

## **Housing Expert Panel- Recommendations to SJ 47 Work Group #2 and to the Joint Subcommittee**

**December 19, 2017**

**1. BUDGET PROPOSAL: Increase funding to the Virginia Housing Trust Fund by \$4.5 million a year, bringing the total to \$10 million a year.**

One of the Joint Subcommittee's major priorities in the coming biennium is to relieve the pressure on the census of the Commonwealth's state hospitals, particularly by facilitating discharge of individuals on the EBL. The goals for reducing the EBL are set forth in Expert Panel Report on System Structure and Financing and in documents prepared by DBHDS for the Joint Subcommittee. If these objectives are going to be met, the supply of permanent supportive housing must be increased.

The existing Permanent Supportive Housing (PSH) investment has shown an impact on state hospitalization utilization for those with a recent history of state institutionalization. The PSH Funding through DBHDS currently funds two of the essential components of PSH (rental subsidization and supportive services), but the Virginia Housing Trust Fund (VHTF) is needed to increase capital investment in order to increase available rental housing. Currently, the VHTF receives \$5.5 million a year. The Governor's proposed budget maintains this amount. In the Panel's judgment, the VHTF should be funded with at least \$10 million a year to make an even bigger impact in Virginia communities. By increasing funding to the VHTF, we can expand Permanent Supportive Housing (PSH) through capital investment. This will allow the Department of Housing and Community Development and Virginia Housing Development Authority to continue serving individuals with Serious Mental Illness (SMI) within existing housing efforts. There is a need to educate and train housing developers on how to successfully apply for funding to develop PSH for the SMI population, as well as for the Department of Housing and Community Development to continue to identify strategies to promote the development of additional PSH units for the SMI population. The Housing for Seriously Mentally Ill Population Strategy Group has included increasing funding to the VHTF in their draft recommendations. Budget amendments would be necessary.

**2. BUDGET PROPOSAL: Support Governor McAuliffe's proposed budget amendments to increase funding for Permanent Supportive Housing.**

The Governor's proposed budget amendments include increases in Permanent Supportive Housing funding. An additional \$4.6 million was included over the biennium to expand supportive housing for adults with serious mental illness. This will expand supportive housing options for up to 200 individuals, with priority given to those individuals currently residing in state facilities that have been determined ready for discharge, but are in need of housing in order to be placed in the community. The Panel urges the Joint Subcommittee to support this budget proposal.