



COUNTY ADMINISTRATOR

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To: Board of Commissioners
From: Gregory Dill,
County Administrator
Date: November 2, 2022
Re: Human Services Transition Program

BOARD ACTION REQUESTED:

It is requested that the Board of Commissioners approve the following:

- Bring forth a budget amendment to the proposed quadrennial budget to allocate \$3,000,000 *from* American Rescue Plan recovered lost revenues *to* government services to fund currently planned, ARPA eligible IT and facilities projects then reallocate the \$3,000,000 in general fund (gf) dollars budgeted for those projects to a Human Services Transition program.
- Allocate the \$3,000,000 currently slated for IT and Facilities projects to the Human Services Transition Program.
 - Up to \$200,000 to issue an RFP to initiate a human services mapping and planning process during 2023
 - Allocate \$2.8M over two (2) years to support previously vetted, non-profit, human services provider organizations through transition grants that are tied to evaluation and assessment metrics.

BACKGROUND

Since the start of the Covid-19 pandemic in 2020, resident need for human services including housing supports, food, medical care and coverage, transportation, careers access, childcare and education has increased. Human service provider agencies have been stretched due to the increased need and some have communicated regularly and consistently with County Administration and the Board of Commissioners about the increased need.

While funding mechanisms do exist to support some agencies, the sunseting of the former Coordinated Funding (CoFu) model and the reduced funding capacity of the New Human Services model have left a resource gap in the systems that address these community needs. Additionally, some agencies have been ineligible or unfunded by either of those mechanisms, causing a potential destabilization of the services offered by providers. By allocating two years of transitional funding to agencies, the Board of Commissioners will help to ensure that human

service organizations whose budgets were impacted by the end of CoFu, the Covid-19 pandemic, inflation, and general increased community need, may receive the support needed to continue providing services to Washtenaw County residents. Agencies will be able to address challenges related to decreased revenue, financial insecurity, the increased costs of providing service to residents, and increase their capacity to weather financial hardship.

It should be noted that since the sunseting of the Coordinated Funding model, Washtenaw County has increased its investments in human service agencies and initiatives through the the following mechanisms, there are agencies, funded through previous iterations of County provided funding, that are still facing funding gaps:

1. Coordinated Funding extension grants (\$1,519,311.50 gf, through December 2022)
2. New Human Services Partnership, Safety Net Grants Program – (\$1,694,301/year for five years, gf)
3. Barrier Busters (\$400,000, gf)
4. American Rescue Plan Act investments
 - a. Support for Seniors (\$4,000,000)
 - b. Community Priority Fund (\$8,000,000)
 - c. 220 N. Park development (\$3.6M)
 - d. Financial Equity Center (\$4,900,000)
 - e. Child Care Access (\$2,000,000 including \$1M ARPA)

DISCUSSION

Operational Details

1. Administrative Action

At the 10/5 working session, the Board was presented a recommendation for the 2023-2026 quadrennial budget. During the 10/19 working session, the Board discussed potential amendments that will be brought forward for consideration in the budget for its first reading on November 2, 2022.

The current proposal allocates \$3,000,000 of ARPA recovered lost revenues to government services to fund planned IT and facilities projects that otherwise would be funded by General Fund dollars over the 2023 and 2024 planned budgets and moves the \$3,000,000 in gf resources for those projects to the Human Services Transition Program. This exchange will free up non-structural, general fund dollars for those calendar years.

This action is aligned with board priorities around the sustainability of human services and uses data collection, evaluation and assessment to guide the development of longer-term strategy for funding human services agencies.

2. Administrative Action:

After the Board approves the 2023-2026 budget with the amendments outlined above, the Administrator will allocate the \$3 million of non-structural, general fund dollars to the Human Services Transition Program.

This program is a two-tiered investment that funds

(1) a human services mapping and planning process during 2023 with the goal of developing a long-term, strategic framework for human services funding based in data and metrics and;

(2) transition grants for human service proposals previously vetted through the New Human Services Safety Net grant community review process to develop new contracts with specific evaluation and reporting requirements. These organizations and funding amounts are recommended based on a series of community and commissioner conversations over the last 6 months, to ensure priority sectors most impacted by the sunseting of the COFU model are adequately funded during this transition period. These sectors and organizations include:

- *Housing and Homelessness:*
 - Avalon Housing
 - (\$250k per year for 2 years)
 - Ozone House
 - (\$250k per year for 2 years)
- *Food Assistance:*
 - Food Gatherers
 - (\$200k per year for 2 years)
 - Jewish Family Services
 - (\$200k per year for 2 years)
 - Faith in Action
 - (\$150k per year for 2 years)
 - Manchester Community Resource Center
 - (150k per year for 2 years)
- *Medical Services:*
 - Washtenaw Health Plan
 - (\$200k per year for 2 years)
- *Planning and Mapping Project:* RFP up to \$200k

3. Program Administration:

The project team for the Human Services Transition Program will be comprised of the County Administrator, the Deputy Administrator, the Director of Strategic Planning, the Racial Equity Officer, an administration evaluation staff member, the Director of OCED, the OCED Human Services Manager, the OCED Human Services Policy Specialist, and the contracted Program Evaluation Group. This team will develop contract language with reporting requirements with consultation from Finance.

The OCED Human Services Manager, the Human Services Policy Specialist will be responsible for administering the contracts and the Racial Equity Officer, administration evaluation staff member, and the PEG team will be responsible for designing and conducting the evaluation.

The project team and the PEG team will deliver evaluation reports as determined by scopes of service included in the contracts to the full project team and the Board of Commissioners.

The Director of Strategic Planning, the Racial Equity Officer, Director of OCED, the OCED Human Services Manager, and the administration evaluation staff member will lead an RFP process to accept proposals for an external entity to conduct a mapping and planning

process for human services in the county. A report from the mapping and planning process will be developed by the Administrative Project Team. Recommendations related to a sustainable human services funding framework will be developed by the Administrator and presented to Board of Commissioners.

OPPORUNITY INDEX

The individuals and families served by these transition grants will support lower-income families in Washtenaw County who are largely concentrated in lower-opportunity areas of the county.

The Planning and Mapping project will help inform long-term, strategic framework for human service funding based on data and metrics. A key part of this process could include looking at the geographic distribution of human services funding in the county to ensure we are aligning spending decisions with the Opportunity Index in mind.

IMPACT ON HUMAN RESOURCES

There is no anticipated impact on Human Resources

IMPACT ON BUDGET

The proposed budget amendment would move \$1,500,000 from the 2023 general fund budget, currently allocated for IT and Infrastructure projects to the Human Services Transition program;and, \$1,500,000 from the 2024 general fund budget. \$1,500,000 in both 2023 and 2024 from ARPA lost revenues would replace that funding for Information Technology and Facilities Management.

The Allocation of \$3,000,000 in ARPA recovered lost revenues to IT and Facilities management leaves \$7,116,407 of Washtenaw County's ARPA SLFRF allocation to be programmed.

IMPACT ON INFRASTRUCTURE

Information Technology and Facilities Management projects are providing government services under the ARPA SLFRF and must follow Uniform Guidance for federal expenditures. Allocated ARPA lost revenue for Information Technology and Facilities Management must be allocated no later than December 31, 2024, and expended by December 31, 2026

IMPACT ON EQUITY

The transition grants through the Human Service Transition Program are designed to respond to specific gaps in the social service sector to provide key safety net services to households in our community. These services will target support to lower-income residents, residents experiencing homelessness, residents experiencing food insecurity, and uninsured or underinsured residents. By responding to each of these areas, these programs will ensure more residents in need of supports are able to access key services to keep themselves and their families, sheltered and healthy. By providing these services to lower-income individuals and families, who disproportionately identify as BIPOC (Black, Indigenous, people of color) and live in lower opportunity areas throughout the county, these grants are intended to promote equitable outcomes through preventing further crisis and offering critical supports.

The Planning and Mapping project will help inform long-term, strategic framework for human service funding based on data and metrics. A key part of this process will focus on identifying

how the county can play a role in promoting equitable outcomes by investing in human services in the short and long term.

IMPACT ON INDIRECT COSTS:

ARPA funds used for Information Technology and Facilities Management projects are ineligible for CAP. It is anticipated that receiving departments will see a slight decrease in CAP charges from Information Technology and Facilities Management in 2025 for 2023 CAP and 2026 for 2024 CAP.

IMPACT ON OTHER COUNTY DEPARTMENTS OR OUTSIDE AGENCIES:

Implementation of the Human Services Transition Program service contracts will require coordination with other county departments including, but not limited to, OCED, Corporation Counsel and Finance.

CONFORMITY TO COUNTY POLICIES

This requested action conforms to all county policies and has been reviewed by Corporation Counsel, Finance and County Central Administration.

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