

Veterans and Military Affairs Finance and Policy Division Committee

Chair: Andrew Lang, (R) District 17

Vice Chair: Bruce Anderson (R) District 29

Ranking Minority Member: Jerry Newton, (DFL) District 37

Minnesota Assistance Council for Veterans Testimony

24 February 2022

Chair Lang and Committee Members, I am Neal Loidolt, the President and CEO of Minnesota Assistance Council for Veterans - MACV. We are a 501c3 non-profit operating throughout the State with the mission to end Veteran homelessness in Minnesota. I began with MACV in February of 2017 after leaving full-time service with the Minnesota National Guard. Entering my sixth year with the organization, the last 2 years operating through the COVID 19 pandemic and the civil unrest of 2020, I am proud of how MACV and our partners have adapted, and the strides we've made with our goal of ending Veteran homelessness. I am honored to be with you today.

MACV has served Veterans experiencing or at-risk of homelessness for over 30 years. We do so with a wide-reaching, comprehensive network of staff and partners throughout the State. I am proud of their experience and professionalism but most importantly, the compassion they show for the Veterans that we serve. We coordinate comprehensive services for long-term housing stability, employment and legal services. MACV services cover the entire state of Minnesota, with offices in Saint Paul, Duluth, Saint Cloud, Moorhead, Mankato, Minneapolis, and Rochester. The key to success in all our programs is the combination of individualized services each Veteran receives along with the organization-wide goal for all Veterans to achieve or maintain housing stability.

Our team of 65 staff - over half of whom are Veterans themselves - is talented, diverse, and committed to ending Veteran homelessness. We operate 151 beds of transitional and permanent supportive housing units in Duluth, Hibbing, Mankato, St. Cloud, and throughout the Twin Cities metropolitan area, with 9 additional units coming online April of this year in North Minneapolis and an additional 24 starting construction with the goal of completion in 2022. This figure represents an increase of 21 available housing units since I last testified to this committee. Strong partnerships with Lennar Builders, Housing First

Minnesota Foundation, and Hennepin County directly resulted in these additional units.

When I last spoke with you in January of 2021, I informed you that during the pandemic, MACV benefitted from greater flexibility of the use of our federal funding as well as additional funds. We placed 455 Veterans experiencing homelessness into our hotel emergency shelter program in 2021, with an average stay of 53 days and 65% of all-time hotel exits reported as positive. We are glad to report that the need for our use of hotels as emergency shelter has reduced by nearly 50% in comparison to 2020, and we now apply the lessons we learned working with Veterans in those spaces to our outreach efforts to shelter and unsheltered spaces. We work diligently to identify permanent and transitional housing options for each of the 26 Veterans residing in MACV-funded hotel units today. This effort has also resulted in record amounts of direct client assistance spending, with our budget for this service area doubling over the course of the year.

With the end of the eviction moratorium our staff has seen an uptick in Veterans needing legal and financial assistance and we continue to reach out to previously served Veterans, community partners, and through media and social media networks to make sure Veterans are aware of the homelessness prevention resources available to them. This empowers the Veteran community to stay ahead of this potential crisis. MACV is prepared for a significant case management effort and investment of rental assistance resources to help Veterans avoid eviction and becoming homeless.

Data about the extent of the need resulting from the moratorium's end is inexact. We know that many of the households most financially affected by the Covid-19 pandemic are Veterans who live paycheck to paycheck, without any financial safety net or savings. This group disproportionately includes Veterans of Color, as well as Veterans in rural communities, families, and Veterans who never needed to request assistance of any kind before. Our team leverages a variety of federal and philanthropic resources to address the pressing need for assistance, but the funds appropriated to MACV by the Minnesota Legislature are especially critical to our mission success. We are proud to count the State of Minnesota as one of our strongest allies in the fight to end Veteran homelessness.

In 2021, we enrolled 1,438 Veterans in comprehensive services. Of those 1,438 individuals:

- 61% have a documented disability
- 52% are 55 years of age or older
- 38% have children
- 37% identify as Veterans of Color
- 11% were female Veterans

837 unique Veterans received direct financial assistance from MACV in 2021 for a total amount of over \$3,277,187. Of this, 239 Veterans received financial assistance with funds appropriated by the State of Minnesota.

Employment services continue to be a key focus in MACV's service delivery to Veterans. In 2021 we placed 193 Veterans into employment at an average hourly wage of \$17.72, representing annual gross wages of approximately \$4,530,000. 87% of Veterans who got jobs through our program last year were still employed in follow-up. The funding you provide us directly impacts the achievement of these outcomes. Thank you.

In the past year, we have strategically grown our service provision capacity in various areas, including:

- Direct street outreach to unsheltered Veterans.
- Landlord navigation and engagement to find housing options for homeless Veterans with barriers to securing a rental lease. Since October 2019, our Landlord Engagement Program has housed over 110 veterans with significant justice involvement and complicated rental histories. The average Veteran housed through this program has 1 felony, 1 eviction, 2 misdemeanors, and owes at least \$1000 to a past landlord. Many also struggle with mental and chemical health challenges, and low financial literacy. However, not a single Veteran housed through the Landlord Engagement program has been evicted and over 90% of those housed since the program's inception remain housed.
- Health Care Navigation to ensure that Veterans have access to the physical, mental, and chemical health resources that they need to succeed. Not all Veterans are eligible for VA services and Healthcare navigation connects those Veterans to other services to ensure we utilize every service available to stabilize their housing situation. There are so many resources available

that it can be daunting for anyone to learn or understand them all. This team helps connect Veterans to the service that will best resolve their housing instability.

- Expansion of our Justice-Involved Veteran initiative, which engages with Veterans pre-release from correctional institutions, and with homeless Veterans with the most serious criminal barriers to housing. Most Veterans exiting incarceration site homeless status as the key component contributing to reincarceration. MACV identifies Veterans prior to release to ensure they get on a path to stable housing to reduce recidivism.

These strategic initiatives will continue into 2022 and beyond as we continually adjust MACV's resources to the community we serve.

When I spoke with you in 2021, I informed you that during the pandemic our progress of housing an average of 57.6 homeless Veterans per month had been cut in half, falling to as low as 28 placements per month. The good news I'm happy to report is that since November of 2021 the number of Veterans experiencing homelessness in Minnesota is progressively going down from its plateau experienced from 2020 -2021 of around 300 to its current number of 245.

As I stated in 2019, I am optimistic that we are back on track to achieve a functional end to Veteran homelessness in Minnesota over the next two years. It should be noted that numbers I've briefed you over the past few years do not represent the "same" 250-300 Veterans. In fact, in 2020 447 Veterans were housed from the homeless registry and in 2021 that number was 433. And over that two-year period we saw returning homeless Veterans percent drop from 30% to 25%. Veterans who accessed housing through placement by a MACV service provider have less than a 10% return to homelessness rate.

We continue to make progress. On November 9th just before Veterans Day, Governor Walz, along with Commissioners Larry Herke and Jennifer Ho, announced that we reached our goal of functionally ending Veteran homelessness in the 13 counties of the Central Minnesota Homeless Continuum of Care. Currently seven of Minnesota's 10 CoC regions have functionally ended Veteran homelessness in their communities and St. Louis County has submitted their documentation to have their Continuum of Care become the 8th CoC to declare. With 8 of 10 CoCs at Functional Zero, MACV and our partners can focus even more resources on Ramsey and Hennepin CoCs to make Minnesota the 4th state to declare the functional end to Veteran homelessness.

So, what else does 2022 hold? We will continue to move Veterans out of emergency housing in hotels to longer-term and stable housing situations. We will expand our outreach to shelters and unsheltered locations. We will expand our clinical services. We will forge new relationships with housing providers. We will respond to the needs of Minnesota Veterans at-risk of eviction as we recover from the Covid-19 pandemic. We will continue to strategically expand into critical service areas for Veterans who are unsheltered, living outside of large population centers, or hesitant to engage with services because they see themselves as different from the mainstream Veteran population. We will continue to adapt to evolving needs of those we serve.

We are excited about the opportunity to engage in new program models to serve the Veterans with numerous barriers to housing stability. Receipt of contracts for MNVEST and the SSVF Shallow Subsidy programs offers our providers additional tools to serve two different, but increasingly common subgroups of Veterans struggling with housing instability: households who need ongoing financial assistance without intensive case management, and individuals unable to access SSVF for a variety of reasons, but who still require this level of supportive services along with financial assistance.

Speaking plainly, we will continue our current mission alignment with the Minnesota Department of Military Affairs. MACV is a better organization when our strategy and priorities are aligned, and we fully support Commissioner Herke's efforts to build specific solutions for the chronic and long-term homeless Veterans who remain to be housed. Simply put, we need more permanent supportive housing solutions for Veterans and MACV stands ready to support the state as we move forward in this area.

We could not do this critical work without the support of our state partners, MDVA, MHFA, DEED, DHS, and you. Thank you for your past support and consideration of future partnership with us in achieving our mission to end Veteran homelessness in Minnesota.