

Skagit County Public Health

Keith Higman, Director Howard Leibrand, M.D., Health Officer

2025-2026 Notice of Funding Availability (NOFA)

Skagit County Homeless Crisis Response System

Frequently Asked Questions (2/7/2025)

Question (Q)1: Why does Skagit County anticipate a 20% reduction in CHG funds?

Answer (A)1: The Department of Commerce advises all Consolidated Homeless Grant (CHG) grantees to prepare for a potential 20 percent funding reduction in the 2025-2027 biennium. Rising costs and growing service demands cannot be met under current revenue forecasts. According to the Office of Financial Management, the state faces an estimated operating budget deficit of \$10 to \$12 billion over the next four years.

Since the final state operating budget won't be determined until the legislative session concludes on April 27, 2025, we are advising applicants to budget conservatively and plan for a 20 percent reduction from your current total award

Please note, Commerce has requested full funding (including funding for inflation) for current programs, with the goal of at least maintaining existing homeless crisis response system capacity. But we will not know what funding is available until the legislative session is over.

Q2: If the goal is to maintain consistency, will any new programs be funded?

A2: We encourage all interested and eligible applicants to apply to the NOFA. In the past, similar budget constraints have influenced funding decisions, including a decision not to fund new programs. However, the final determination regarding funding priorities will be made by the Low-Income Housing and Homeless Services Allocations Committee, taking into account available resources and the overall funding landscape.

Q3: What is the impact of the 80% low barrier requirement?

A3: Since the vast majority of funding in the NOFA comes from CHG, it will be more challenging to fund programs that do not qualify as low-barrier. For example, if we are able to fund 15 programs with CHG, that means at least 12 programs would need to qualify as low barrier. Programs with time limits or mandatory program participation would not qualify as low-barrier—see the CHG guidelines for more detail. Similarly, some programs (coordinated entry, day shelter, temporary shelter and outreach) do not count as low barrier.

Q4: What is the difference between Rental Assistance and Eviction Prevention?

A4: The primary difference between Eviction Prevention and Rental Assistance lies in their specific purposes, target populations, and eligible activities.

Key Differences:

Focus on Housing Status: Eviction Prevention is primarily about preventing homelessness before it
happens (targeting those at risk of eviction), while Rental Assistance serves households that are
either homeless or at imminent risk of homelessness, typically with an income at or below 30% AMI,

- and those referred through certain programs like DSHS HEN (Homeless Emergency Navigation) or TANF (Temporary Assistance for Needy Families). It also supports those with disabilities for permanent supportive housing.
- Income Thresholds: Eviction Prevention serves households at or below 80% AMI, while Rental Assistance targets those with much lower incomes (30% AMI or less) and focuses more on imminent homelessness or existing homelessness.
- Services Offered: Both programs offer case management and flexible funding, but Rental Assistance
 includes specific programs like rapid re-housing, master leasing, and landlord mitigation that directly
 support individuals in or at risk of homelessness with housing placement.

In summary, Eviction Prevention is a targeted intervention aimed at preventing homelessness by supporting households at risk, while Rental Assistance serves both to prevent homelessness and address existing homelessness through more comprehensive housing placement and stabilization services.

Q5: What organizations qualify as a "By and For" organizations?

A5: By and For Organizations are operated by and for the community they serve. Their primary mission and history is serving a specific community and they are culturally based, directed, and substantially controlled by individuals from the population they serve. At the core of their programs, the organizations embody the community's central cultural values. These communities may include ethnic and racial minorities; immigrants and refugees; individuals who identify as LGBTQ+, individuals with disabilities or who are deaf; and Native Americans.

Q6: What are the expectations around meeting performance measure required by CHG funded programs?

A6: A7: Emergency Shelter, transitional housing and rapid rehousing programs funded by CHG are required to meet housing outcome performance measures. Grantees must improve housing outcomes by making progress towards the statewide performance target.

Commerce has indicated that grantees that do not make progress towards performance targets and/or whose outcome data reveals racial or ethnic disparities will enter into a performance improvement plan which will include investigation into the potential causes and technical assistance to address the identified barriers to progress.

We, along with other counties and providers, have communicated to Commerce that we are concerned that the performance measures should not be viewed in a vacuum. For example, the vast majority of low-barrier shelter providers statewide fall short of meeting Commerce performance goals due to a lack of affordable transitional or permanent housing. Commerce staff has acknowledged these challenges and reiterated that the measures are not intended to punish providers for a lack of available housing or other resources.

For more information about Washington State Homeless System Performance see this link for <u>County Report Cards</u>.

Q7: Not all of the new CHG program requirements are described in the Policies and procedures, where can I access this information?

A7: The Department of Commerce has released a draft of proposed changes for the 2025 Grant cycle. Our understanding is that Commerce is planning to release the final updated guidelines in the coming weeks and no substantial additional changes are anticipated. The county will distribute the updated guidelines once received.