

HHAP GAPS ANALYSIS

The purpose of this report is to provide a brief analysis of homeless services and funding needs to help inform the Bakersfield Kern Regional Homeless Collaborative (BKRHC), County of Kern, and City of Bakersfield in prioritizing uses for the new State Homeless Housing Assistance and Prevention Program (HHAP) block grant. This analysis summarizes the progress made by the Bakersfield/Kern County Continuum of Care (CoC) in achieving service goals and objectives established in its revised 10-Year Plan to end homelessness, and re-evaluates service needs and associated costs in response to the recent increase in homelessness, as measured by the one-day Point-in-Time (PIT) Count and Homeless Management Information System (HMIS).

Background

In May 2018 the Kern County Homeless Collaborative (KCHC), known now as the BKRHC, adopted *Home At Last! Kern County's Plan to End Homelessness by 2028*. The new 10-Year Plan replaced an earlier version focused on ending chronic homelessness by expanding the scope to address the service needs of all homeless persons, as well as persons at risk of homelessness, including veterans, youth, families, victims of domestic violence, and chronically homeless persons. Since then, Kern County has experienced a dramatic increase in its homeless population, particularly in the number of unsheltered persons, which has brought increased attention and urgency to the issue.

Between the January 2018 and January 2019 PIT counts, homelessness increased by 51% countywide, from 885 to 1,332 persons. This was almost entirely accounted for by a 118% increase in unsheltered persons (from 370 to 805 persons), 80% of who were counted in Metro Bakersfield. In response, the City of Bakersfield and County of Kern have partnered to create a new non-profit, the BKRHC, to replace the more loosely organized, unincorporated KCHC. Its purpose is to provide direction, coordination, and support to the CoC, and also act as its fiscal agent. Previously, in November 2018, the Bakersfield City Council had declared there to be a “shelter crisis” in the city.

HHAP

HHAP is a new state block grant administered through the California Homeless Coordination and Financing Council that will provide one-time funds to jurisdictions, including large cities, counties, and local CoCs to “support regional coordination and expand or develop local capacity to address their immediate homeless needs.” Funds are formula-based, using the 2019 PIT Count, retroactive to July 1, 2019, and must be spent before June 30, 2025. Applications will be due by February 15, 2020, and be awarded by April 1, 2020. HHAP will subsume two existing state homeless programs: the Homeless Emergency Aid Program (HEAP), and the California Emergency Solutions and Housing (CESH) Program.

HHAP-eligible activities must be evidence-based and can include: rental assistance; rapid re-housing; operating funds for supportive housing, emergency shelters, and navigation centers; landlord incentives; outreach and coordination to access permanent housing; system support for regional partnerships and homeless service/housing systems; prevention and shelter diversion to permanent housing; and new navigation centers and emergency shelters. Eight percent (8%) of funds must be used for services specific to homeless youth (ages 18 to 24 years). Up to 5% may be used for strategic planning and/or HMIS, and no more than 7% for administrative costs.

Service and Funding Gaps

A. Homeless Management Information System (HMIS). Kern Behavioral Health and Recovery Services (KernBHRS) has administered HMIS since 2004. Several strategies were included in the revised 10-Year Plan to improve HMIS services, the most critical of which was to “expand HMIS to record and track CES client service data.”

1. Current Status. HMIS expansion and improvements since May 2018 include:
 - Five new agencies have joined HMIS, bringing the number of participants to 19, and the number of active users entering data into HMIS has risen from 55 to 78.
 - KernBHRS switched to Clarity HMIS Solutions software to obtain greater flexibility and functionality, including the ability to generate client demographic reports.
 - HMIS now incorporates CES VI-SPDAT assessments, automatic prioritization, and use of community queue for service provider referrals.
 - KernBHRS now provides monthly, instead of quarterly, agency performance reports to the CoC Planning and Performance Committee, and will begin providing quarterly shelter occupancy reports in early 2020.
2. Needs. HMIS operates on an annual budget of about \$190,000, as shown in the CoC budget spreadsheet. KernBHRS supports the staffing costs of a full-time systems analyst and part-time administrative coordinator. Grant funds are used only for the software and user fees. Existing grant funds are insufficient to cover additional user fees. KernBHRS prefers that new or existing HMIS participants who wish to add users assume responsibility for their own user expenses. HMIS participation costs \$715 a year per user in the first year, including a one-time set up fee of \$175 per license and monthly user fee of \$45. HMIS is an eligible activity under HHAP, and applicants can include user costs in their grant requests.

B. Coordinated Entry System (CES). Objective I of the 10-Year Plan is to “establish a coordinated entry, assessment and referral system to streamline and prioritize access to housing and services for people who are homeless or at risk of homelessness.” Initially, when the Plan was adopted, implementation of the service components of the CES was to have been shared by several agencies. Since then, the Community Action Partnership of Kern (CAPK) secured HUD CoC funding to administer CES, and has integrated the program within its countywide 2-1-1 information-referral service.

1. Current Status CAPK began providing CES for homeless persons in October 18, 2018, and it became fully operational on May 19, 2019, with the addition of assessments, prioritizations, and referrals for persons at risk of homelessness. Since then, CAPK has taken on additional responsibilities for implementing CES, including managing the housing and at-risk match lists, conducting VI-SPDAT training for the CoC, and countywide marketing to referral sources.
2. Needs. As shown in the Excel budget spreadsheet, CES operates on an annual budget of \$293,838 derived from two grant sources. The budget funds 5.70 FTE staff including 1.30 FTE 2-1-1 operators and 3.30 FTE housing navigators. Based on the 2018 PIT Count, CAPK anticipated that 2-1-1 Kern would receive about 2,500 calls in 2019 for homeless assistance. As of December 16, 2019, there were already 4,600

calls, or 84% more than originally anticipated. This has resulted in a backlog of persons waiting to be assessed by the housing navigators, with waits of up to 10 days before staff can respond in many cases. CAPK has expressed a need for additional funds to hire at least 2.00 FTE more 2-1-1 operators and 2.00 FTE more housing navigators to ensure that the CES can respond to calls for help in a timely manner.

C. Prevention. Objective II, Goal 2 of the 10-Year Plan is to “reduce the number of people who become homeless for the first time,” by incorporating persons at risk of homelessness into the CES and assessing and prioritizing them for services; and by seeking additional prevention funds, including funds for rental and utility assistance.

1. Current Status. As previously mentioned, the CoC has successfully incorporated at-risk persons into the CES system. Prevention services, which are primarily offered by the Bakersfield Homeless Center (BHC), include financial assistance for rental arrears, utility assistance, food, and brief case management. In FY 18/19 BHC served 21 households with 71 members at an average prevention cost of \$3,452 per household, or total cost of \$72,292. As shown in Table 1, 529 individuals and families who presented as being at risk of homelessness were assessed using the PR-VI-SPDAT between January and November of 2019. Of these households, only 27 scored high enough to be recommended for financial and case management assistance.

Needs. Preventing homelessness is much less expensive than resolving it, yet only limited dollars have been allocated for this purpose. HMIS reported 1,668 households as having experienced homelessness for the first time between January and December 2018 (in HUDX SPM). It’s reasonable to think that many of these homeless episodes could have been prevented with more aggressive marketing targeting persons at imminent risk.

Table 1. CEST PR-VI-SPDAT Score Distributions between January and November 2019

Scores	Intervention*	# Households	% Households	Estimated Cost
22+	Strong recommendation for financial & case management assistance	1	0.18%	\$3,452
16-21	Recommendation for financial & case management assistance	26	4.9%	\$89,752
	Subtotal	27	5.1%	\$93,204
11-15	As resources allow, consider financial & case management assistance.	110		\$379,720
0-10	No financial assistance, referrals to mainstream services.	392		00
	Subtotal	502		\$379,720
	Total	529		\$472,924

*Interventions recommended by Community Solutions for PR-VI-SPDAT

D. Street Outreach and Engagement. Goal 1, Strategy 3 of the 10-Year Plan called for Flood Bakersfield Ministries to increase its street outreach staff by 5.00 positions, from 3.00 FTE existing positions to 8.00 FTE total positions. When the California Veteran’s Assistance Foundation (CVAF), the Mission at Kern, and Greater Bakersfield Legal Assistance’s (GBLA) positions are included, there was actually a combined total of 7.00 FTE

outreach workers at the time (see Table 2). The ratio of outreach workers to unsheltered persons then was 1:53, based on 370 unsheltered persons identified in the January 2018 PIT Count. Outreach workers typically work in two-person teams. Flood estimates that these teams contact about 40 homeless persons per week, one-half of whom are repeat contacts.

1. Current Status. Since May 2018, there has been a net increase of 12.00 FTE outreach workers bringing the total to 19.00 FTE workers serving an estimated 805 unsheltered persons per the 2019 PIT Count, or about one outreach worker per 42 unsheltered persons. Four of these outreach workers (2 teams) are assigned to rural areas in West and East Kern County, and 15 serve Metro Bakersfield.
2. Needs. The CoC has exceeded the number of new outreach worker positions identified in the 10-Year Plan. As shown in the budget spreadsheet, there is a combined total of at least \$1.1 million devoted to street outreach from a variety of funding sources, two of which have committed funds for the next 18 months. This funding will need to continue or be replaced to sustain the current outreach efforts. If new positions are funded at the present time, they might target special subpopulations such as unsheltered youth, seniors, or non-English speaking persons. Homeless veterans are already served by CVAF.

Table 2. CoC Inventory of Supportive Service Staff, May 2018 and Now

Type Staff	May 2018	New	Total	# Agencies
Case Managers	55	18	73	10
Housing Navigators	3	8	11	5
Total	58	26	84	10
Outreach Workers	7	12	19	4
Housing Locators	0	4	4	2

- E. Emergency Shelter (ES).** Objective IV, Goal 2, of the 10-Year Plan was to “ensure that there are sufficient emergency shelter beds to meet the needs of homeless individuals and families, and that beds are effectively utilized.” It also called for a) regularly tracking the usage of existing shelters; b) the “creation of low-barrier emergency shelter beds for homeless people who cannot or are unwilling to use existing shelters;” and c) the creation of “a hotel/motel voucher network for rural outreach workers to use to temporarily shelter homeless people found in communities outside Bakersfield.”

Table 3. Emergency Shelter Bed Inventory 2017-2020, from HUD HDX HIC

Type Shelter	2017	2018	% Change	2019	% Change	2020*	% Change
Existing ES	457	463	1%	513	11%	593**	8%
Motel Voucher	0	0	0%	90	--	90	0
Low-Barrier ES	0	0	0	2	--	300***	--
Respite Care	8	0	--	0	--	8	--
Total ES	465	463	0%	605	31%	991	64%

* Estimated ** 2020 City funds to expand existing shelters *** City and County funded new shelters.

1. Current Status. Between January 2017 and January 2019, there was a 31% increase in the inventory of year-around ES beds, due to the expansion of the BHC family shelter and creation of Flood’s rural motel-shelter program (see Table 3). Since

then, the City of Bakersfield has funded a combined total of 80 new beds at the BHC and Mission, an increase that will be reflected in the January 2020 housing inventory count. Additionally, the City and County have both committed funds for two new large low-barrier shelters with a combined total of 300 beds, both of which should open in 2020.

2. Needs.

- *Metro Bakersfield.* In 2019 there were 481 total ES beds in Metro Bakersfield. By the end of 2020, this number should increase to 861 ES beds, enough to shelter almost 75% of the homeless individuals and families identified in the metro area 2019 PIT Count (1,152 persons). It's expected that the newly created low-barrier beds will significantly reduce the numbers of adults sleeping outdoors.
- *Family Shelter.* The Bakersfield Homeless Center will continue to have primary responsibility for sheltering, case managing, and placing families with children into permanent housing. On the night of the January 2019 PIT Count, the family shelter was at 103% occupancy, and has continued to operate at full or excess capacity despite the recent addition of 20 beds. Between the 2017 and 2019 PIT Counts, the number of unsheltered family members counted has almost tripled, from 12 to 35 persons. City funding of 40 expansion beds at the BHC should help to address this gap in 2020.

The California High Speed Rail Authority (HSRA) Bullet Train project requires that the BHC relocate to a new site. The HRSA has purchased the BHC campus from Bethany Services with a four-year lease to continue shelter services at the current location. The purchase price will only cover a portion of the construction and relocation costs, however; and significant additional capital funds will be needed for this purpose.

- *Rural Communities.* The Flood Bakersfield Ministries Rural Motel Voucher Program budget is sufficient to serve about 84 households annually, at an average stay of three days at \$90/day. Flood reports that these funds are sufficient for its outreach purposes in rural areas, but suggests that the numbers of unsheltered persons counted in Delano (45) and Kern River Valley (24) merit consideration of having facility-based shelters in these areas, especially during times of overly hot or inclement weather.
- *Shelter Operating Costs.* Focus on the Housing First approach has affected public funding for emergency shelters over the past 15 years, forcing shelters to rely increasingly on private fundraising. Bakersfield's two major shelters both received one-time allocations from the City in 2019 to address operating deficits, and HHAP funds may also be needed for this purpose. The combined expansion of 80 beds (40 beds each) at the BHC and Mission have their capital costs covered but no funding commitment for operational costs. At \$8,000 per bed per year, these operating costs are estimated at \$640,000 annually.

The City and County may also require HHAP operating funds at their two new 150-bed shelters which, combined, could cost as much as \$2,400,000 annually. About \$160,000 annually may also be needed later this year to continue operation of the 20-bed Delano DV Shelter.

- F. Medical Respite Care.** Objective II, Goal 4 of the 10-Year Plan having to do with improving "collaboration between CoC service providers and local hospitals on behalf of homeless or at risk patients," called for partnering "with hospitals and insurers to expand respite care beds." Respite care, also known as recuperative care, fills a critical

niche by offering short-term residential care and medical oversight for homeless persons who are too sick to recover on the streets or in a shelter but not sick enough to need a hospital.

1. **Current Status.** Clinica Sierra Vista operated an 8-bed respite care program for several years which closed in 2017 due to loss of funding. In 2019, Kern Medical created a new 8-bed program, and Kern Health Services (KHS) in partnership with Good Samaritan Hospital and Dignity and Adventist Health are currently planning to open a second facility sometime in 2020 when a suitable site is located.
2. **Need.** KHS estimates that it could fill 15-20 respite care beds on a daily basis. If combined with KM’s 8 beds, this suggests that there is a need for 23 to 28 beds locally. At the industry standard of \$80 a bed night, the cost to provide this many beds is estimated at \$671,600 to \$817,600 per year.

G. Bridge Housing. Objective IV of the 10-Year Plan is to “ensure that emergency shelter, transitional housing and interim housing beds are adequate to meet current and future needs.” Bridge housing is a newer type of transitional housing that provides short-term housing (up to 90 days), typically in a motel or hotel, for households who have been offered and accepted permanent housing vouchers but are not immediately able to locate and move into a suitable unit.

Table 4. Transitional Housing Bed Inventory, 2017-2019

Type TH	2017	2018	% Change	2019	% Change
TH (18-24 mos.)	224	138	-38%	157	14%
Bridge Housing	00	28	--	46	64%
Total TH	224	166	-26%	203	22%

1. **Current Status.** Under the Housing First approach which emphasizes quickly placing homeless persons in permanent supportive housing, the use of traditional transitional housing (up to 24-month stays) to prepare persons for eventual PSH placement has decreased while the use of bridge housing has doubled since it was introduced locally in 2018 (See Table 4). Two agencies currently provide bridge housing, the Housing Authority and CVAF. As shown in the budget spreadsheet, the current bridge-housing budget is \$548,632 a year over three years, of which \$365,513 (67%) is targeted to homeless veterans and \$183,119 is available for non-veterans.
2. **Needs.** The Housing Authority operates a bridge housing program at Monterey Apartments where it has reserved apartment units for homeless persons. To date, the project has housed nine households for periods ranging from one to eight months, or an average stay of about four months, at a cost per unit of \$470/month. Because of the three-year funding, Bridge Housing is probably adequately funded at this time.

H. Case Management. Objective III, Goal 5 of the 10-Year Plan is to “enhance case management services needed to provide the most effective housing placement, supportive and aftercare services to people in permanent supportive housing and rapid rehousing,” by obtaining funding to add 15 to 20 new case managers to the CoC, bringing the existing 40 positions to 55 or 60 positions. Goal 5 also includes the stipulation that

case management ratios for persons placed in PSH not exceed more than one case manager per 40 households.

1. Current Status. Ten CoC member agencies provide case management services targeted to homeless persons, as shown in Table 2. In retrospect, it was determined that these agencies employed a total of 55 (not 40) case managers in May 2018. Since then, these agencies have added 18 new case managers, bringing the combined CoC total to 73. Housing navigators, of which there were only 3 at the time, may also be considered a type of case manager. If these positions are included, the total number of case manager-type positions is 84, an increase of 26 positions (45%) since May 2018. Housing locators, of which there are now 4, are new positions that network with landlords and property managers but do not work directly with clients.

Note: Case management is the core homeless supportive service without which it would be impossible to connect most homeless persons to permanent housing or ensure that they keep their housing once placed. The term “case management” as used within the CoC encompasses a variety of job duties. For some agencies, case manager refers to a shelter attendant or information-referral provider. Other agencies have case managers engaging in more complex duties involving individualized service planning, benefits application, advocacy with service providers, securing housing, and providing continuing services or aftercare. Agencies also describe a variety of case management positions including Shelter, RRH, PSH, and Aftercare case managers. At some point the CoC should more clearly define and clarify what case management is and the different types of case management positions.

2. Service and Funding Gaps. Most CoC member agencies report high case management to client ratios, ranging from 1:40 to 1:65, in contrast to the industry standard of 1:25. Some idea of the number of additional case managers needed by the CoC is provided in Table 5, which evaluates housing and case management needs for new clients reported in Metric 5.2 of the annual HUD System Performance Measure Report, based on distribution of VI-SPDAT Scores.

Table 5. Housing and Case Management Needs of New And Existing Homeless Clients in 2018, based on VI-SPDAT Score Ranges

VI-SPDAT Score Ranges	Intervention	% Clients Assessed by CES in 2018	Newly Homeless Clients (0 HMIS entries in ES, TH or PH w/in prior 24 mos.)	# Case Managers Needed at 1:25 & 1:35 Ratios	Existing Homeless Clients (HMIS entries in ES, TH or PH w/in 24 mos.)	# Case Managers Needed at 1:25 & 1:35 Ratios
8 – 16	Placement in PSH with ongoing case management	30%	716	29-20	233	9-7
4 - 7	Placement in RRH with aftercare case management	60%	1,432	57-41	466	19-13
Subtotal			2,148	86-61	699	28-20
0 - 3	No housing intervention, referrals	10%	239	0	78	0
Total			2,387	86-61	776	28-20

Using the preferred 1:25 case manager to client ratio, it's estimated that a total of 114 case managers are needed to serve a combined total of 2,847 new and existing clients recommended for PSH or RRH interventions, as reported for 2018. These are 41 more case management positions than exist now. Assuming an average cost (including salary and benefits) of about \$60,000 per position, it's further estimated that about \$2,460,000 would be needed to create these positions.

Case management should focus on moving homeless people into housing as quickly as possible, rather than maintain them in shelter or transitional housing settings. One means of ensuring adequate case management is to tie it to the creation of new PH beds at a mutually agreed upon case manager to client ratio.

I. Housing. Objective V of the 10-Year Plan is to “increase the affordable housing inventory for homeless individuals and families by 10,470,” or 1,047 beds per year.

- Goal 1 was to “increase the number of Permanent Supportive Housing (PSH) beds ... by 8,591 new beds,” or 859 beds per year. This included: 1,550 beds for CH people (155/year); 1,141 Veterans beds (114/year); 754 Youth (18-24) beds (75/year); and 5,146 beds for other homeless populations (514/year).
- Goal 2 was to “increase the number of Rapid Re-Housing (RRH) beds by 1,879 new beds,” or 188 beds per year. This included: 271 beds for CH (27/year); 23 Veteran’s beds (2/year); 494 Youth beds (49/year); and 880 beds for other populations (88/year).

1. Current Status. Table 4a provides a breakdown of the CoC’s housing inventory by type of bed between 2017 and 2019, using the HUD Homelessness Data Exchange (HDX) Housing Inventory Count (HIC) reports. The combined inventory for all permanent housing (PH) types increased by 28% (657 beds) between 2017 and 2018 but increased by only 0.8% (23 beds) between 2018 and 2019. Both numbers are far short of the goal of 1,047 beds per year set in the 10-Year Plan, but a combination of HEAP and CESH funds should reflect increased bed numbers in January 2020.
2. PSH Needs. As reported in Table 3, about 30% of the homeless population qualifies for PSH placements. PSH beds increased by almost 75% (900 beds) between 2017 and 2018, largely due to the conversion of Other PH beds to PSH, but grew by only 13% (289 beds) in 2019. To date, most new PSH beds have been created with HUD Housing Choice Vouchers (HCV). Annual federal HCV allocations have not been sufficient to meet the goal of 859 new PSH beds annually.

Table 4a. Comparison of PH Bed Inventory by Year

Type PH Beds	2017	2018	% Change	2019	% Change
PSH Beds	1,223	2,123	+74%	2,405	+13%
RRH Beds	378	836	+121%	577	-30%
Other Permanent Housing	710	9	-98%	9	-00%
Total	2,311	2,968	+28%	2,991	+0.8%

New state CESH funds for PSH amounting to \$1,129,114 over a three-year period should increase the PSH bed inventory in the 2020 HIC. At an average subsidy of \$650 per month per household, or \$7,800 per year, this will fund about 48 households for three years. PSH should be a priority for use of HHAP funds to address the recent increase in homelessness, particularly for the most vulnerable homeless persons.

Table 4b. Comparison of Subpopulation PSH and RRH Bed Inventory by Year

Subpopulation/Type Beds	2017	2018	% Change	2019	% Change
PSH Beds:					
Chronically Homeless	590	615	+4%	407	-34%
Veterans	228	277	+21%	342	+23%
Youth Beds	0	25	--	69	+176%
RRH Beds:					
Veterans	23	92	+300%	97	+5%
Youth Beds	0	8	--	8	0%

It should be noted that approximately 75% of the PSH bed inventory is used for formerly homeless households who require varying degrees of continuing services to prevent repeat homelessness, leaving only about 25% of the PSH stock for currently homeless households. There were a total of 716 new homeless persons living in about 515 households (average of 1.39 persons/household) between January and December 2018 who required PSH. At \$7,800 per household, the cost of providing them with PSH is estimated at \$4,017,000 a year. However, only about \$2,253,409 (25%) of the total PSH budget shown in the Community Budget spreadsheet is actually available for new households. Thus, it is estimated that an additional \$1,763,591 is needed annually for PSH above what is currently available.

3. **RRH Needs.** Rapid Re-Housing (RRH) grants include funds for deposits, short-term rental subsidies and case management services. As shown in Table 3, about 60% of homeless persons qualify for RRH intervention. Two agencies, the Bakersfield Homeless Center and California Veterans Foundation, currently provide RRH. The RRH bed inventory increased by 127% (458 beds) between 2017 and 2018, but dropped off by 30% (259 beds) in 2019 due to the loss of CoC funds, and more CoC-funded beds are at risk this grant cycle. A combined total of about 200 new family RRH beds have been funded through the County CalWORKS Housing Support Program (HAP), but beds for single adults are still in short supply and may be reduced even further if two 2019 HUD CoC Program RRH grants are not renewed. Meanwhile, RRH beds for veterans continue to increase gradually.

RRH is a quick and cost effective means of housing the majority of the homeless population. The BHC reports that average RRH costs are \$2,888 for single households and \$3,920 for families with children. Between January and December 2018 there were a total of 1,400 new and existing homeless households who required RRH, of which 256 were family households and 1,144 single adult households. The cost of providing RRH for these households is estimated at \$4,307,392 annually, including \$1,003,520 for families and \$3,303,872 for single adults. As shown in the Community Homeless Budget spreadsheet, a total of \$2,142,641 of RRH funding is available this year, or about one-half (\$2,164,751) of what is actually needed for these households.

J. Housing Development. Goals 3 and 4 combined of Objective V are to “acquire, construct and/or renovate 600 new permanent housing beds,” or 60 beds per year, and “an as yet to be determined number of new No Place Like Home-funded” PSH beds for people with behavioral issues who are CH or at risk of CH.

1. Current Status. There are 70 new housing units for homeless persons under development, including 36 one-bedroom No Place Like Home (NPLH) embedded apartments, 20 for veterans, two for seniors, and 12 “tiny” homes for veterans funded entirely by private donations. In addition, the Housing Authority and KernBHRS are applying for another 14 NPLH units and the Authority has applied for 36 scattered site units under the City’s PSVS program; otherwise no other housing targeted to persons experiencing homelessness is under development at this time. The cost per one-bedroom NPLH unit for land and construction is \$116,580. The cost for constructing the “tiny” homes is estimated at \$43,905 per unit.

2. Needs. Housing development is a costly proposition. For example, at \$116,580 per one-bedroom unit, it is estimated that creation of 40 units would cost \$4,663,200 annually, or at least \$46,632,000 for 400 new units in ten years at today’s prices. There is limited capital funding for housing projects targeted entirely to homeless persons, and today’s trend is to embed units for homeless persons into larger affordable housing projects. Most capital grant projects require multiple funding sources, and some HHAP funds could be set aside for this purpose. It should also be noted that the City of Bakersfield has tentatively designated \$5,000,000 of sales tax funds for development of affordable housing and, although this is not targeted to homeless housing per se, a significant portion might be available for such.

3. **Risk Mitigation Fund.** Under Objective V, Goal 5, having to do with decreasing the length of time people remain homeless from access to housing placement, the 10-Year Plan states that the “Housing Authority will continue to utilize a Risk Management Fund as an incentive to recruit landlords willing to rent to homeless people.” The fund provides an added protection for landlords by guaranteeing up to \$2,500 in damage repairs above the usual security deposit.

1. Current Status. As shown in the budget spreadsheet, \$23,402 of CESH funds has been allocated for this purpose. Roughly 67% of this amount has been used since February 2018 for 10 damage claims ranging from \$350 to \$2,500 per claim.

2. Needs. Risk mitigation funds are necessary to create access to new units and to maintain good relations with landlord partners. HHAP funds could be used to replenish and expand the fund, which is down to about \$7,700 at present. ``

4. **Move-in Costs.** Although not included in the 10-Year Plan, the CoC has of necessity created a Move-in Fund administered by the United Way to help clients overcome financial barriers that would prevent them from accessing or maintaining housing. These funds are used on a one-time basis and as a last resort after all other resources have been exhausted. Eligible expenses include vital documents, credit checks, application fees, rental arrears and late fees, and the purchase of appliances such as refrigerators and stoves needed to pass HUD habitability inspections. The CoC has set a cap of \$300 per household.

1. Current Status. A recent allocation from the Kern Medical Whole Person Care Program has brought the fund up to \$116, 425, including a Whole Person Care grant and a three-year HEAP grant of \$49,275, or \$16,425 a year. Since April 2019 a total of 58 households have been helped with move-in costs totaling \$13,597, at an average of \$234 per household.
2. Needs. At \$300 per household, the remaining fund can possibly serve up to 342 households, which should be adequate for the foreseeable future.