantify the length of time people experience homelessness.

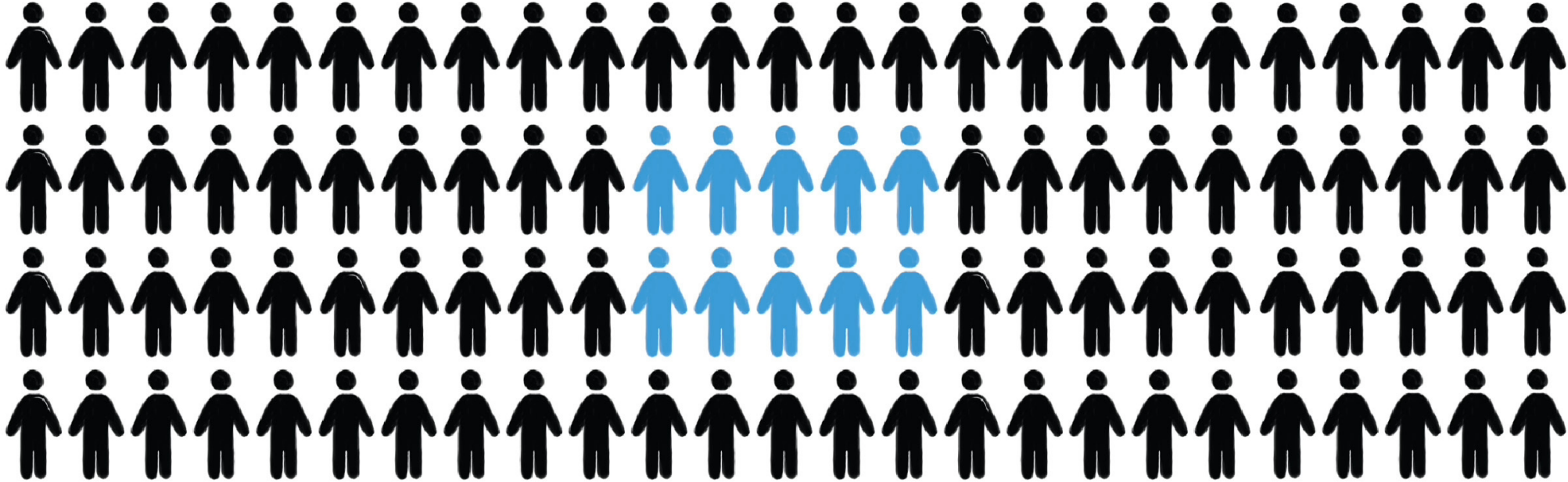
For example, in the 1990s, [researchers found](#) 0.1% of New York City's population was homeless on any given day.

However, over the course of a year, 1% of the entire population experienced homelessness

This suggests there were 10 distinct "cohorts" of people who experienced homelessness throughout the year.

That meant, on average, people experienced homelessness for just 37 days.

Annual Turnover



HOMELESS AT A GIVEN MOMENT



HOMELESS THROUGHOUT THE YEAR

Data suggesting the relatively rapid resolution of homelessness does not typically conform with public perceptions of the issue.



Our Perception

Source: North Bay Business Journal

Our Perception

Extremely vulnerable individuals

Clear examples of behavioral and physical health issues

People who seem to have been homeless for many years

Groups of people living in large, entrenched encampments

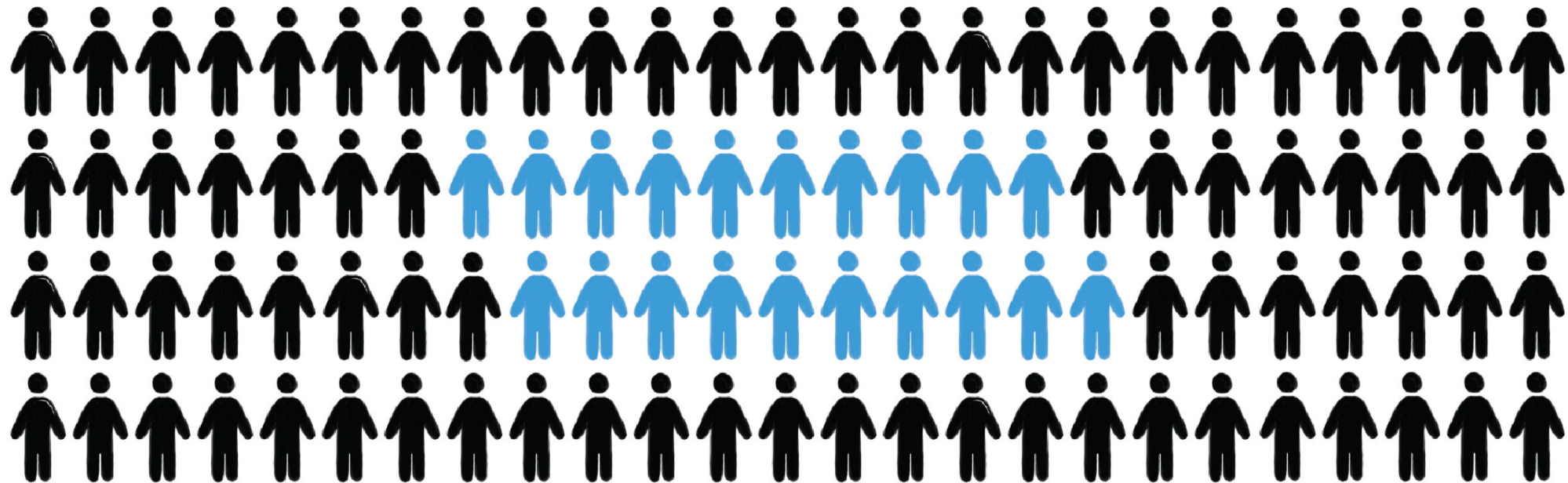
An inability to drive meaningful and lasting change in conditions on the street

Critical Nuance

The Modern Homelessness Crisis is really two problems. For **most people**, homelessness is a relatively short-term occurrence primarily driven by financial and relational crises (e.g., eviction, job loss, divorce, DV). For a **small but persistent minority experiencing “chronic” homelessness**, it is a long-term experience exacerbated by disabling conditions (e.g., physical health, behavioral health, traumatic brain injuries).

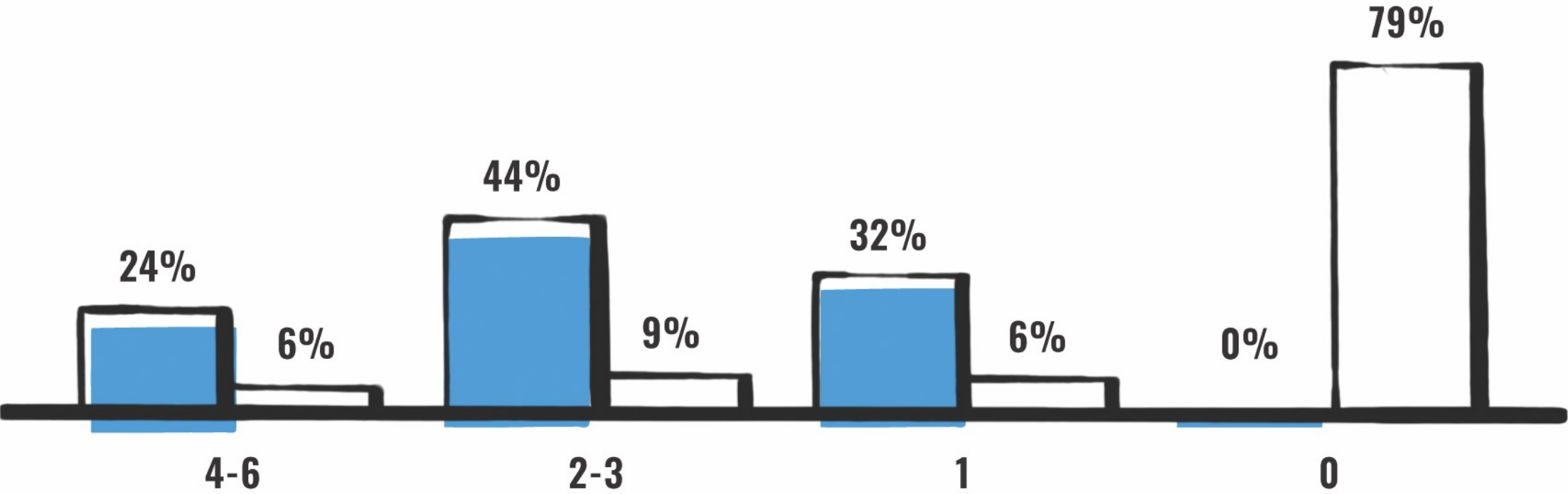
At Any Given Moment

■ CHRONIC □ NON-CHRONIC



Number of Disabling Conditions

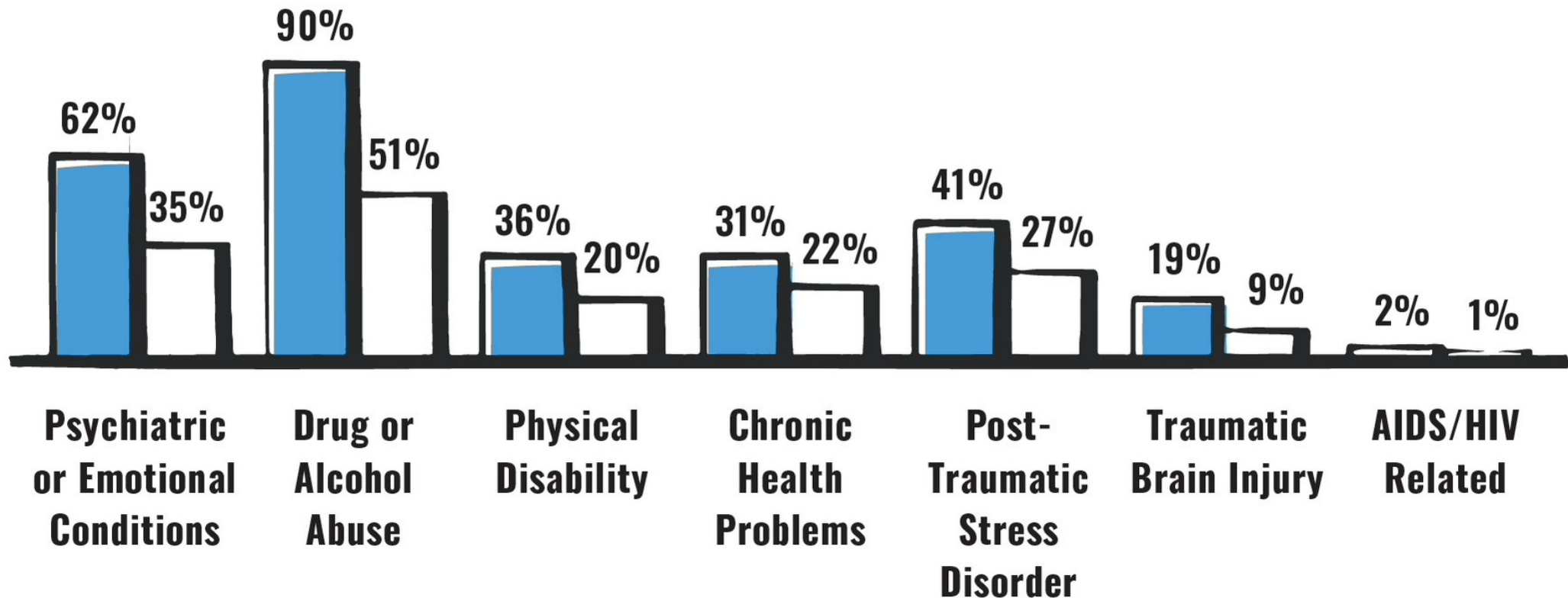
■ CHRONIC □ NON-CHRONIC



Source: [2019 Marin County PIT](#) (question not asked in Sonoma County)

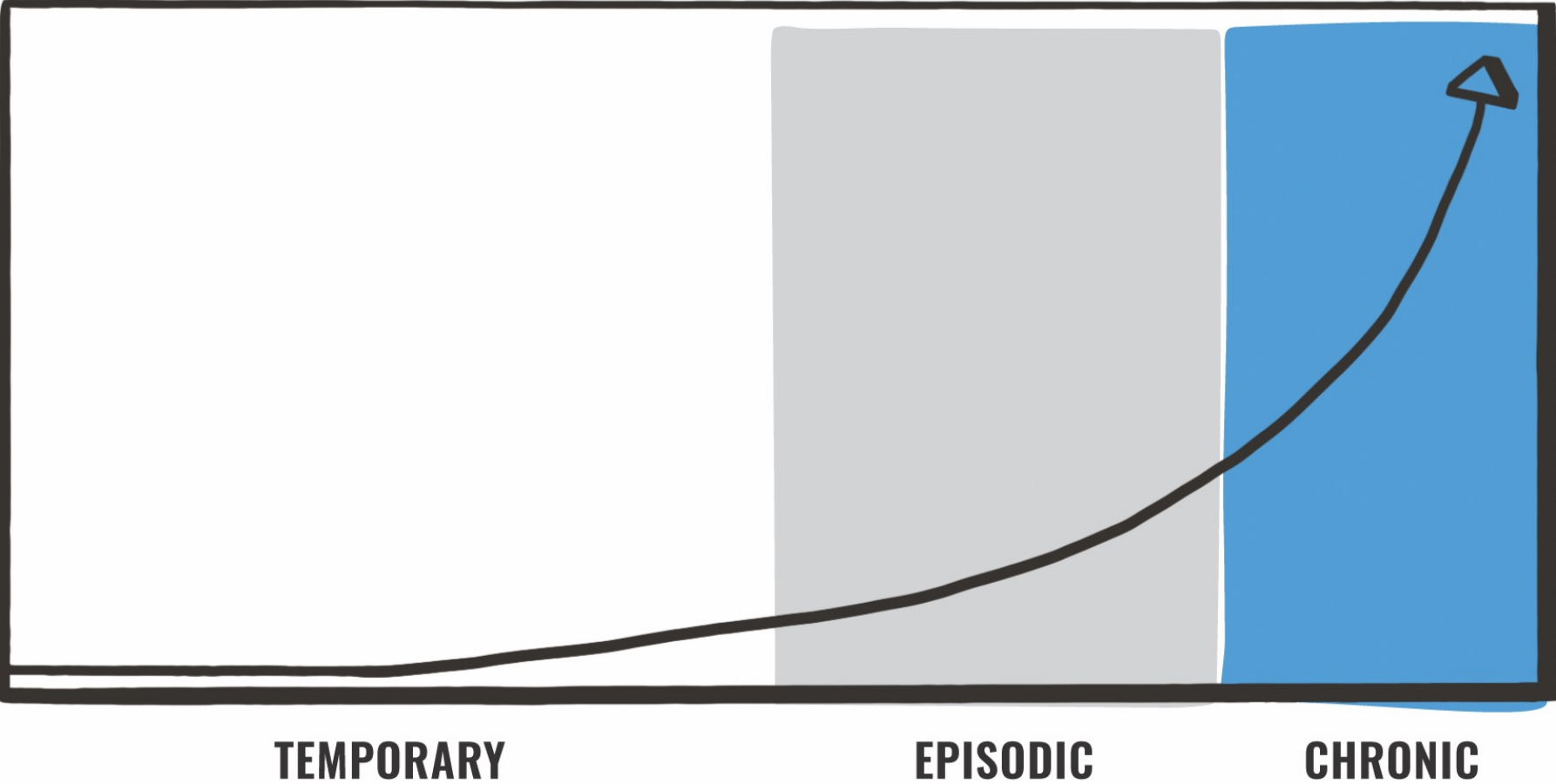
Type of Disabling Conditions

■ CHRONIC □ NON-CHRONIC



Source: [2020 Sonoma County PIT](#)

Public Service Utilization

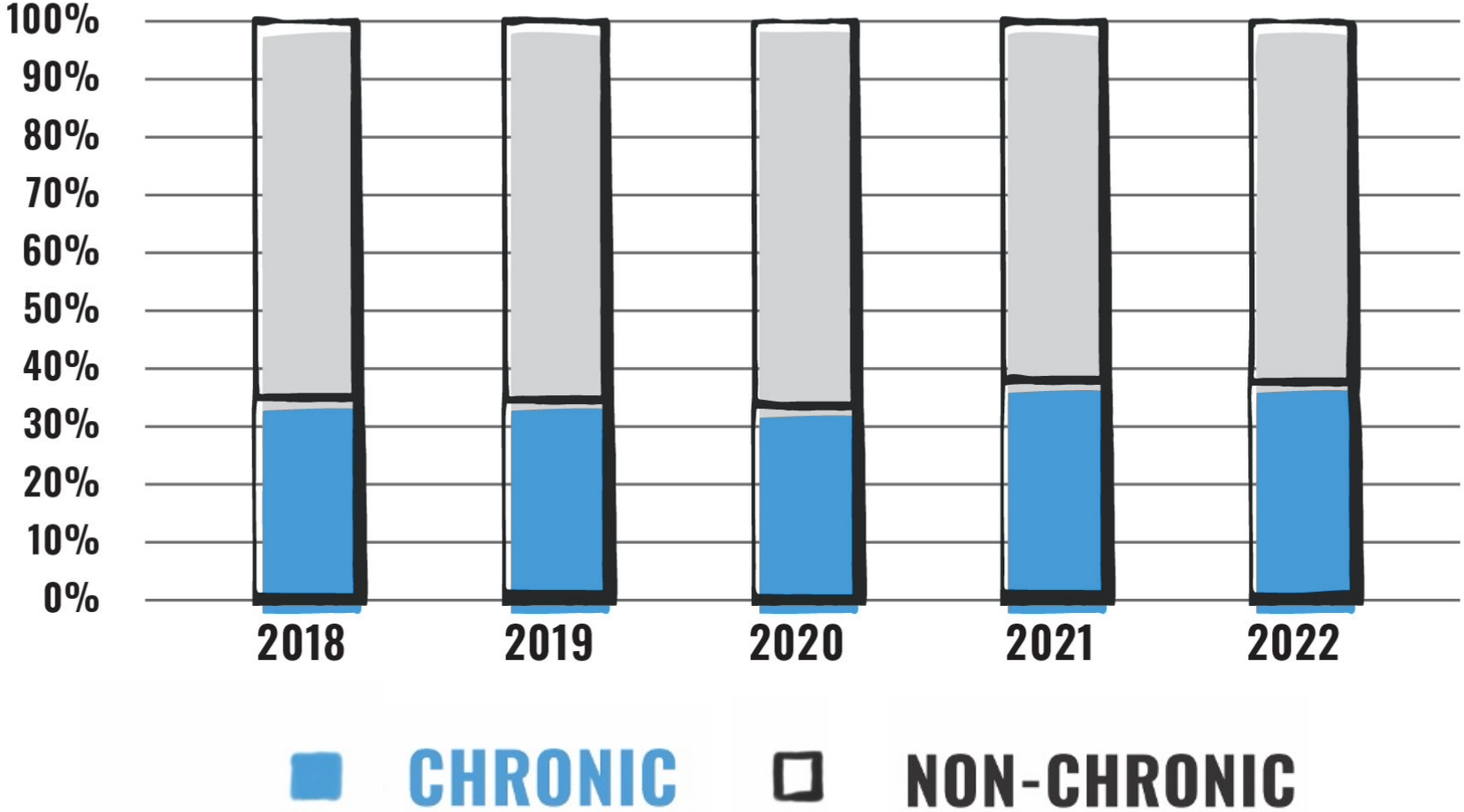


**Indeed, local data does show
that chronic homelessness is
becoming increasingly
entrenched in Sonoma County.**

**In an average month,
approximately 1,154 people are
now experiencing chronic
homelessness.**

In absolute terms, this average monthly number has increased by 30% since 2018.

Chronic Homelessness Over Time



Why does this matter?

Failing to distinguish between short-term homelessness and chronic homelessness results in costly and ultimately ineffective systems of care.

#1 Adding programs and services that don't address chronic homelessness will *not* necessarily improve conditions on the street.

#2 Cheaper housing and an improved cost of living *are* major aspects of solving the Modern Homelessness Crisis, but they won't necessarily solve chronic homelessness.

#3 If short-term homelessness isn't sufficiently addressed, it can lead to chronic homelessness.

#4 Throwing “short-term” solutions at chronic homelessness will likely produce more distrust (i.e., without the right ongoing support, people will likely not see “the system” as a source of help).

#5 Throwing “long-term” solutions at short-term homelessness is wasteful and inefficient (e.g., should a one-time job loss lead to lifelong subsidized housing?).

#6 There are proven programmatic benchmarks for responding to each of these different manifestations of homelessness.

III. Current Resources

**In attempting to respond to the
Modern Homelessness Crisis,
what resources are available to
our community?**

An Annual Public Operating Budget

The goal of this section is to establish **an annualized public operating budget for local homeless services.**

Ultimately, the true extent of community-based spending is likely much larger than what is represented here.

For example, these projections do not include one-time capital awards for affordable and homeless housing projects, nor do they include private and philanthropic giving.

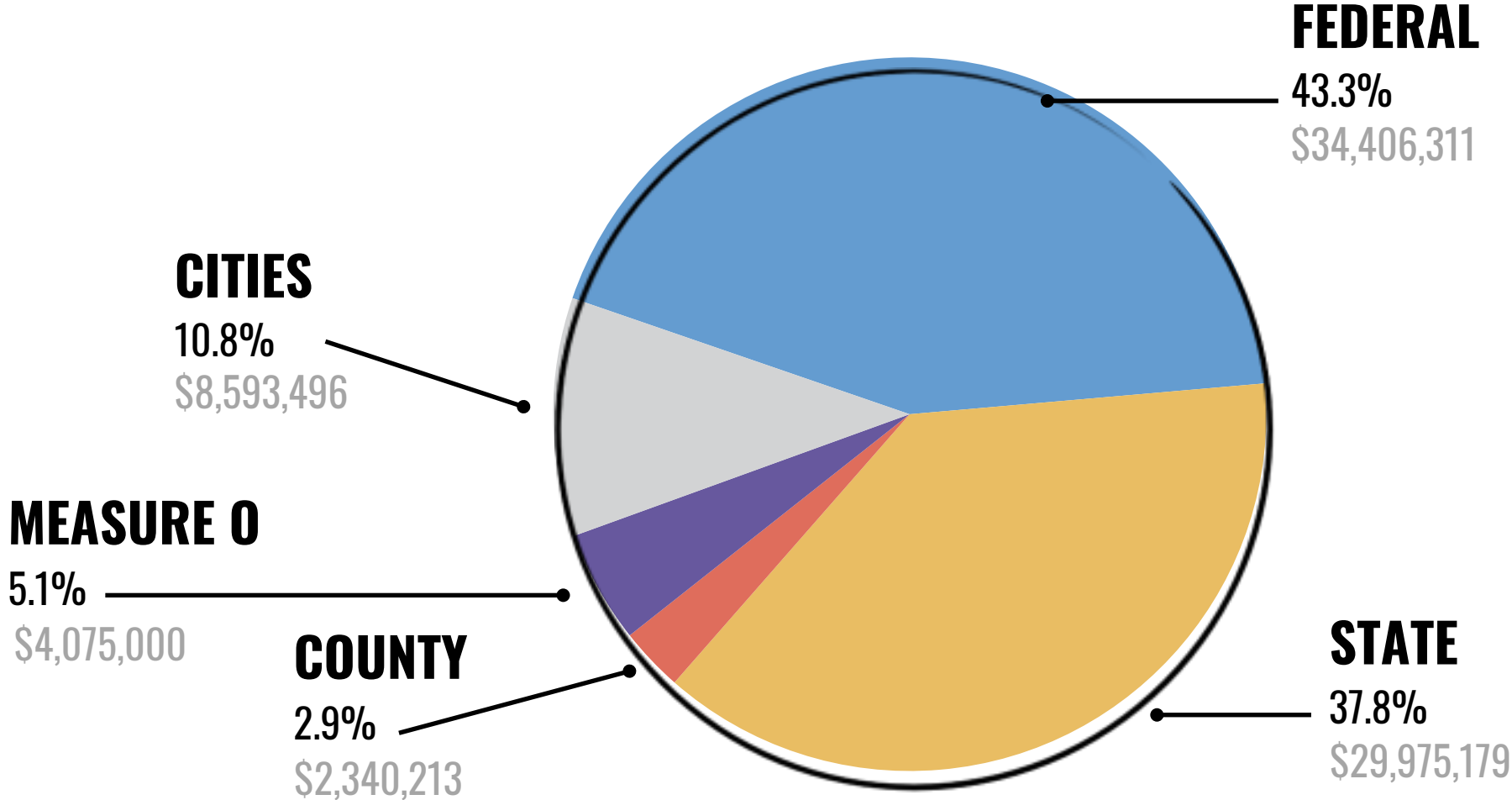
Additionally, this analysis does not incorporate more general social service programming; wherein, people experiencing homelessness do not represent 100% of the client base.

**As of FY22-23, we are spending
at least \$79.4M* every year to
address homelessness in
Sonoma County.**

*A full breakdown of this funding can be found in the Appendix

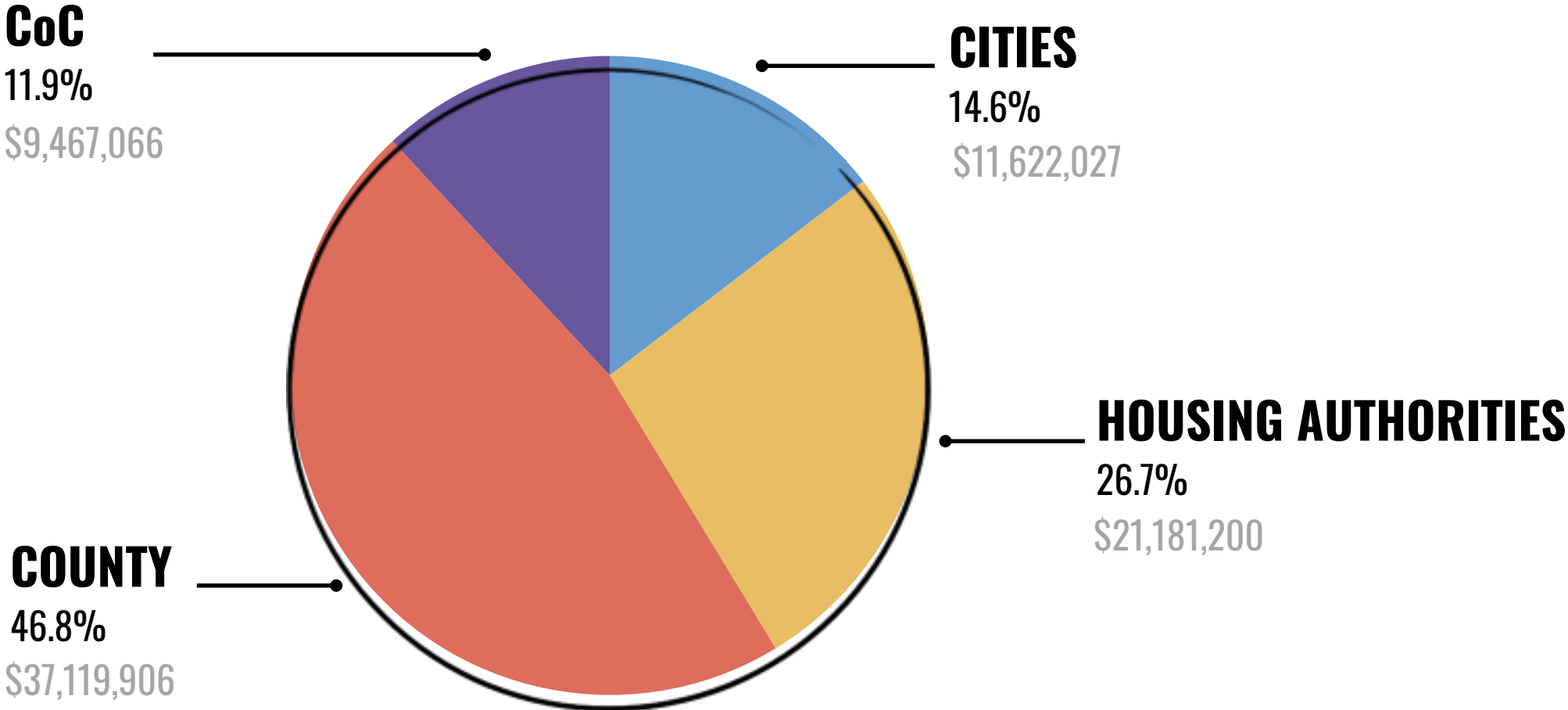
Approximately 80% of this funding (\$64.4M) is coming from State and Federal sources.

Funding by Source



The County has a plurality of the decision-making authority, but no one entity has a majority say.

Funding by Decision Body



**While \$79.4M is a big number,
it is critical to remember that
some of these funds are quite
flexible, while others are
mostly fixed.**

**We can see this in terms of
current programming ...**

For example, nearly \$28.1M (35.4%) is going to Permanent Supportive Housing, meaning it is supporting very vulnerable people who have already been housed.

**We can also see it in the
nature of the funding sources
themselves ...**

Funding Acronyms

ARPA – American Rescue Plan

CaIAIM – California Advancing and Innovating Medi-Cal

CoC – Continuum of Care

CDBG – Community Development Block Grant

CESH – California Emergency Solutions and Housing

ERF – Encampment Resolution Funding

ESG – Emergency Solutions Grant

HHIP – Housing and Homelessness Incentive Program

HHAP – Homeless Housing, Assistance and Prevention

NPLH – No Place Like Home

PLHA – Permanent Local Housing Allocation

Project Homekey – State capital & service dollars for housing

Hard to Change

Ongoing State and Federal sources like CoC funding, ESG, and CDBG are already generally supporting the existing system, including current shelter and supportive housing capacity.

The \$21.2M in revenue from housing vouchers is for people who were formerly homeless but continue to need financial assistance to remain housed. We cannot “take” their vouchers or “reallocate” those funds.

Similarly, approximately \$11.3M of County-controlled State and Federal monies are going to safety net programs (e.g., CalWorks, other welfare programs with housing supports) under strictly regulated legislative frameworks.

Finding Flexibility

Other resources, however, offer slightly more flexibility, especially as we look farther into the future.

For example, with Measure O, the size of the five funding buckets cannot be changed, but the allocations within those buckets can be modified over time.

Initial budgets are often submitted for large grants like HHIP and HHAP (\$18M a year collectively). These allocations can be amended but not totally overhauled.

Other sources, such as local city and County general funds, are potentially more flexible, as most contracts are typically renewed on an annual basis.

The Ebb and Flow of New Opportunities

Importantly, funding for homelessness tends to come in new and differing waves, which must be factored into future budgeting.

For example, ARPA and other “pandemic era” supports will be phased out over the next few years.

At the same time, new sources are emerging, such as the State’s ERF program (though it remains one-time in nature).

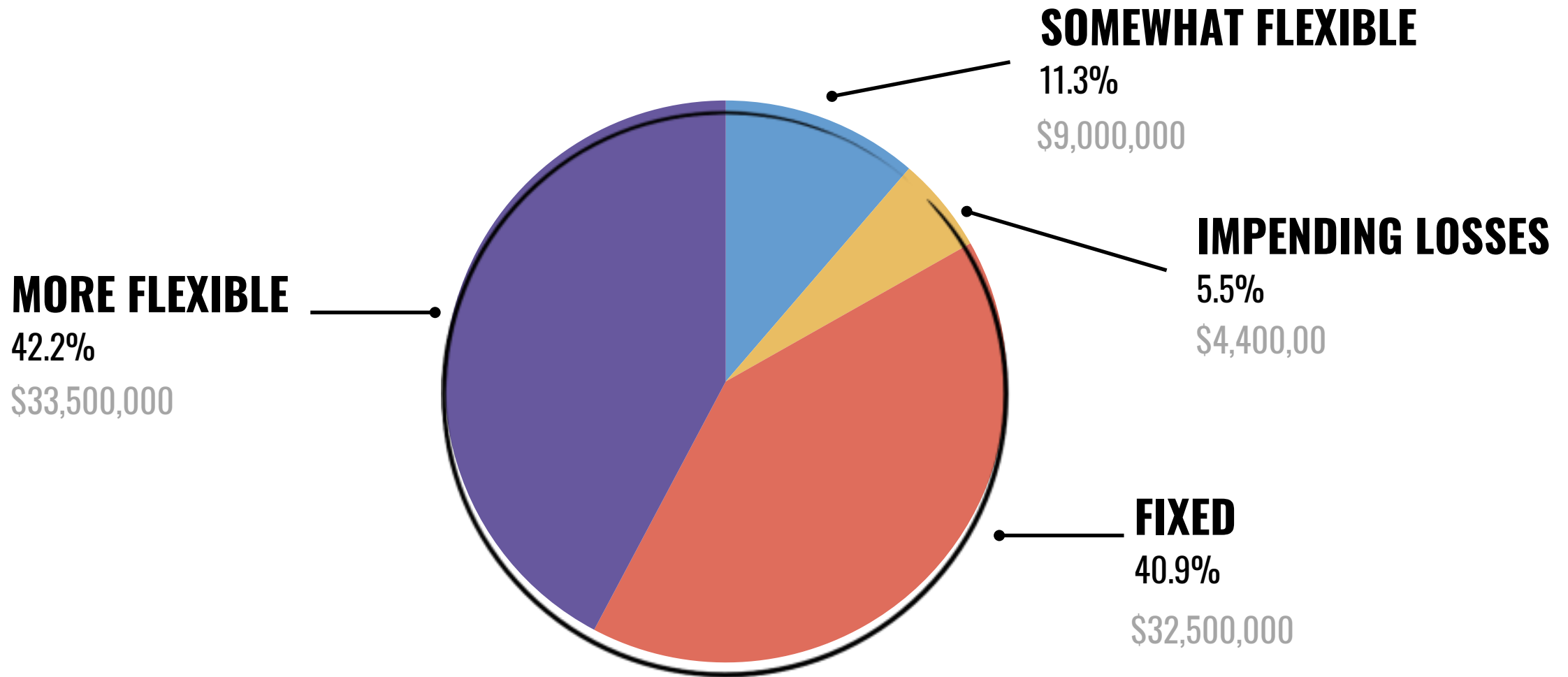
In the coming months and years, we will have a much clearer sense of how to leverage CalAIM, particularly the community supports funding and enhanced care management.

And while currently deployed housing vouchers cannot be changed, every year hundreds of new voucher placements become available through new programs and turnover.

Summary of Timing Considerations

Funding Horizon	Funding Source	Amount
Fixed	Federal Housing Vouchers	\$21,200,000
Fixed	State and Federal Safety Net Funds	\$11,300,000
Somewhat Flexible	CoC Grant and Other Federal	\$5,000,000
Somewhat Flexible	Predictable State and Federal Pass-Through	\$4,000,000
More Flexible	HHAP and other State	\$9,000,000
More Flexible	County and City General Funds	\$10,900,000
More Flexible	Measure O	\$4,000,000
More Flexible	HHIP	\$9,600,000
Impending Losses	One-Time State and Federal Pass-Through	\$4,400,000
Potential Infusion	CalAIM – Community Supports and ECM	TBD
Potential Infusion	Leveraging More Housing Vouchers	TBD
Potential Infusion	Private and Philanthropic Partnerships	TBD
TOTAL		\$79,400,000

Timing Breakdown



IV. Planning for the Future

**Given the resources available
to our community, have we
created an effective and
efficient system of care?**

Strategically ...

Homelessness should be relatively simple to solve. It requires decreasing the inflow of people into the experience of homelessness while increasing the outflow of people who are currently experiencing homelessness back to housing.

Operationally, however ...

Even with a seemingly straightforward strategy, it is often extremely difficult and challenging to put the pieces together to form an effective homeless response system. Why?

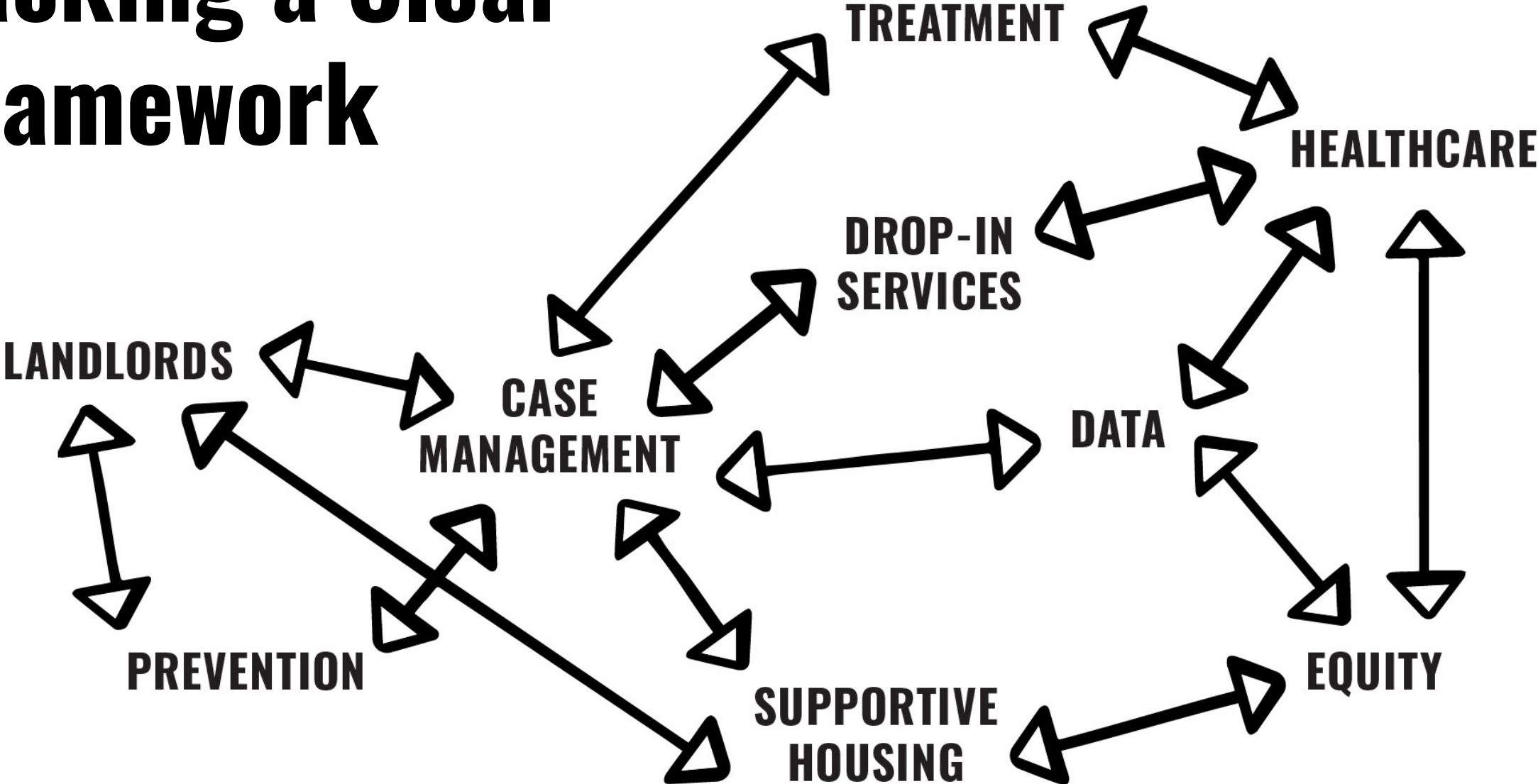
Funding & Resources - Variety in funders, philosophies, processes, requirements, timelines, expected outcomes

Agencies, Programs & Services – Variation in missions, strategies, and cultures

People – Wide range of mindsets, practices, and quality of service

Public Perception – Pressure to act, wanting short-term change vs. long-term solutions

Lacking a Clear Framework



STEP: A Framework for a More Connected System of Care

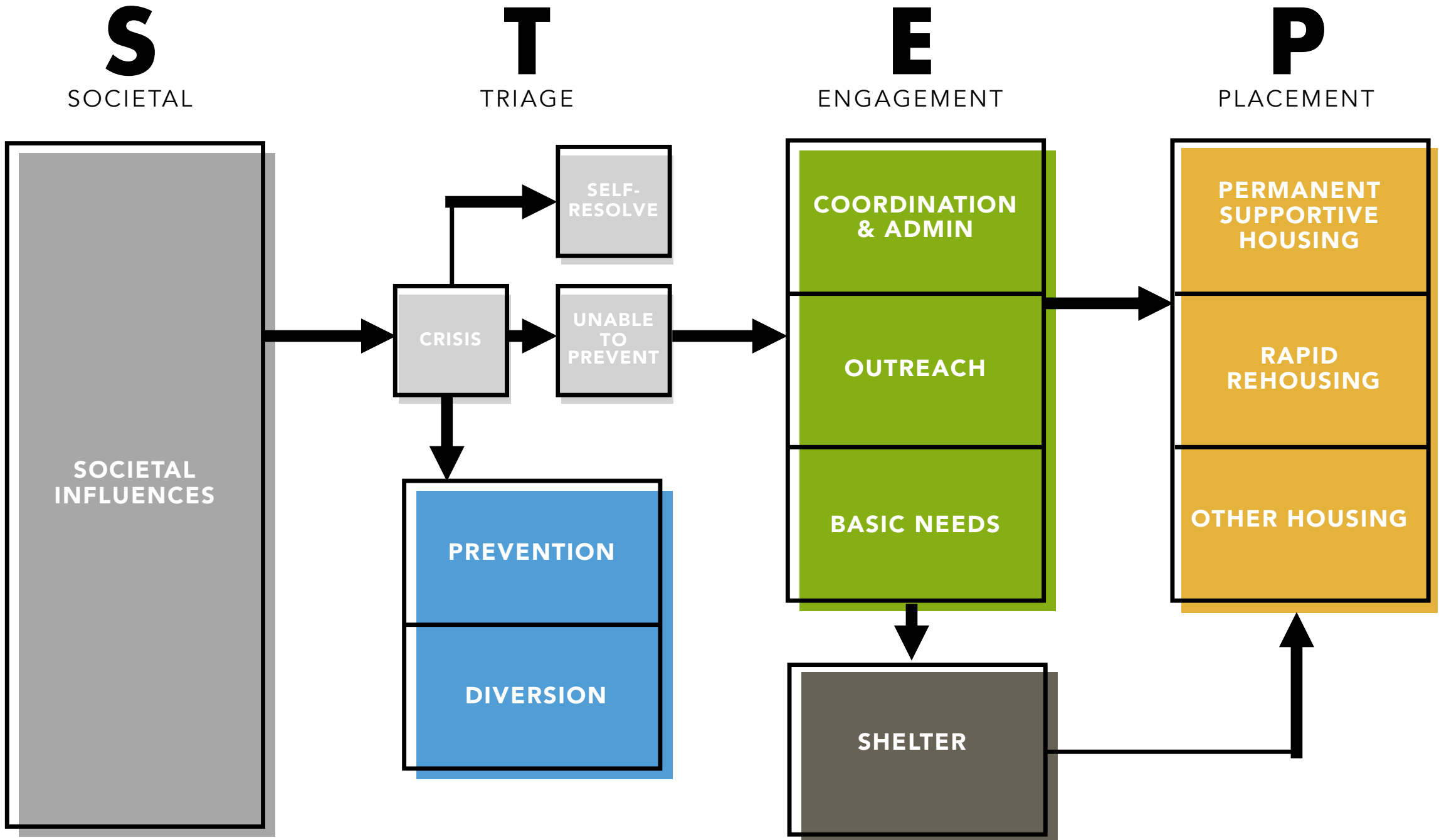
By visualizing the potential paths a person might take through a homeless system of care, STEP is a way of thinking about how to put the programmatic building blocks together.

S – Societal: The conditions that are making it more likely for a personal crisis to result in homelessness

T – Triage: Creating a crisis response system that can quickly prevent and divert people from homelessness

E – Engagement: Having a clear process for identifying and coordinating care for people who are currently homeless

P – Placements: Orienting every point of engagement towards permanent housing



S: Societal

These are the national, regional, and local societal forces increasing the likelihood and duration of homelessness:

The cost of living

The presence or absence of behavioral health supports

The extent to which local social service systems can respond to personal crises (e.g., eviction, job loss, domestic violence)

The unique needs of individual subpopulations, such as BIPOC, TAY, LGBTQ+, seniors

In a fundamental way, homelessness is a symptom of these other problems.

T: Triage

“Triage” occurs when someone is at immediate risk-of or has just become homeless.

It includes “**prevention**”, or literally trying to stop that episode of homelessness from happening.

It also includes “**diversion**”, which is trying to find rapid housing solutions outside of the traditional homeless service system (e.g., reconnecting a person with family or friends)

Importantly, given the often finite and limited capacity of homeless services, diversion can and should happen throughout every part of the system of care.

E: Engagement

If a household does become homeless, “Engagement” is the process of connecting with a person to chart a path back to housing.

Engagement includes the **administration & coordination** that supports data sharing, case conferencing, and other service navigation processes.

It also includes **outreach** and **drop-in / basic needs** services (e.g., food, hygiene, laundry) designed to connect with people who are primarily unsheltered.

Finally, it includes **shelter** placements, which are an interim step on the way back to permanent housing.

P: Placement

“Placement” is the goal of the entire system – it’s getting people back into permanent housing as quickly as possible.

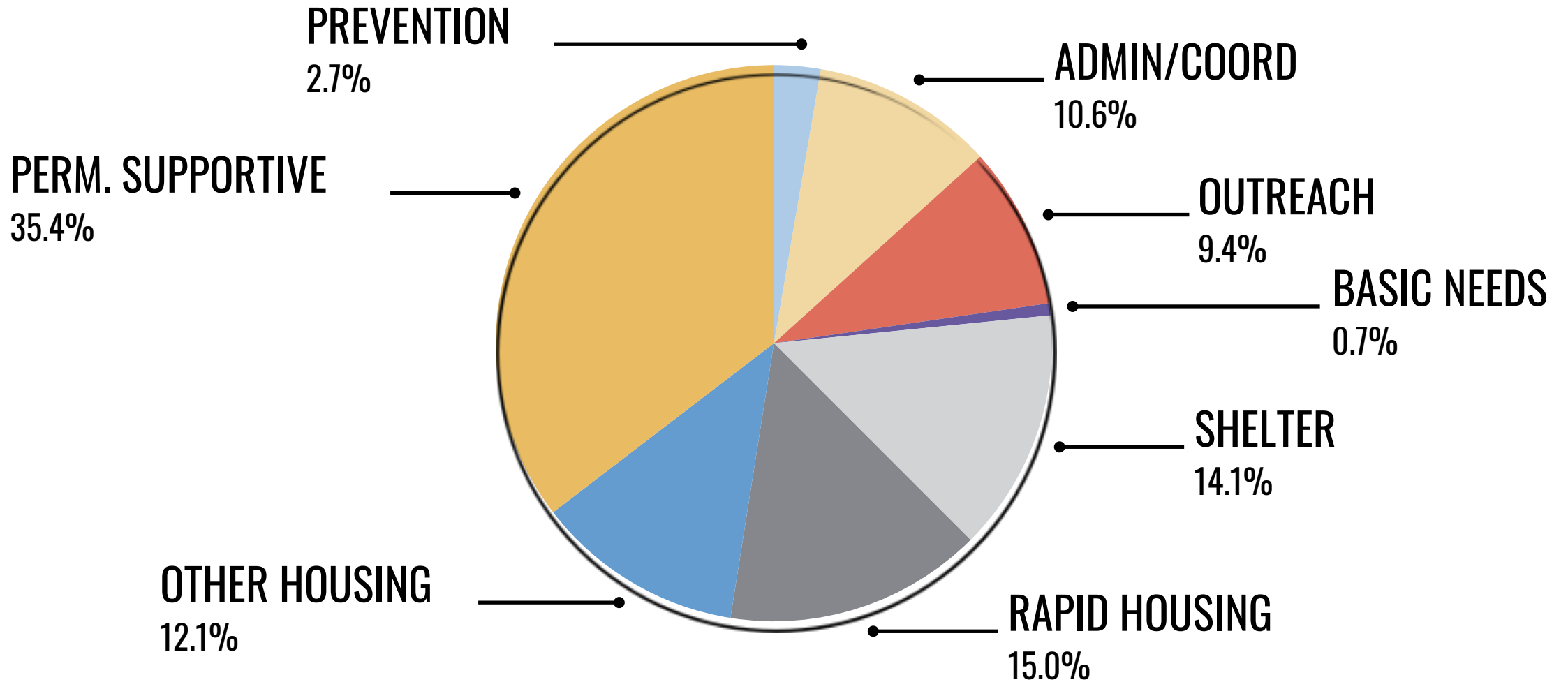
It includes “**permanent supportive housing**” (PSH), the data driven solution to chronic homelessness.

It also includes “**rapid rehousing**” (RRH), a timebound case management and housing intervention for people with lower levels of acuity.

Finally, it also includes the broader ecosystem of “**other housing**” programs, interventions, and supports (e.g., treatment options, landlord recruitment, home-sharing, financial assistance).

**What Is Our Current
Investment Across These
Services Areas?**

Current Service Portfolio



Is This the Right Service Mix?

The CoC's Strategic Plan

In 2022, the County and CoC worked with HomeBase to develop and adopt a five-year strategic plan for improving the local system of care. This countywide plan attempted to align and synergize other subregional planning efforts (e.g., Petaluma, Santa Rosa, Sonoma Valley, North County), as well as other regional frameworks (e.g., All Home's 1-2-4 model) and funding requirements.

Advancing This Effort

This report is intended to align with and supplement HomeBase's plan by outlining funding recommendations (detailed in Section V) that will help the Sonoma County homeless system of care implement its strategic priorities. Examples of those investments include ...

“Year 1” Funding References (2023)

Fund 100 new non-congregate shelter units

Fund 200 new PSH units

Improve staffing ratios (i.e., fewer clients per staff member)

Effectively leverage CalAIM

Create a subregionalized street outreach system

Create coordination capacity for subregional by-name-lists

Improve data infrastructure

**The Strategic Plan also calls
for more research and analysis
in certain areas.**

“Year 1” Research Priorities (2023)

Prevention

Diversion

Rapid rehousing

Turning congregate shelter into non-congregate

Basic needs services

Safe parking

Implications

Importantly, these investment and research priorities tie back to the analysis of the Modern Homelessness Crisis in Section II.

At the risk of oversimplification, the current “Year 1” funding priorities are pointing towards a strong initial focus on solutions to long-term, chronic homelessness.

By comparison, the “Year 1” research priorities are more closely aligned with solutions for “short-term” homelessness (e.g., prevention, diversion, rapid rehousing).

The recommendations and analysis in the remainder of this report reflect a focus on these “year one” priorities. This plan can and should be revisited in the second half of 2023 to reflect research findings for the second category of programs.

Quantifying Investment Over Time

Service Area	Current* 2022	Goal	Year 1 2023	Year 2 2024	Year 3 2025	Year 4 2026	Year 5 2027
Prevention	Unknown	Study in Year 1	TBD	TBD	TBD	TBD	TBD
Diversion	0	Study in Year 1	TBD	TBD	TBD	TBD	TBD
Outreach / Coordination	Unknown	1 FTE per Region	100%	---	---	---	---
Outreach	Unknown	1:25 for 50%**	---	25%	35%	45%	50%
Basic Needs	Unknown	Study in Year 1	TBD	TBD	TBD	TBD	TBD
Emergency Shelter	1,146	200 more units	+100	+100	---	---	---
Perm. Supportive Housing	1,051	1,000 more units	+200	+200	+200	+200	+200
Rapid Rehousing	402	Study in Year 1	TBD	TBD	TBD	TBD	TBD

* Based on the 2022 Housing Inventory Count (HIC)

** This ratio is saying that of the total number of people experiencing unsheltered homelessness, 50% will have access to outreach case management with a 1:25 caseload capacity (more details in Section V)

V. Funding Recommendations

For the past 40 years, local communities have been attempting to mount their own unique responses to the Modern Homelessness Crisis.

If we want to see different results, we need to begin operating in different ways.

**As one member of the Sonoma
County Lived Experience Board
expressed during this process,
“Homelessness has always
been a crisis for me.”**

Knowing what we know now, if this crisis had only just started, what type of crisis response system would we build to address it?

Animated by that spirit, this section will outline seven (7) process, program, and funding recommendations that could dramatically transform the system of care.

Overview of Strategies

-
1. Benchmark to the most effective interventions

 2. RFP for benchmarked interventions

 3. Expanded outreach through “sub-regionalization”

 4. 1,000 new permanent supportive housing (PSH) units

 5. Find cost saving synergies

 6. 200 new non-congregate shelter (NCS) units

 7. The creation of a community homeless fund

Cost of Living Disclaimer

Please note that the funding models and frameworks in the remainder of this report are primarily intended to be conceptual in nature.

As such, for simplicity's sake, **the included funding projections are NOT adjusted for inflation.**

As this plan is endorsed, adopted, and implemented by local funders, it will be important to create updated, inflation-adjusted budgets prior to executing any formal, long-term contracts.

#1: Benchmark

We should not reinvent the wheel. Instead, the CoC should research and determine the most effective versions of different interventions (e.g., prevention, PSH, RRH). These “best” versions, including their associated costs, should become the building blocks for future financial and programmatic planning.

Example: Prevention

Homelessness prevention is a significant priority in HomeBase's Strategic Plan, as well as All Home's regional 1-2-4 Model (which the County and CoC have endorsed).

Using All Home's 1-2-4 model, it is estimated that we need approximately 5,200 prevention interventions per year to finally get ahead of the inflow of people falling into homelessness.

The Strategic Plan has recommended that we research prevention in Year 1 (2023). If we approached this from a benchmarking perspective, it might look like the following:

How To Benchmark Prevention

1. STANDARDIZE – Define what we mean by “prevention.” What does the average prevention intervention involve? Is it financial? Is it ongoing case management? Is it both?

2. INVENTORY – Analyze current prevention demand and available services (e.g., in 2022 Sonoma County distributed \$35M through the State’s Emergency Rental Asst. Program).

3. BENCHMARK – How do local programs (e.g., Petaluma People Services) compare with regional models (e.g., Destination:Home, Keep Oakland Housed)?

4. MODEL INVESTMENT – Match expected demand with a standard or average intervention cost to establish an annual operating budget for prevention.

Ex. Santa Clara County

For the last five years Santa Clara County has operated a prevention program resulting in 98% of financially assisted households staying housed (compared to 93% who did not receive financial assistance). The **average** cost per intervention has been \$5,600.

Applying This to Sonoma ...

Given the expected demand in Sonoma County (5,200 interventions per year), replicating this program locally would cost \$29.1M per year.

Generating Data for Societal Change

While this type of investment would be significant (37% of current homelessness spending), prevention obviates later, more expensive interventions. Importantly, data from robust prevention efforts could also help inform “upstream” policy fixes that could further reduce the risk and likelihood of homelessness in the first place.

This type of benchmarking cannot simply be an academic process. It must be actively incorporated into the system of care.

For example, when many communities have available funding, they simply establish spending priorities and create a Requests for Proposals (RFP) process.

The RFP process, then, is only as effective as the applications received, which could yield very different service proposals for essentially the same interventions.

**This is backwards and
ineffective.**

#2: RFP to Benchmarks

When issuing RFPs, the County, CoC, and other funders should seek qualified providers who can implement the benchmarked version(s) of the requested service(s). When needed, funders should be prepared to provide additional financial assistance and training to help providers get to the benchmarked version of the requested service(s).

The City of Petaluma

In the fall of 2022, the City of Petaluma created an RFP process for outreach and landlord recruitment that explicitly asked for organizations and programs that could implement specific best practices outlined in the RFP itself.

With clear a clear and focused benchmarking and procurement process, we can turn our attention to the investments we have said we're going to make.

#3: Expanded Outreach and Admin

There are three explicit Year 1 funding priorities in the Strategic Plan. The first is to increase administration, coordination, and outreach capacity to engage more people who are currently experiencing chronic homelessness. This can and should be done through “sub-regionalization.”

Built for Zero – Sonoma County’s involvement with Built for Zero means we need a process and policies for identifying all persons experiencing chronic homelessness in the community on a monthly basis.

Scale – Sonoma County is larger than some states. It is difficult to centrally coordinate “on-the-street” care in such a sprawling geography.

The Lived Experience – *Generally* speaking, people experiencing homelessness tend to utilize services in specific cities or subregions.

Manageability – On a weekly meeting basis, it is hard to coordinate care for more than 20; on a quarterly basis, more than 200-300

Not Reinvesting the Wheel – Other large counties in California (e.g., Alameda, Santa Clara, Los Angeles) have created specific service subregions or geographic Coordinated Entry access points to ensure care.

Existing Momentum – In practice, there is already local “by-name-list” coordination happening in different subregions (e.g. Petaluma, North County, Sonoma Valley).

“Sub-regionalization”

Sonoma County’s “on-the-street” response to homelessness should be sub-divided into more manageable service areas, based on both where people are already tending to cluster for services and management capacity to effectively coordinate care for a given area.

Importantly, we can begin applying our “benchmarking” process to this new capacity.

Vision: A Manager for Each Sub-Region

The point person for local efforts

Coordinates a regular “by-name-list” meeting

Shares best practices with other sub-regional managers

Manages and allocates locally accessible resources (e.g., local non-congregate shelter capacity)

Shares gaps with countywide partners and advocates for needed resources

Vision: A Standard Outreach Model

Outreach "Pairs" of two outreach workers

Each outreach worker will maintain a 1:25 caseload

Each team will be able to support 50 people

Caseloads will be assigned through the local by-name-list effort (i.e., the local sub-regional manager)

We should aim to have this level of outreach or better for at least 50% of people experiencing unsheltered homelessness.

The Cost

There are efforts currently underway through the County and CoC to determine potential subregions (likely between 6-8).

In determining costs, this plan has incorporated provider feedback about ensuring competitive compensation.

It assumes a subregional manager would cost \$120,000 per year, as well as a director for \$150,000.

It assumes each outreach worker costs \$100,000 (or \$200,000 per team).

Finally, it assumes a 20% overhead rate for the management of these outreach teams (\$240,000 per team).

The Cost of “Sub-Regionalization”

Region	Unshelt. (2022)	Shelt. (2022)	Total (2022)	Regional Mgmt*	Outreach Pairs	Outreach Cost	Regional Subtotal
North County	199	4	203	\$138,750	2	\$480,000	\$618,750
RP / Cotati	294	7	301	\$138,750	3	\$720,000	\$858,750
Petaluma	133	163	296	\$138,750	1	\$240,000	\$378,750
West County	290	37	327	\$138,750	3	\$720,000	\$858,750
Sonoma Valley	54	34	88	\$138,750	1	\$240,000	\$378,750
Santa Rosa**	728	798	1,526	\$416,250	8	\$1,920,000	\$2,336,250
						TOTAL COST	\$5,430,00

* Have spread the cost of the director (\$150,000) across the eight subregions

** Assumes three subregions in Santa Rosa

**Interestingly, we are currently
spending \$7.5M a year for
outreach services.**

Thus, using this model and these assumptions, we could actually “save” \$2.1M a year while likely serving more people than we currently are.

#4: 1,000 New PSH Units

The second Year 1 investment area specifically called for in the Strategic Plan is a dramatic expansion of permanent supportive housing (PSH).

**First, though, we need a
definition.**

Housing First – “The How”

Housing First is a process, policy, and philosophy whereby communities offer unconditional permanent housing as quickly as possible and then offer intensive, wraparound support services afterward. Housing First was originally conceived while trying to support people experiencing chronic homelessness.

PSH – “The What”

If Housing First is the how, then PSH is the what. It is the programmatic combination of ongoing subsidized housing AND the availability of intensive wraparound support services. Over the past 30 years, PSH has proved to be the data driven best practice for solving chronic homelessness.

PSH – Subsidized Housing

In terms of housing support, PSH relies on long-term, ongoing housing subsidies. This does not mean “free” housing. Instead, PSH residents pay an affordable portion of their income (e.g., 30%) and the housing subsidy covers the remaining balance up to market rate. This could be funded through capitalized operating subsidies, housing vouchers, or other ongoing funding sources.

PSH – Wraparound Services

PSH only works when intensive and comprehensive wraparound services are offered. Importantly, communities having the most success with PSH recognize that there is often a continuum of service intensity needed, ranging from weekly case management visits to on-site, 24/7 service staffing.

A More Nuanced Service Portfolio

Intervention	Description of Services	Annual Cost	Approx. % of Need
“Standard” PSH Case Management	A case manager with a low caseload of clients (ideally no more than 1:15).	\$6,667 per client, \$100,000 per case manager	50%
Assertive Community Treatment (ACT)	A multi-disciplinary team typically serving people with severe behavioral health challenges. Team caseloads are around 1:10 – 1:12.	\$17,000 per client, \$1,700,000 per team	25%
24/7 On-Site	Clients are free to come and go, but there is a 24/7 staff and service presence.	Varies by project but assume \$30,000 per client.	20%
Beyond the System	Support beyond the homeless system of care for people with severe impairments (e.g., dementia, traumatic brain injuries, significant behavioral and/or physical health conditions)	A service offered outside of the traditional homeless system of care	5%

**According to the 2022 Housing
Inventory County (HIC), Sonoma
County has 1,051 PSH Units.**

**In actuality, it's a bit more
complicated than that.**

**If we think of PSH as something
the Coordinated Entry System
should be able to refer to a
chronically homeless single
adult in our community ...**

Deeper Analysis

Approximately 42% of existing PSH capacity (or 444 units) is reserved for Veterans (through HUD VASH).

267 current PSH units are “voucher-only” (e.g., mainstream, Super CE). They do not require services.

Just 51% of the total PSH inventory (or 536 units) is currently “referrable” through CE.

Thus, the HIC total of 1,051 units is misleading because of subpopulation requirements, Coordinated Entry participation, and insufficient services. In practice, just 222 units (or 21% of all units) are “true” PSH units referrable to chronically homeless single adults.

PSH Pipeline

Encouragingly, of the 1,000 new proposed units over the next 5 years, at least 197 will be available in 2023.

This number is the result of 5 different Project Homekey sites that will be coming online in 2023.

All of these new units are for chronically homeless single adults, and referrals will be made through CE.

All of these sites include project-based housing vouchers, which will cover long-term operating and service costs.

**Therefore, in Years 2, 3, 4, and 5,
we need to create approximately
800 additional units.**

To achieve this, we should pursue the following four sub-strategies:

#4a: Backfill Services

First, before adding any new units, on an as needed basis, we should backfill services to existing “PSH” units that lack them.

Backfilling Services

267 current PSH units are “voucher-only” (e.g., Mainstream, Super CE). They do not require services.

Additionally, the 2022 HIC does not include approx. 285 new COVID Emergency Housing Vouchers (EHVs).

EHVs in Sonoma County have been going to chronically homeless individuals with lower levels of acuity.

Like the Mainstream and Super CE vouchers, the EHVs have not required supportive services or case management.

Assuming the use of "Standard PSH Case Management," for 552 vouchers, we need up to \$3.7M in additional service dollars every year.

Presumably, a significant number of these 552 individuals, even without guaranteed services, have remained housed.

Thus, new service capacity could be scaled, prioritized, and targeted towards individuals as they become at-risk of losing their housing.

Because of the nuance around implementing this sub-strategy, for the purposes of this report, these “improved” PSH units are not counted towards the 1,000 total.

#4b: Housing Voucher Turnover

For the remaining 800 new PSH units we need to create in Years 2, 3, 4, and 5, we could create 600 scattered site PSH units by pairing “local”* service dollars with even more federal housing vouchers.

*This could include “locally controlled” State and Federal funding

**Every year approximately 8-10%
of overall housing voucher
capacity in Sonoma County, or up
to 500 vouchers, becomes
available through “turnover.”**

By matching sufficient services with these housing vouchers, we can rapidly develop hundreds of new PSH units.

In pursuing this strategy, we should utilize the PSH service portfolio described earlier.

Services for 800 PSH Units

Intervention	Service Level	Unit Cost	% Needed*	# Needed	Annual Service Cost
“Standard” PSH	1:15 Case Ratio	\$6,667 per client	50%	400	\$2,668,000
ACT Teams	100 Clients / Team	\$1,700,000 per team	25%	200	\$3,400,000
24/7 On-Site	24/7 On-Site	FUTURE HOMEKEY	19%	152	Recommendation 4c
Beyond the System	E.G. Care Court	BEYOND SYSTEM	6%	48	Recommendation 4d
Landlord Recruitment*	---	\$2,000,000	---	---	\$2,000,000
Services for 600 Scattered Site Units for					\$8,066,800
Potential Value of Vouchers (1 bedroom units)					\$13,377,600
“Local” to Federal Funding Leverage					1.6x match

** This strategy will only work if there is a sustained and proactive landlord engagement effort to ensure vouchers are actually placed in the community.*

**By investing \$8.1M a year on
Standard PSH services, two
ACT Teams, and landlord
recruitment for 600 new
scattered site units ...**

... we could more effectively leverage \$13.4M in federal funding that our community is already receiving, a 1.6x investment multiple.

**To do this, we would need 120
new vouchers per year, or
roughly 24% of annual voucher
turnover across Sonoma County's
two Housing Authorities.**

#4c: Homekey for 24/7 Sites

In addition to all of these scattered site units, we also need approximately 150 "project-based" units that could provide settings for 24/7 services. The capital funding for these sites could come through Project Homekey. The service and operating funding could come from project-based vouchers, plus additional local support.

Leveraging Project Homekey

The State has only officially authorized one more round of Project Homekey funding (2023).

Thus, in the coming year, the region should prioritize Homekey sites that could accommodate 24/7 services.

An example of this would be self-contained buildings that only have single points of entry and exit.

To ensure financial sustainability for the intensive nature of anticipated service needs, in addition to project-based vouchers, we should budget additional service subsidies.

We would need to project base at least 30 vouchers per year to support this sub-strategy.

**Combined with 4b, we would need
150 vouchers per year, or 30%
of the annual turnover across
Sonoma County's two Housing
Authorities.**

**For these more intensive units,
we should budget an additional
\$15,000 per unit per year, or
\$2,250,000 per year total, to
cover increased service needs.**

#4d: Beyond the System

For an extremely small subset of people (approximately 50 individuals), more intensive supportive services outside of the homeless system of care must be identified and leveraged (e.g., conservatorships, Care Court, skilled nursing facilities, dementia care facilities, institutions for mental disease (IMDs)).

#5: Find Cost Saving Synergies

This new service capacity, especially for PSH, is substantial, and when possible, we should try to invest in and/or repurpose existing services that could actually serve multiple functions within the system.

For example, right now the region already funds two multi-disciplinary outreach teams (IMDT, HEART).

**These teams have many of the
same components typically
found in Assertive Community
Treatment (ACT) teams.**

Thus, IMDT and HEART could shift to being ACT teams while continuing to provide outreach prior to housing placements.

Importantly, under a sub-regionalized system, ACT referrals could be allocated across subregions to address those local individuals with the most complex needs.

Subregional ACT Team Referrals

Region	% of Total Need*	# of Slots**
North County	7%	14
RP / Cotati	11%	22
Petaluma	11%	22
West County	12%	24
Sonoma Valley	3%	6
Santa Rosa	56%	112
TOTAL SERVED		200

* Based on 2022 PIT subregions

** Based on two teams serving a total of 200 people

**Maintaining the goal of
providing caseload-based
outreach to at least 50% of
people currently experiencing
unsheltered homelessness ...**

**... with two ACT Teams serving
200 people, the region would
need four fewer outreach pairs
(a \$960,000 savings).**

Thus, combining this new ACT model with a sub-regionalized outreach system would only cost \$400k more than what we're currently spending on outreach.

Updated Combined Outreach Costs

Region	Unshelt. (2022)	Shelt. (2022)	Total (2022)	Regional Mgmt*	Outreach Pairs	Outreach Cost	Regional Subtotal
North County	199	4	203	\$138,750	2	\$480,000	\$618,750
RP / Cotati	294	7	301	\$138,750	3	\$720,000	\$858,750
Petaluma	133	163	296	\$138,750	1	\$240,000	\$378,750
West County	290	37	327	\$138,750	3	\$720,000	\$858,750
Sonoma Valley	54	34	88	\$138,750	1	\$240,000	\$378,750
Santa Rosa**	728	798	1,526	\$416,250	8	\$1,920,000	\$2,336,250
ACT Teams	---	---	---	---	IMDT & HEART	\$3,400,00	\$3,400,000
4 Fewer Pairs	---	---	---	---	4 Fewer	(\$960,000)	(\$960,000)
						TOTAL COST	\$7,870,000

#6: 200 New NCS units

In addition to expanded outreach, administration, and PSH, the final explicit Year 1 investment area in the Strategic Plan is increased non-congregate shelter (NCS).

Like permanent housing programs, shelter programs also require one-time capital investments, as well as ongoing service and operating budgets.

Recent Program Costs

Type	Program	# of Units	Total Startup Costs	Per Unit Startup Costs	Total Annual Operating	Per Unit Annual Operating
Conversion	L&M Village	22	\$5,720,000	\$260,000	\$841,000	\$38,227
Tiny Homes	People's Village	25	\$1,000,000	\$40,000	\$417,000	\$16,680
Tiny Homes	HAS – Sonoma Valley	20	\$2,000,000	\$100,000	\$800,000	\$40,000
Tiny Homes	Los Guilicos Village	60	N/A	N/A	\$2,000,000	\$33,333
Modular	Labath Landing	60	\$11,400,000	\$190,000	\$1,820,000	\$30,333
Safe Parking	Horizon Shine	20	N/A	N/A	\$780,000	\$39,000
Safe Parking	SR Safe Parking	50	\$34,000	\$680	\$1,300,000	\$26,000
Safe Sleeping	SR 2020 Safe Sleeping	68	\$5,000	\$74	\$1,209,000	\$17,779
Safe Sleeping	Robert's Lake	68	\$250,000	\$3,676	\$2,000,000	\$29,411

With the exception of two outliers, per unit annual operating costs for NCS is running about \$35,000 a year.

To expand capacity by 200 units, we would need to budget an additional \$7,000,000 per year for operating and service costs.

On the capital side, start up costs have varied quite significantly across project types.

At approximately \$40,000 per unit, “Tiny home” projects like People’s Village or Los Guilicos appear to be roughly 20% of the cost of modular or conversion.

Thus, if the 200 new NCS units are all tiny home projects, then we would need approximately \$8,000,000 in one-time capital.

Alternatively, like Labath Landing, the region could also try to utilize Project Homekey as a source of capital funding for this effort.

With Homekey, however, we should be mindful of the State's required long-term financial commitments for the service and operating costs.

#7: A Community Homeless Fund

Finally, on the local revenue side, Sonoma County is already fortunate to have Measure O funding. Beyond that, there are significant differing levels of per capita homelessness spending by local jurisdictions. To create consistency and reliability over time, local jurisdictions could begin pooling their funding together for high-impact investments.

As previously described, when creating scattered site PSH, the local community could realize a 1.6x federal funding match (from housing vouchers).

To further incentive this type of local investment, we could use the sub-regionalized system to create sub-regional PSH allocations.

City-Funded* PSH Units (200 slots)

Region	% of Total Need	# of Slots	Regional Funding
North County	7%	14	\$93,338
RP / Cotati	11%	22	\$146,674
Petaluma	11%	22	\$146,674
West County	12%	24	\$160,008
Sonoma Valley	3%	6	\$40,002
Santa Rosa	56%	112	\$746,704
TOTALS		200	\$1,333,400

* Rather than having the County or CoC pay for all 400 units of “Standard PSH Services,” what if the subregions paid for half (200 x \$6,667 = \$1,333,400)? The subregions could then have a proportional, dedicated set aside of these units.

VI. Bringing It All Together

Across dozens of different revenue streams and funders, we are spending approximately \$79.4M a year on homelessness.

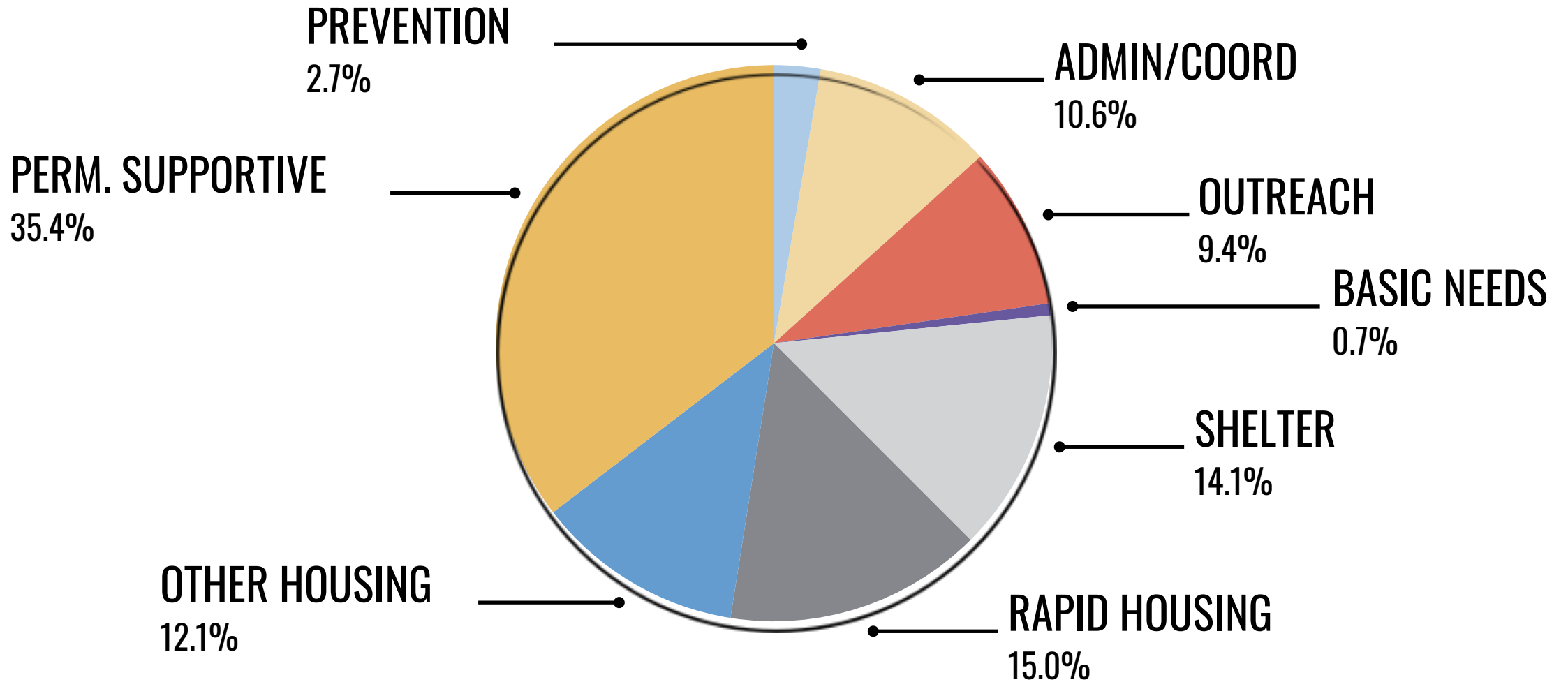
Current strategic planning efforts have outlined significant new investments, which on the surface could cost \$26.3M in Year 1 and reach \$47.6M by Year 5.

Anticipated Total Costs Over Time

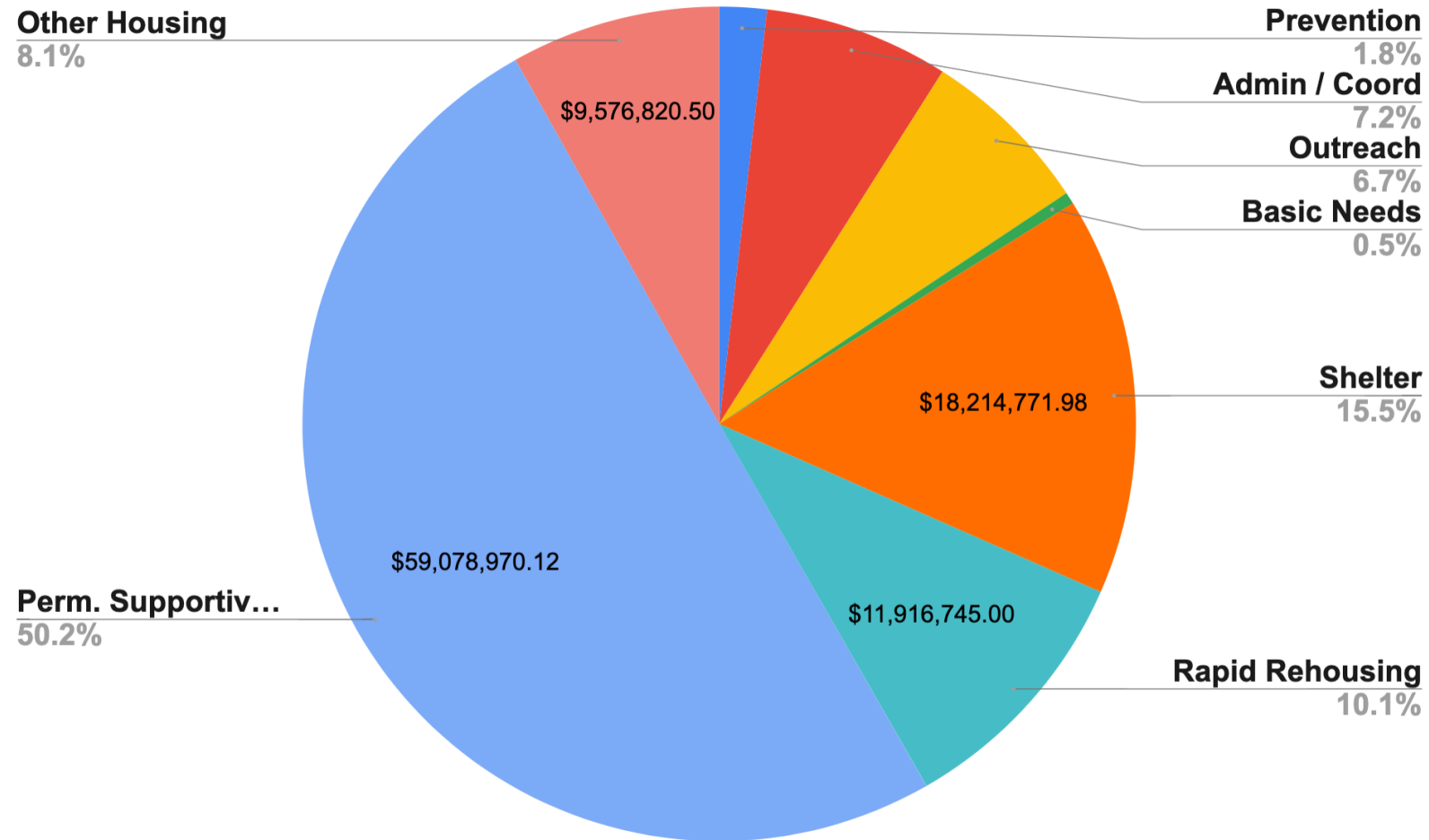
Service Area	Intervention	Year 1 (2023)	Year 2 (2024)	Year 3 (2025)	Year 4 (2026)	Year 5 (2027)
Outreach	Sub-regionalized Outreach System	\$5.4M	\$5.4M	\$5.4M	\$5.4M	\$5.4M
PSH	Landlord Recruitment	\$2M	\$2M	\$2M	\$2M	\$2M
PSH	Backfill PSH Case Mgmt.	\$3.7M	\$3.7M	\$3.7M	\$3.7M	\$3.7M
PSH	Housing Subsidies (150 / year)	\$3.3M	\$6.6M	\$10M	\$13.4M	\$16.7M
PSH	“Standard” PSH Case Mgmt.	\$2.7M	\$2.7M	\$2.7M	\$2.7M	\$2.7M
PSH	Additional 24/7 PSH services	---	\$2.3M	\$2.3M	\$2.3M	\$2.3M
PSH / Outreach	ACT Team #1	\$1.7M	\$1.7M	\$1.7M	\$1.7M	\$1.7M
PSH / Outreach	ACT Team #2	---	\$1.7M	\$1.7M	\$1.7M	\$1.7M
NCS	Shelter Capital Funding	\$4M	\$4M	---	---	---
NCS	Shelter Operating Funding	\$3.5M	\$7M	\$7M	\$7M	\$7M
Revenue Loss	Continuing Newly Funded Programs	---	---	---	\$4.4M	\$4.4M
	Net Needed	\$26.3M	\$37.1M	\$36.5M	\$44.3M	\$47.6M

These investments would dramatically expand capacity in our system, particularly around permanent supportive housing and non-congregate shelter

Current Service Portfolio



Year 5 Service Portfolio (UPDATING GRAPHIC)



**On an annualized basis, our
Year 5 service portfolio would
cost \$117.8M per year.**

Importantly, however, by utilizing the seven recommendations outlined in Section V, the “local” price tag for this increased investment can be significantly minimized.

Net Local Need after Recommendations

Intervention	Funding Strategy	Year 1 (2023)	Year 2 (2024)	Year 3 (2025)	Year 4 (2026)	Year 5 (2027)
Sub-regionalized Outreach	Repurpose existing contracts	\$0.4M	\$0.4M	\$0.4M	\$0.4M	\$0.4M
Landlord Recruitment	ARPA through 2025	\$0	\$0	\$0	\$2M	\$2M
Backfill PSH Case Mgmt.	Need to find – phase over time	\$0.7M	\$1.5M	\$2.2M	\$3M	\$3.7M
Housing Subsidies (120 / year)	Leverage housing vouchers	\$0	\$0	\$0	\$0	\$0
“Standard” PSH Case Mgmt.	Need to find – phase over time	\$0.5M	\$1.1M	\$1.6M	\$2.2M	\$2.7M
Additional 24/7 PSH services	Need to find	---	\$2.3M	\$2.3M	\$2.3M	\$2.3M
ACT Team #1	Repurpose HEART (2023)	\$0	\$0	\$0	\$0	\$0
ACT Team #2	Repurpose IMDT (2024)	---	\$0	\$0	\$0	\$0
Shelter Capital Funding	Need to find	\$4M	\$4M	---	---	---
Shelter Operating Funding	Need to Find	\$3.5M	\$7M	\$7M	\$7M	\$7M
Loss of Pandemic Revenues	Need to Find (landlord above)	---	---	---	\$2.4M	\$2.4M
	Net Needed	\$9.1M	\$16.3M	\$13.5M	\$19.3M	\$20.5M

While the funding need is still substantial, it is more manageable given anticipated incoming revenues.

Funding Acronyms

ARPA – American Rescue Plan

CaAIM – California Advancing and Innovating Medi-Cal

CDBG – Community Development Block Grant

CESH – California Emergency Solutions and Housing

ERF – Encampment Resolution Funding

ESG – Emergency Solutions Grant

HHIP – Housing and Homelessness Incentive Program

HHAP – Homeless Housing, Assistance and Prevention

NPLH – No Place Like Home

PLHA – Permanent Local Housing Allocation

Project Homekey – State capital & service dollars for housing

For example, in Year 1 (2023) and Year 2 (2024), we need \$25.4M. CalAIM's HHIP grant alone, which covers this exact period, will provide \$19.1M.

Then, factoring in an improved understanding of how to utilize CalAIM's enhanced care management and community supports, new rounds of funding sources like ...

... HHAP, ERF, and Project Homekey, a commitment around increasing local city and County investment, and additional cost saving strategies, this vision becomes even more achievable.

**It is possible to end
homelessness, and these
investments can get us closer to
that reality.**

Appendix

Outline of Detailed Funding Breakdown

1. City

2. Measure O

3. County of Sonoma

4. CalAIM & HHIP

5. Other State

6. Housing Vouchers

7. Other Federal

Funding Acronyms

ARPA – American Rescue Plan

CaIAIM – California Advancing and Innovating Medi-Cal

CoC – Continuum of Care

CDBG – Community Development Block Grant

CESH – California Emergency Solutions and Housing

ERF – Encampment Resolution Funding

ESG – Emergency Solutions Grant

HHIP – Housing and Homelessness Incentive Program

HHAP – Homeless Housing, Assistance and Prevention

NPLH – No Place Like Home

PLHA – Permanent Local Housing Allocation

Project Homekey – State capital & service dollars for housing

1. Cities

Cities are currently oversee and administer \$11.6M a year on homeless services.

\$8.6M is coming directly from city sources (e.g., general funds, housing in-lieu fees).

\$3M in local spending is coming from State and Federal sources that cities control (e.g., CDBG, ARPA, ERF).

\$1.3M of this pass through is “predictable” and “renewable” (i.e., CDBG); whereas, \$1.7M will expire within the next four years (i.e., ARPA, ERF, Homekey operating subsidies).

Crisis Mobile Outreach

Petaluma, Rohnert Park, Cotati, and Santa Rosa currently fund CAHOOTS-style “crisis mobile outreach.”

These cities are collectively spending \$3.5M a year on this alternative to traditional PD, FD, and EMS crisis responses.

This plan acknowledges this spending but has not included it as either a source of revenue or a homelessness expense.

Based on data from the SAFE Team specifically, 25% of annual clients are homeless, and 10% are housing insecure.

These are not “homeless only” programs, and it would be ill-advised to divest from them even if we solve homelessness.

2. Measure O

Measure O is a local ¼ cent countywide sales tax designed to fund behavioral health and homeless services.

Measure O is expected to generate approximately \$25M a year in revenue over a 10-year period (expiring in 2031).

The County of Sonoma's Department of Health Services develops the expenditure plan across five funding buckets.

While all funding buckets in some way impact homelessness, buckets 4 and 5 are the most directly and explicitly linked.

Buckets 4 and 5 represent 16% of total revenues from Measure O, or approximately \$4M per year.

Measure 0 Funding Categories

#	Service Area	% of Total*	Expected Funding**	Currently Supported Efforts
1	Behavioral Health Facilities	22%	\$5,500,000	---
2	Emergency Psych / Crisis	44%	\$11,000,000	---
3	Outpatient SUD Treatment	18%	\$4,500,000	---
4	Behavioral Health Homeless	14%	\$3,500,000	IMDT, HEART
5	Supportive Housing	2%	\$500,000	Match for Project Homekey
		TOTAL	\$25,000,000	

* Funding allocations determined in original ballot measure

** Will fluctuate based on actual revenue collected

3. County of Sonoma

The County of Sonoma currently administers approximately \$19M a year in homeless service funding.

\$2.3M is coming directly from the County itself (e.g., County general fund).

\$16.7M is coming from State and Federal sources, mostly for social service programs that the County is required to operate.

Based on current expenditures, of this State and Federal pass-through funding, \$2.7M will expire within the next two years (i.e., ARPA funding).

4. CalAIM

CalAIM is a far-reaching, multi-year State effort to better integrate healthcare funding with social service delivery.

CalAIM is based around the idea that addressing “social determinants of health” can drive down health costs.

Under CalAIM, the State contracts with managed care plans (MCPs) to provide coverage for people enrolled in Medi-Cal

MCPs, in turn, contract with agencies to provide per member per month compensation for eligible CalAIM services.

The State has acknowledged there are still significant hurdles to implementing this program, and it will take many years to fully integrate. In some cases, funding guidance is still unclear.

Enhanced Care Management

CalAIM has three primary components: enhanced care management, community supports, and HHIP.

Enhanced care management providers are required to meet members where they are – at a shelter, on the street, etc.

Eligible members will generally be Medi-Cal enrolled, homeless “high “service utilizers” (e.g., multiple ER visits).

Providers can receive \$386 per member per month, which must be renewed every six months.

In practice, it appears that most enhanced care management providers will be Federally Qualified Health Clinics (FQHCs).

Community Supports

MCPs can also contract with local service providers to offer up to 14 different pre-identified “community supports.”

Community supports might include: housing navigation, security deposits, and short-term post-hospitalization housing

Rates for these different services will vary (e.g., there is a one-time up to \$5,000 benefit for security deposits).

A creative use of these funding streams could offset significant costs in programs like rapid rehousing.

Community supports appears to be more specifically designed for traditional homeless service providers.

HHIP

The Housing and Homelessness Incentive Program is a one-time grant program totaling \$1.3B.

To access HHIP, each MCP must work with the local County and Continuum of Care to develop a “Local Homeless Plan.”

Sonoma County, in collaboration with Partnership Health (our MCP), finalized this plan in the summer of 2022.

Over the next two years (calendar years 2023 and 2024), Sonoma County will receive up to \$19.1M from HHIP.

While the County has submitted an initial budget, the State allows the funding categories and amounts to fluctuate over time.

Anticipated HHIP Expenditures

Service Area	Expected Funding	Initial Programming Ideas
Rapid Rehousing	\$0	---
Street Outreach	\$1,500,000	Support regionalized HEART, IMDT, and other outreach
Services Coordination	\$4,000,000	Service staff enhancement, more Homekey staffing
Permanent Housing	\$3,223,585	Acquisition or leasing of permanent facilities
Prevention and Shelter Diversion	\$1,000,000	Flexible rental assistance and diversion funding
Interim Sheltering	\$2,935,224	Shelter capacity, particular sober and non-congregate
Shelter Improvements	\$1,500,000	Shelter modifications to increase non-congregate capacity
Administrative (capped at 15%)	\$2,741,585	Lead Agency staffing
Data Infrastructure	\$2,200,000	HMIS, IBM / Watson Care, Coordinated Entry
TOTAL	\$19,100,395	

5. Other State

In addition to CalAIM, HHIP, and the pass-through monies described previously, Sonoma County is set to receive approximately **\$9M in additional State monies in FY22-23.**

Approximately \$8.5M of that is coming from the HHAP program and \$450k is coming from California ESG.

Decision-making authority for these funds is generally evenly divided between the County and the CoC.

Over the last two years, the State has also released variable, one-time funding through Project Homekey and ERF.

Beyond homelessness specifically, the State also provides significant financial support for local affordable housing efforts (e.g., PLHA, NPLH).

HHAP

After three rounds of funding, many communities were expecting HHAP to become a reliable, annual source.

However, in of November 2022, citing the lack of ambition in local homeless plans, Governor Newsom froze awards.

This decisions impacted HHAP-3, which we were expecting for FY22-23, as well as the anticipated HHAP-4 for FY23-24.

A funding agreement was ultimately reached with the Governor and monies were re-released in December 2022.

This is a very good example of the type of funding “shock” that can impact long-term financial planning.

Anticipated HHAP-3 Expenditures

Service Area	% of Total*	Examples
Rental Assistance	\$913,879.56	New and existing rapid rehousing
Non-Congregate Shelter (NCS) / Interim Housing	\$2,611,563.98	New and existing NCS sites
Permanent Supportive and Service-Enriched Housing	\$2,527,829.12	Enhanced services at Homekey sites
Outreach and Engagement	\$1,716,341.86	Operating subsidies for IMDT
Diversion and Homelessness Prevention	\$63,674.18	Support for homelessness prevention
Administrative Activities	\$597,731.56	Staffing support for contract oversight
Systems Support Activities	\$108,004.00	Stipends for Lived Experience Boards
TOTAL	\$8,539,024.26	

Project Homekey

Over the past 2 years, Sonoma County has received \$83.4M in Project Homekey funding from the State of California.

This funding has been used to secure 330 permanent and interim housing units across 8 projects.

Homekey is primarily a capital award designed for rapid development and redevelopment.

For projects like “Studios at Montero,” housing vouchers will eventually offset Homekey service / operating subsidies.

For projects like “Labath Landing,” which receives nearly \$700k in annual Homekey service / operating subsidies, the region will have to pickup the cost after Year 4.

Project Homekey Awards To-Date

Projects	Total Award	Units	Use(s)
Mickey Zane Place	\$8,800,000	44	Capital
Elderberry Commons	\$6,200,000	31	Capital
Studios at Montero	\$15,680,382	60	Capital & Operating Subsidies*
L&M Village	\$7,048,800	22	Capital & Operating Subsidies
Labath Landing	\$14,678,400	60	Capital & Operating Subsidies
St. Vincent de Paul Commons	\$13,291,377	51	Capital & Operating Subsidies
Caritas Center Family Shelter	\$11,360,000	40	Capital & Operating Subsidies
George's Hideaway	\$6,300,784	22	Capital & Operating Subsidies
TOTAL	\$83,359,743	330	

** Project Homekey does provide initial operating subsidies (up to four years), but these awards also require substantial long-term operating commitments from local jurisdictions.*

6. Federal Housing Vouchers

Sonoma County has two housing authorities – the Community Development Commission and the Santa Rosa Housing Authority.

Combined Sonoma County’s housing authorities administer approximately 5,350 housing vouchers for people in-need of long-term housing subsidy.

As of December 2022, at least 950 of these vouchers (or roughly 18% of all vouchers) have been allocated towards households that are currently or were previously homeless.

Assuming a one-bedroom payment standard, these 950 housing vouchers are equivalent to the county receiving **\$21.2M in federal funding every year.**

Importantly, it is estimated that approximately 8-10% of local housing vouchers “turnover” each year, meaning they become eligible for reassignment.

7. Other Federal

In addition to any pass-through monies described previously, Sonoma County is set to receive approximately \$5M in additional Federal monies in FY22-23.

The overwhelming majority of this funding, \$4.8M, is administered and awarded by the Continuum of Care.

Of note, this analysis does not currently include Federal sources tied to veteran services or healthcare delivery (e.g., HRSA – Health Care for the Homeless).

Like the State, the Federal government also provides fairly significant financial support for local affordable housing efforts (e.g., HOME, CDBG, Low Income Tax Credits).

Private & Philanthropic Funding

Finally, this report did not explicitly quantify private and philanthropic giving but such an analysis is possible.

501(c)(3) non-profit financial information is publicly available online via 990 forms (these forms are often 2-3 years old).

It is possible to net total organizational revenues against known funding sources described in this section.

This work should be completed, but ideally it would be done in partnership with local providers. Importantly, private and philanthropic monies often represent the most flexible and dynamic sources of funding.