



# Housing Assistance Programs

November 2021

## Executive Summary

Minnesota provides housing assistance to people in a variety of situations, including those who are homeless, those who receive public assistance, or youth who may be sexually exploited. Most of these programs are administered through the Department of Human Services (DHS). In fiscal year 2020, the state spent more than \$224 million in housing support for nearly 107,000 recipients.

This publication describes several housing assistance programs that are administered by DHS. These programs include:

- emergency services grants;
- transitional housing programs;
- long-term homeless supportive services;
- the Homeless Youth Act;
- housing support;
- Minnesota Supplemental Aid (MSA) housing assistance;
- Medical Assistance (MA) housing stabilization services;
- Minnesota Family Investment Program (MFIP) housing assistance grants; and
- safe harbor for Minnesota’s sexually exploited youth.

The state also provides housing support for specific populations through programs that are administered by other state agencies. This publication includes a brief description of those housing programs, including programs for veterans, people who have been incarcerated, and people seeking supportive services through the Minnesota Housing Finance Agency.

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## Programs and Services for People Who Are Homeless

The programs and services described in this section include emergency services grants, transitional housing programs, long-term homeless supportive services, and the Homeless Youth Act.

### Emergency Services Grants

The emergency services grant program was established by the legislature in 1997 and is a state-funded grant program administered by DHS to “provide homeless persons essential services and emergency shelter in safe, sanitary, and decent facilities.” The grant program helps eligible organizations improve the quality of existing shelters, make available other emergency housing, meet the operating and maintenance costs of shelters, and provide essential services to homeless persons.<sup>1</sup>

Eligible organizations are local governmental units or nonprofit organizations providing or seeking to provide emergency services for homeless persons. During the 2020-2021 biennium, 26 agencies received emergency services grant funds.

Emergency services include:

- providing emergency shelter for homeless persons; and
- assisting homeless persons in obtaining essential services, including:
  - access to permanent housing;
  - medical and psychological help;
  - employment counseling and job placement;
  - substance abuse treatment;
  - financial assistance available from other programs;
  - emergency child care;
  - transportation; and
  - other services needed to stabilize housing.

In fiscal year 2021, the emergency services grant program served 6,956 people with state expenditures of \$2,344,000. In addition, 25 agencies received onetime funding totaling \$3 million in fiscal years 2020 and 2021 for emergency shelter and outreach programs for people living on the streets.

### Transitional Housing Program

The transitional housing program was established by the legislature in 1984 and is a state-funded program administered by DHS to initiate, maintain, or expand programs to provide transitional housing and support services for persons in need of transitional housing, which may

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<sup>1</sup> [Minn. Stat. § 256E.36.](#)

include up to six months of follow-up support services for persons who complete transitional housing as they stabilize in permanent housing.<sup>2</sup>

Eligible recipients of transitional housing funds include city housing and redevelopment authorities, community action agencies, and private nonprofit organizations. Programs receiving funding include congregate facilities and scattered-site transitional housing. During the 2020-2021 biennium, 47 agencies received transitional housing funding.

“Transitional housing” is housing designed for independent living and provided to a homeless person or family at a rental rate of at least 25 percent of the family income for a period of up to 24 months (however, up to 10 percent of transitional housing funds may be used for persons needing assistance for longer than 24 months).

“Support services” provide assessments that: (1) identify the needs of individuals for independent living; and (2) arrange or provide for the appropriate educational, social, legal, advocacy, child care, employment, financial, health care, or information and referral services to meet the identified needs.

DHS is required to fund at least two programs located in the seven-county metropolitan area and at least one program located outside of the metropolitan area. DHS may fund programs designed primarily to serve families with children, single persons, and persons leaving a shelter for family abuse.

In fiscal year 2021, the transitional housing program served 1,438 people with state expenditures of \$6,386,000.

## **Long-Term Homeless Supportive Services**

Long-term homeless supportive services were implemented in 2005 and are state-funded services administered by DHS to provide integrated services needed to stabilize individuals, families, and youth living in supportive housing.<sup>3</sup> Long-term homelessness is defined as “lacking a permanent place to live continuously for one year or more or at least four times in the past three years.”<sup>4</sup>

Counties and tribes are eligible for long-term homeless supportive services funding. However, priority is given to proposals submitted on behalf of multicounty and tribal partnerships. Currently, seven regional partnerships that integrate housing and long-term support services receive the long-term homeless supportive services funding.

Eligible supportive services include all services needed to maintain households in permanent supportive housing, as determined by the county or counties administering the project or projects.

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<sup>2</sup> [Minn. Stat. § 256E.33](#).

<sup>3</sup> [Minn. Stat. § 256K.26](#).

<sup>4</sup> See [Minn. Stat. § 256K.26](#), subd. 3, cl. (1).

In fiscal year 2020, long-term homeless supportive services served 4,080 people with state expenditures of \$6,910,000.

## Homeless Youth Act

The Homeless Youth Act was established by the legislature in 2006 and is a state-funded grant program administered by DHS to provide street and community outreach and drop-in programs, emergency shelter programs, and integrated supportive housing and transitional living programs to reduce the incidence of homelessness among youth.<sup>5</sup>

Eligible grant recipients include providers who are committed to serving homeless youth and youth at risk of homelessness. During the 2018-2019 biennium, 38 agencies received funding to operate 80 program activities for homeless youth—26 street and community outreach and drop-in programs, 14 emergency shelter programs, and 40 integrated supportive housing and transitional living programs.<sup>6</sup>

A homeless youth is a person age 24 years or younger who is unaccompanied by a parent or guardian and who has no shelter where appropriate care and supervision are available, whose parent or legal guardian is unable or unwilling to provide shelter and care, or who lacks a fixed, regular, and adequate nighttime residence. A youth at risk of homelessness is a person age 24 years or younger whose status or circumstances indicate a significant danger of experiencing homelessness in the near future. A runaway is defined as an unmarried child under the age of 18 years who is absent from the home of a parent or guardian or other lawful placement without the consent of the parent, guardian, or lawful custodian.

Youth drop-in centers must provide walk-in access to crisis intervention and ongoing supportive services. Street and community outreach programs must locate, contact, and provide information, referrals, and services to homeless youth, youth at-risk of homelessness, and runaways, including:

- family reunification services;
- assistance in obtaining temporary emergency shelter;
- assistance in obtaining food, clothing, medical care, or mental health counseling;
- counseling regarding violence, sexual exploitation, substance abuse, sexually transmitted diseases, and pregnancy;
- assistance with education, employment, and independent living skills; and
- homelessness prevention.

Emergency shelter programs must provide the following services:

- referral and walk-in access to emergency, short-term residential care;
- safe, dignified shelter, including private shower facilities, beds, and at least one meal each day; and

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<sup>5</sup> [Minn. Stat. § 256K.45](#).

<sup>6</sup> *Homeless Youth Act Biennial Report*, Minnesota Department of Human Services, February 2019.

- reunification with the family or legal guardian when required or appropriate.

In addition, services provided at emergency shelters may include, but are not limited to:

- individual, family, and group counseling;
- assistance obtaining clothing;
- access to medical and dental care and mental health counseling;
- education and employment services;
- advocacy and referral services;
- independent living skills training;
- aftercare and follow-up services;
- transportation; and
- homelessness prevention.

Integrated supportive housing and transitional living programs must assist homeless youth and runaways with finding and maintaining “safe, dignified housing.” The program may also provide:

- rental assistance and related supportive services, or referrals to other agencies or organizations that provide those services;
- educational assessment and referrals to educational programs;
- career planning, employment, work skill training, and independent living skills training;
- job placement;
- budgeting and money management;
- assistance in securing housing appropriate to needs and income;
- counseling regarding violence, sexual exploitation, substance abuse, sexually transmitted diseases, and pregnancy;
- referral for medical services or chemical dependency treatment;
- parenting skills;
- self-sufficiency support services or life skills training;
- aftercare and follow-up services; and
- homelessness prevention.

In fiscal year 2021, the Homeless Youth Act provided outreach and drop-in services to 6,954 youth, housing to 1,216 youth, and shelter to 542 youth with state expenditures of \$5,512,000.

## Data on Households Served and Expenditures

The table below shows the number of households served and expenditures for fiscal years 2016 to 2020 for the programs and services for people who are homeless.

	Emergency Services Grants	Transitional Housing Program	Long-Term Homeless Supportive Services	Homeless Youth Act*
2016 Recipients	6,242	1,000**	1,365	698 shelter 851 housing
2016 Expenditures	\$844,000	\$3,010,000	\$6,910,000	\$4,119,000
2017 Recipients	6,268	2,241	2,920	725 shelter 1,092 housing 12,726 drop-in
2017 Expenditures	\$844,000	\$6,386,000	\$6,910,000	\$4,052,000
2018 Recipients	4,193	2,203	3,006	655 shelter 1,182 housing 9,596 drop-in
2018 Expenditures	\$794,000	\$6,386,000	\$7,285,000	\$5,512,000
2019 Recipients	4,451	1,875	3,167	617 shelter 664 housing 9,308 drop-in
2019 Expenditures	\$794,000	\$6,386,000	\$7,285,000	\$5,512,000
2020 Recipients	7,367	1,499	4,080	566 shelter 699 housing 7,114 drop-in
2020 Expenditures	\$2,344,000	\$6,386,000	\$6,910,000	\$5,512,000
* Funds used to support outreach and drop-in activities are not included in these numbers for FY 2016.				
** First year with new HMIS System Administrator				

## Programs and Services for Public Assistance Enrollees

The programs and services described in this section include: housing support; Minnesota Supplemental Aid (MSA) housing assistance; Medical Assistance (MA) housing stabilization services; and Minnesota Family Investment Program (MFIP) housing assistance grant.

### Housing Support

Housing support (formerly known as Group Residential Housing) is a state-funded income supplement program administered by DHS that pays for room-and-board costs for low-income adults residing in a licensed or registered setting with which a county human services agency has negotiated a monthly rate.<sup>7</sup> The legislature established this program in 1992 as a revision to a law known as the Negotiated Rate Act.

In order to be eligible for housing support, a person must have county approval for residence in an approved setting and must: (1) be aged, blind, or over 18 years old and disabled, and meet specified income and asset standards; (2) belong to a category of individuals potentially eligible for General Assistance and meet specified income and asset standards; or (3) be lacking a fixed, adequate, nighttime residence upon discharge from a residential behavioral health treatment program.

Beginning July 1, 2021, the housing support basic room and board rate is \$954 per month. Recipients in certain settings may also qualify for a supplemental payment that is in addition to the housing support basic room and board rate. Housing support pays for room and board in a number of licensed or registered settings, including:

- adult foster care;
- board and lodging establishments;
- supervised living facilities;
- noncertified boarding care homes; and
- assisted living settings.

Persons residing in a setting with a housing support rate are usually considered to be living in the community in their own home. As such, these persons can receive services from most community sources, such as home care and home and community-based waiver programs.

In fiscal year 2020, 20,961 average monthly recipients received housing support with expenditures of \$184,631,491.

### MSA Housing Assistance

MSA is a state program administered by DHS that provides supplemental cash assistance to aged, blind, and disabled persons who are Supplemental Security Income (SSI) recipients, or who would qualify for SSI except for excess income. Disabled MSA recipients who are under

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<sup>7</sup> [Minn. Stat. ch. 256I.](#)

age 65; are relocating into the community from a residential facility, are eligible for personal care assistance, or are home and community-based waiver recipients living in their own home or rented or leased apartment; and qualify as in need of housing assistance receive an additional amount to help cover housing costs.<sup>8</sup> An eligible individual who receives this benefit prior to age 65 may continue to receive this benefit after age 65.

To qualify as in need of housing assistance, a person must incur housing costs in excess of 40 percent of the person's gross income before the application of the special needs standard.

The MSA housing assistance benefit is equal to one-half of the maximum federal SSI payment amount for a single individual (the federal benefit rate for a single individual in 2021 is \$794; one-half that amount is \$397).

In fiscal year 2020, 1,559 average monthly cases received MSA housing assistance with state expenditures of \$3,592,320.

## MA Housing Stabilization Services

MA housing stabilization services were established by the legislature in 2017 and are administered by DHS. The program provides housing stabilization services to an individual with a disability, including mental illness and substance use disorder, that limits the individual's ability to obtain or maintain stable housing to support an individual's transition to housing in the community and increase long-term stability in housing.<sup>9</sup>

MA housing stabilization services will be provided to an individual with a disability who:

- is 18 years of age or older;
- is enrolled in MA;
- has a documented disability or disabling condition, defined as:
  - aged, blind, or a disability described under Title II of the Social Security Act;
  - an injury or illness expected to cause long-term incapacitation;
  - a developmental disability or mental illness;
  - a mental health condition, substance use disorder, or physical injury that required residential care;
  - a learning disability; or
  - a substance use disorder, and the individual is enrolled in a treatment program or on a waiting list;
- has an assessment that determines a need for services due to limitations caused by the individual's disability;
- resides in or plans to transition to a community-based setting; and
- has housing instability as evidenced by being homeless or at risk of homelessness, being in the process of transitioning from, or having recently transitioned from, an

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<sup>8</sup> [Minn. Stat. § 256D.44](#), subd. 5, para. (g).

<sup>9</sup> [Minn. Stat. § 256B.051](#).



institution or licensed or registered setting, being eligible for MA waiver services, or having been identified by a long-term care consultation as at risk of institutionalization.

MA housing stabilization services include housing transition services and housing and tenancy sustaining services. Housing transition services include:

- tenant screening and housing assessment;
- assistance with the housing search and application process;
- identifying resources to cover onetime moving expenses;
- ensuring a new living arrangement is safe and ready for move-in;
- assisting in arranging for and supporting details of a move; and
- developing a housing support crisis plan.

Housing tenancy and sustaining services include:

- prevention and early identification of behaviors that may jeopardize continued stable housing;
- education and training on roles, rights, and responsibilities of the tenant and the property manager;
- coaching to develop and maintain key relationships with property managers and neighbors;
- advocacy and referral to community resources to prevent eviction when housing is at risk;
- assistance with housing recertification process;
- coordination with the tenant to regularly review, update, and modify housing support and crisis plan; and
- continuing training on being a good tenant, lease compliance, and household management.

In addition, a housing stabilization service may include person-centered planning for individuals who are not eligible for person-centered planning through another service, if certain conditions are met.

Service providers will be eligible for reimbursement under MA housing stabilization services if the provider:

- is enrolled as a Medical Assistance Minnesota health care program provider and meets all applicable provider standards and requirements;
- demonstrates compliance with federal and state laws and policies for housing stabilization services;
- complies with statutory background study requirements and maintains documentation of background study requests and results;
- directly provides housing stabilization services and does not use a subcontractor or reporting agent; and

- completes annual vulnerable adult training.

This program was subject to federal approval and was implemented in fiscal year 2021. An estimated 5,453 recipients received MA housing stabilization services in fiscal year 2021, with estimated total expenditures of \$14,182,539. The expenditures are a mix of state and federal dollars.

## **MFIP Housing Assistance Grant**

The MFIP housing assistance grant was implemented in fiscal year 2016, is administered by DHS, and provides \$110 per month in housing assistance to MFIP assistance units who are not: (1) receiving rental subsidies provided through the federal Department of Housing and Urban Development, a portion of which is subject to being counted as unearned income; or (2) a child-only MFIP case.<sup>10</sup>

MFIP is a jointly funded, federal-state program designed to provide income assistance to eligible low-income families.

In fiscal year 2020, 56,388 average monthly recipients, or 20,091 families, received MFIP housing assistance with estimated state expenditures of \$12,377,015 and estimated federal expenditures of \$14,877,876.

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<sup>10</sup> [Minn. Stat. § 256J.35.](#)

## Data on Recipients and Expenditures

The table below shows the average monthly recipients and expenditures for the programs and services for public assistance enrollees for fiscal years 2016 to 2020.

	Housing Support	MSA Housing Assistance*	MFIP Housing Assistance Grant
2016 Average Monthly Recipients	19,627	768	46,249
2016 Expenditures	\$149,460,915	\$1,788,486	\$11,008,788 (federal) \$12,573,317 (state)
2017 Average Monthly Recipients	20,222	856	60,624
2017 Expenditures	\$159,456,706	\$1,972,224	\$14,549,517 (federal) \$13,557,943 (state)
2018 Average Monthly Recipients	20,502	1,005	63,494
2018 Expenditures	\$160,535,838	\$2,316,480	\$17,332,623 (federal) \$13,016,328 (state)
2019 Average Monthly Recipients	20,488	1,186	57,799
2019 Expenditures	\$166,972,636	\$2,731,584	\$15,826,516 (federal) \$11,714,059 (state)
2020 Average Monthly Recipients	20,961	1,559	56,388
2020 Expenditures	\$184,631,491	\$3,592,320	\$14,877,876 (federal) \$12,377,015 (state)
<p>* MSA data is for average monthly cases, not average monthly recipients. Note: MA Housing Stabilization Services is not included in the table because it was first implemented in fiscal year 2021.</p>			

## Programs and Services for Sexually Exploited Youth

This section describes the program for safe harbor for Minnesota's sexually exploited youth.

### Safe Harbor for Minnesota's Sexually Exploited Youth

The Department of Human Services administers a state-funded grant program to fund emergency, transitional, and long-term housing for sexually exploited youth and youth at risk of sexual exploitation. DHS provides grants to regional navigators serving nine regions throughout the state, and to nonprofit organizations to provide shelter and housing beds around the state. Youth may use an emergency shelter bed for up to 90 days, and a program may request a

variance to allow a participant to stay longer than 90 days. Transitional and long-term housing are provided for longer-term stays. Some programs limit a stay in transitional housing to two years, and others do not have a time limit. Some settings are for females only, and other settings serve females, males, and transgender youth. These shelter and housing settings provide appropriate security and on-site supportive services, which may include case management services; mental health and chemical dependency support or counseling; educational services; health care; and resources to assist with basic needs, parenting, legal, and social and emotional issues.

Individuals eligible for emergency, transitional, and long-term housing are youth 24 years of age or younger who are sexually exploited or at risk of sexual exploitation. A sexually exploited youth is an individual who:

- is alleged to have engaged in conduct which, if committed by an adult, would violate any law relating to being hired, offered for hire, or agreeing to be hired to engage in sexual conduct;
- is a victim of a criminal sexual conduct or solicitation crime, or a crime related to sexual performance or sexual conduct by a minor;
- is a victim of a federal crime related to sexually explicit depictions of a minor for importation into the United States, transportation for illegal sexual activity, transmission of information about a minor for purposes related to sexual activity, or sexual exploitation of a minor; or
- is a sex trafficking victim.<sup>11</sup>

In fiscal year 2020, Safe Harbor grants provided housing for 198 youth, funding housing beds with an appropriation of \$3,050,000. The table below shows Safe Harbor households served and DHS expenditures for fiscal years 2017 to 2020.

	2017	2018	2019	2020
Households	199	205	219	198*
Total funding	\$1,833,000	\$3,550,000	\$3,550,000	\$3,550,000
* Number may be slightly lower due to the COVID-19 pandemic and a gap in data entry support to providers due to staff turnover in the Safe Harbor evaluator position.				

<sup>11</sup> [Minn. Stat. § 260C.007](#), subd. 31.

## Data on Recipients and Expenditures

The table below shows the number of recipients and state expenditures for fiscal year 2020 for the housing programs administered by DHS.

**Housing Programs, 2020 Number of Recipients and State Expenditures**

Program	# of recipients	State Expenditures
Emergency Services Grants	7,367	\$2,344,000
Transitional Housing Program	1,499	\$6,386,000
Long-Term Homeless Supportive Services	4,080	\$6,910,000
Homeless Youth Act	6,991 (housing) 566 (shelter) 7,114 (drop-in)	\$5,512,000
Housing Support	20,961	\$184,631,491
MSA Housing Assistance	1,559 (average monthly cases)	\$3,592,320
MA Housing Stabilization Services	N/A	N/A
MFIP Housing Assistance Grant	56,388	\$12,377,015
Housing with Supports for Adults with Serious Mental Illness (now included in MA Housing Stabilization Services)	N/A	N/A
Safe Harbor	198	\$3,550,000

## Other Programs and Services

This section provides a brief overview of several housing assistance programs and services that are administered by other state agencies, including the Departments of Corrections and Veterans Affairs, and the Minnesota Housing Finance Agency (MHFA).

Other state agencies have appropriations to help specific populations who struggle to obtain and keep housing. Individuals who have been incarcerated often have trouble finding housing due, in part, to landlord concerns over offender-tenants re-offending and the presence of offender-tenants diminishing the value and desirability of rental properties and surrounding neighborhoods. The Department of Corrections provides information and funding for ex-offenders for transitional, supportive, and emergency housing for both men and women. Approximately 500 offenders were served by these Department of Corrections-funded programs in 2020. In 2021, the legislature established an offender homelessness reporting requirement for the Department of Corrections. The agency must report annually to the legislature on offender homelessness and efforts to reduce and, ultimately, eliminate offender homelessness.

The Minnesota Department of Veterans Affairs (MDVA) provides funding and programs to assist veterans with housing. MDVA provides funding to the Minnesota Assistance Council for Veterans (MACV), which has homes and apartment buildings throughout Minnesota and offers structured independent living and permanent housing with supportive services. MDVA also provides funding to the County Veterans Services Officers, MACV, the Homeless Veterans Registry, and the Homeless Management Information Services, which are programs that connect veterans who are homeless or at risk of being homeless with resources for employment, housing, and public benefits. MDVA also operates the Homes for Veterans program, which helps veterans obtain housing by working with landlords in the program.

Finally, the MHFA administers a variety of programs to help Minnesotans fix up their homes, access supportive services, prevent and end homelessness, afford housing near jobs, and achieve homeownership. In addition, the MHFA administers the Homework Starts with Home program which provides grants to address homelessness and housing instability among students and their families. For more information on programs administered by the Minnesota Housing Finance Agency, see House Research, [State-Funded Minnesota Housing Finance Agency Programs](#).



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