

THE FINANCING PLAN: STATE LEADERSHIP AND A CALL TO ACTION TO POTENTIAL PARTNERS

- The financing plan is a unique effort to estimate over time the costs and potential sources for providing housing and support services from multiple funding sources. The following table summarizes the cost of the plan as recalibrated in 2007. The estimated total cost declined by \$57 million over the three-year period, due largely to a more refined estimate of the cost for services over the life of the plan.

Financing Plan Estimate (2004-2010)
(in millions) (revised 2007)

| <i>Sources</i> | | <i>Costs/Uses</i> | |
|--|--------------|--|--------------|
| <u>Identified Sources:</u> | | | |
| State General Obligation Bonds | \$ 77 | New Construction | \$ 87 |
| Minnesota Housing State Appropriated Programs and Agency Resources | \$ 96 | Acquisition and Rehabilitation | \$ 88 |
| Private Tax Credit Equity (Minnesota Housing allocation) | \$ 60 | Units Integrated into Mixed-Income Developments | \$ 85 |
| Department of Human Services | \$ 88 | Rental/Operating Assistance | \$ 77 |
| <u>Remaining Sources:</u> | \$162 | Housing Support/Community Living Services/Income Supplements | \$146 |
| Federal Government | | | |
| Local Government | | | |
| State Departments | | | |
| Philanthropic/Nonprofit/Other | | | |
| Total | \$483 | Total | \$483 |

- The state is providing significant resources. The Governor and the legislature have approved a total of \$77.5 million of capital support for the Plan, including a record \$31 million in 2008. In 2005, the Minnesota Legislature also approved Governor Pawlenty's requests for increases in rental assistance, operating, and service funding for supportive housing totaling \$14 million and provided over \$5 million of funding for related initiatives for youth foster care transition, homeless outreach, and prisoner reentry housing. Consistent with the Governor's recommendation, the 2007 Legislature increased 2008-09 funding by nearly \$30 million for housing, services, prevention, and prisoner re-entry to implement and support the plan. Minnesota Housing has allocated almost \$50 million to an Ending Long-Term Homelessness Initiative Fund from internal resources.
- Private sector support includes grants to individual supportive housing developments from a broad spectrum of foundations and corporations, as well as a "Partners Fund," which has received grants totaling \$2.65 million from The McKnight Foundation, the Travelers Foundation, the Family Housing Fund, the Frey Foundation, and the Pohlrad Family Foundation. In December 2007, a private sector led Heading Home Minnesota Steering Committee announced a \$60 million fundraising goal to support the effort.
- State and local governments and the private sector, however, cannot finance the plan alone; substantial federal resources are necessary to complete the plan. The Minnesota Congressional delegation has provided significant bi-partisan support for the effort.

IMPLEMENTATION: ACCOUNTABILITY AND RESULTS

- Many regions of the state have completed plans that align with the Business Plan. The plans, all part of Heading Home Minnesota, include Heading Home Hennepin, Heading Home Ramsey, Heading Home St. Louis County, Heading Home Southeast Minnesota (covering 20 counties), Heading Home Central Minnesota (covering 14 counties), Heading Home Southwest Minnesota (covering 18 counties), Heading Home Olmsted and Heading Home Anoka. Additional jurisdictions in Greater Minnesota and the Twin Cities metropolitan area are developing plans.
- Business Plan implementation is led by a Director for Ending Long-Term Homelessness who reports to the state's commissioners of Human Services, Corrections, and Housing. Implementation of Heading Home Minnesota is coordinated by an Executive Team that includes all plan leaders and major intermediary organizations.

For the most up-to-date information about Minnesota's Business Plan to End Long-Term Homelessness please visit
www.mnhousing.gov/initiatives/housing-assistance/index.aspx
www.headinghomeminnesota.org





Minnesota's Business Plan to End Long-Term Homelessness

The foundation for Heading Home Minnesota, an unprecedented, coordinated public-private partnership to end homelessness

BACKGROUND: MULTI-DISCIPLINARY STRATEGIES

- In March 2004, a broadly based working group established by the legislature at the request of Governor Tim Pawlenty completed a goal-oriented, reform-minded business plan to end long-term homelessness by 2010. The plan calls for multi-disciplinary (housing, human services, corrections), multi-sector (government, business, nonprofit), and multi-jurisdictional (federal, state, and local) strategies to address long-term homelessness.
- In June 2007, the plan was recalibrated to reflect the experience of three years of implementation.

VISION AND GOAL: END LONG-TERM HOMELESSNESS BY 2010

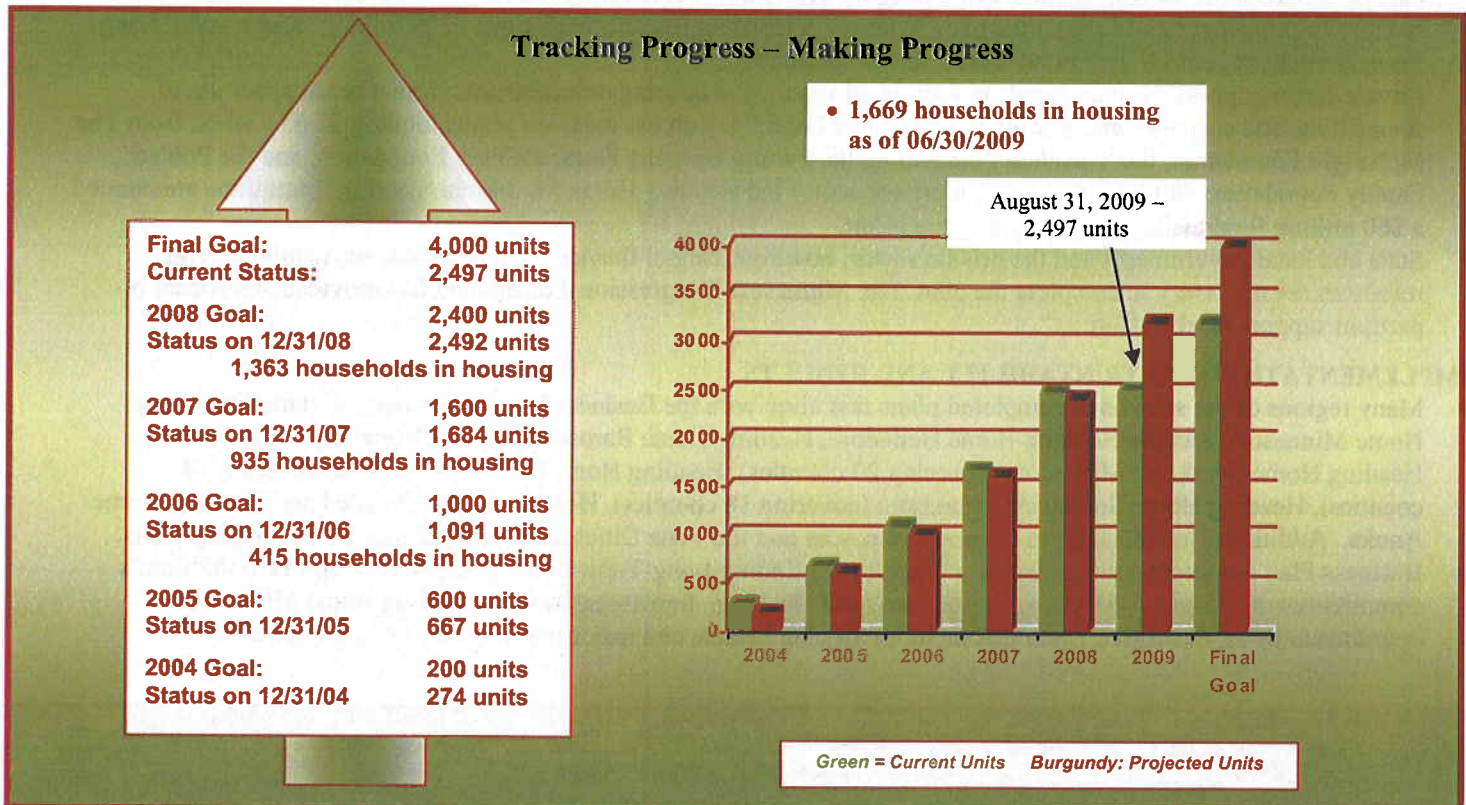
- Provide housing and appropriate support service options to those experiencing long-term homelessness -- single adults, unaccompanied youth and families with children -- so they can be successfully housed over the long term.
- Meet the needs of the broader homeless and near homeless populations as this goal is pursued.

THE NEED: PROVIDE HOUSING AND SUPPORT SERVICES TO 4,000 HOUSEHOLDS

- An estimated 4,400 people experience long-term homelessness over the course of a year, including 800 children. *Wilder Statewide Survey 2006.*
- Many report serious mental illness (57%), chemical dependency (33%), symptoms of brain injury (35%), prior incarceration (54%), and status as military veterans (14%). *Wilder Statewide Survey 2006.*
- 4,000 new supportive housing opportunities will meet the current need and provide a contingency.

THE STRATEGY: COST EFFECTIVE SUPPORTIVE HOUSING

- Supportive housing reduces the use of expensive crisis services (emergency rooms, detox, and shelters) and improves outcomes for people experiencing long-term homelessness.



Heading Home Minnesota



Take a step toward ending homelessness in Minnesota.

Heading Home Minnesota benefits from all levels of support and involvement. Determine which path makes the most sense for your business and organization.

Educate

- **Host a gathering at your workplace.** Invite a local housing or service provider for an informal discussion with your employees.
- **Organize a tour of a local shelter or supportive housing program.** Give your employees a chance to get a closer look at homelessness.
- **Engage your local chamber, congregation or professional/fraternal organization.** How well do others in your community understand homelessness?

Volunteer

- **Lead your employees in a volunteer effort at a local shelter or outreach effort.** Volunteer opportunities can range from serving meals to creating "care packages" to helping administer programs.
- **Get involved with the next Project Homeless Connect event in your region.** Employees can volunteer and be trained to help homeless individuals get a range of needed services.
- **Recruit colleagues and other members of your community to join Heading Home Minnesota.** We can always use the support of additional individuals and organizations who are interested in ending homelessness.

Give

- **Support Heading Home Minnesota** by either giving directly to a non-profit organization addressing homelessness or to the Partners Fund. Your contribution will help build housing in your community and across the state.
- **Support employee giving through matching gift programs.** Show your employees that you care about ending homelessness, too.
- **Donate products and services to a housing organization or for an event.** Create new life for unused furniture and office equipment or donate professional services.

The Issue

Every night, there are 9,000 homeless people in Minnesota, many of whom are families and children.

In the past, homelessness has been **managed**. In 2007, Hennepin County spent nearly \$4.2 million to house 266 people who were homeless in correctional facilities, emergency shelters and detox facilities. We can't afford these kinds of approaches anymore. It's time to **end** homelessness.

A Proven Solution

Heading Home Minnesota is a state-wide, public-private initiative to end homelessness. We are not searching for the answer; we have the answer—create more housing with support services that treat the root issues of homelessness.

In one study, permanent supportive housing was shown to reduce detox services by 85 percent and increased the rate of employment by 40 percent, among other benefits.

A Great Return on Investment

Whether your organization is large or small, local or nationwide, you will see benefits from your investment.

- More hospitable environment for your customers.
- Larger, stronger and more stable workforce.
- Reduced stress on community resources.
- Stronger, healthier communities.

If you are interested in taking a step toward ending homelessness, contact Megan Harms at 612-335-3586 or meganharms@headinghomeminnesota.org.