

..Title

**Funding Concept for GRACE Marketplace, Closing Dignity Village, and Rapid Rehousing & Permanent Supportive Housing (B)**

..Explanation

The purpose of this agenda item is to discuss the County's funding concept for a new approach to funding the following programs: 1) GRACE Marketplace, 2) Closing Dignity Village, and 3) Rapid Rehousing and Permanent Supportive Housing.

Since 2014, the City and County have shared equally in the operational costs of providing a low-barrier emergency shelter and a one-stop homeless service center at GRACE Marketplace. Currently, those costs are almost \$1.5 Million per year (almost \$750,000 per year for each commission). Previously, both the City and County Commissions have stated their desire to develop and implement a plan to close Dignity Village in an orderly and controlled manner. As such, both Commissions have endorsed the Alachua County Coalition for the Homeless and Hungry's (ACCHH) Plan to Close Dignity Village. The City has been primarily responsible for the direct costs and management of Dignity Village.

In the County's new funding proposal, each jurisdiction would increase its funding allocation by \$250,000 for homeless services in each of the next three fiscal years. This new funding allocation formula divides the services provided into the following two categories: 1) Low-Barrier Emergency Shelter Services and a one-stop homeless service center at GRACE Marketplace; and 2) Supportive Housing Services (Rapid Rehousing and Permanent Supportive Housing).

According to the County's September 11, 2019, letter to the City, the County's funding commitment of \$1,000,000 for GRACE Marketplace and Dignity Village Closure in FY 2019-20 is contingent upon the City agreeing to commit \$1,250,000 for GRACE Marketplace in FY2020-21. The County also proposes to fund \$100,000 for Supportive Housing Services in FY 2019-20. The attached charts summarize the new proposed funding allocation over the next three years (FY2019-20 to FY2022-23), for the County and the City, respectively. The new funding proposal shifts the responsibility for homeless services, with the City having full funding obligation and management of the GRACE Marketplace; and the County assuming responsibilities for the funding and management of Supportive Housing Services.

..Fiscal Note

Under the new funding approach, City/County support in FY 2020-21, for operations at GRACE Marketplace would be \$1,250,000 from the City and \$250,000 from the County for a total of \$1,500,000. Also part of the new funding approach is County funding \$900,000 towards Rapid Rehousing and Permanent Supportive Housing, subject to annual appropriation.

The proposed Budget agreed upon at the Joint City/County Commission in May 2019 included funding for the closure of Dignity Village over a two year period, at a total budget of \$741,883. The funding needed in FY 2019-20 is \$509,000 of which the City has committed \$254,500; and the County is proposing to allocate \$250,000. Further discussion by the City and County Commissions is needed to determine the additional funding required in the amount of \$232,883 in FY 2020-21.

..Recommendation

The City and County Commissions discuss and provide staff direction with respect to funding and homeless services as follows: 1) Continued funding for Grace Marketplace for FY2020-21 (contingent on an agreement to fund services for FY2021 and beyond); 2) City and County Homeless services funding for FY 2021 and beyond; and 3) Plan and funding request for the closure of Dignity Village.