



United Way of Anchorage



Anchorage Coalition to End  
Homelessness



# ANCHORED HOME PAY FOR SUCCESS BUDGET UPDATE – ALASKA MENTAL HEALTH TRUST AUTHORITY

NOVEMBER 2018

# ▶ ANCHORED HOME PFS BUDGET –SERVICE CATEGORIZATION

Service Delivery	Housing
Supportive Services <sup>1</sup>	Property Operations <sup>1</sup>
Professional Services	Salaries & Wages
Insurance	Fringe
Office/Program Supplies	Reserves
Telephone and Fax	Utilities (Electric, Gas, Water & Sewer, Refuse)
Electronic Communications	Maintenance/Repairs
IT Services	Janitorial Contract
Fees/Tuitions/Memberships	Landlord Mitigation Fund
Tenancy Support <sup>1</sup>	24-hour Landlord Hotline
Professional Services	Re-modeled units (Capital Budget)
Insurance	
Office/Program Supplies	
Food Costs	
Telephone and Fax	
Electronic Communications	
IT Services	
Fees/Tuitions/Memberships	
Service Delivery Ramp Up	
In-Reach, Out-Reach, and Dispatch	
List Management	

1. Based in part on RurAL CAP 2016 business plans; service categorization will be adapted to conform to national PSH budgeting standards

## ▶ ANCHORED HOME PFS BUDGET SUMMARY

<b>Project Size</b>	<b>60</b>
# Clients Enrolled (net)	55 <sup>1</sup>
Client Enrollment Rate	5 - 6 / month
New PSH Units	5 / month

<b>Costs</b>	<b>\$2,389,475</b>
<b>Service Delivery</b>	<b>\$623,445</b>
Tenancy Support	\$320,238
Supportive Services	\$103,208
Service Delivery Initial Ramp-Up	\$50,000
List Management	\$50,000
In-Reach, Out-Reach, Dispatch	\$100,000
<b>Housing</b>	<b>\$436,000</b>
Property Operations	\$351,000
Landlord Mitigation Fund	\$60,000
24-hour landlord hotline	\$25,000
<b>Transaction Management</b>	<b>\$233,750</b>
Indirect	\$46,280
Contingency Fund <sup>2</sup>	\$50,000
Capital Budget <sup>3</sup>	\$1,000,000

<b>Funding Sources</b>	
<b>Service Delivery</b>	<b>\$623,445</b>
Alaska Mental Health Trust Authority	\$500,000
Medicaid Billing	\$20,642
Rasmuson Foundation	\$102,804
<b>Housing</b>	<b>\$436,000</b>
Rasmuson Foundation	\$252,850
Rental Assistance	\$113,850
Tenant Rent	\$69,300
Rasmuson Foundation	\$70,643
<i>Rasmuson – CSH Capacity Building</i>	\$60,000
HUD/DOJ Grant Revenue	\$93,107
Rasmuson Foundation	\$46,280
Rasmuson Foundation	\$50,000
Rasmuson Foundation	\$1,000,000

<b><u>Total Budget Funding Request</u></b>	<b><u>\$2,032,577</u></b>
<b>Rasmuson Foundation</b>	<b><u>\$1,500,000</u></b>
<b>Alaska Mental Health Trust Authority</b>	<b><u>\$500,000</u></b>

1. Pilot Year enrollment projected to start in February 2019. Enroll 5/month from February to July 2019; 6/month from July to Dec 2019. Assume 10% annualized turnover.
2. Contingency fund is large in pilot year due to variability of various ramp-up scenarios and dependencies on other stakeholders' financial commitments to project
3. Assumes remodel of single site in pilot year; other capital expenses to be covered outside the PFS budget
4. The partners are aiming to fill the remaining gap (\$33K) using existing funding sources.

## ► COST BREAKDOWN – BUDGET REQUEST

Breakdown of costs of different budget categories less existing revenue sources (e.g. Medicaid billing, rental assistance, other grant revenue)\*

	Pilot	
	Total	% Budget
<b>Service Delivery</b> <i>Supportive services and tenancy support</i>	\$633,794	31%
<b>Housing</b> <i>Property operations and other landlord supports</i>	\$265,849	13%
<b>Capital Expenses</b> <i>Estimated cost of potential single site remodel</i>	\$1,000,000	49%
<b>Other</b> <i>Transaction management, evaluation, indirect</i>	\$133,382	7%
<b>TOTAL Funding Needed</b>	<b>\$2,032,577</b>	

\*Note: The cost of the \$50,000 contingency fund is allocated across service delivery (61%), housing (26%), and “other” (13%) based on the expected distribution of costs.

## ▶ PILOT BUDGET: CRITICAL DEPENDENCIES

Assumptions underlying three key cost drivers are subject to change based on various stakeholder commitments and service provider selection

	Category	Pilot Year Cost	Notes
<b>Housing Renovation and Construction</b>	Cost	~\$1,000,000	<ul style="list-style-type: none"> <li>Assume this funding can cover renovation costs for one single site building in 2019</li> <li>Contract negotiations in place for Midtown property renovation, pending final contract, greater detail on capital costs will be provided</li> </ul>
<b>Rental Assistance</b>	Revenue	~\$91K	<ul style="list-style-type: none"> <li>Assume 50% of active occupied units will have vouchers</li> <li>If 100% of units receive rental assistance (via AHFC or other sources), this would offset ~\$2.3M of project costs in the PFS years</li> </ul>
<b>Medicaid Billing</b>	Revenue	~\$20K	<ul style="list-style-type: none"> <li>Assume 20% of supportive services costs will be billable</li> <li>Contract negotiations with service providers pending; providers reported wide range of billing rates in interviews (5%-60%)</li> <li>Estimate will be refined once providers are selected</li> </ul>