



February 1, 2023

**RE: Support of Pathway Home Act, SF 388**

Dear Chair Wiklund and members of the Senate Health & Human Services Committee,

People Serving People is the region's largest and most comprehensive shelter for families experiencing homelessness. We write today to express support for SF388, the Pathway Home Act. While all included in this bill is critical to supporting people experiencing homelessness, we in particular want to **lift up the need for increased investment in shelter capital and the emergency services program.**

As pandemic rental supports waned, the Child Tax Credit ended, and the evictions moratorium ended, things got tighter for many families. At the same time inflationary increases to gas, food, utilities, and rent made it nearly impossible for those with the least to make ends meet. Since January of last year, we have seen a fast increase in the number of families requesting flexible prevention support and shelter. Over the summer, we reached capacity – all 99 shelter rooms were full. And by the end of 2022, there were nearly 3x the number of families in need of shelter than there was capacity to serve county wide – that's nearly 500 children and 300 caregivers in Hennepin County alone.

For People Serving People, we also saw inflationary increases to food, utilities, insurance, contracts, and staffing – without corresponding increases in contract and other funding. This means People Serving People has a significant operating gap that jeopardizes our ability to provide dignified and holistic shelter this year.

**\$150 million for Emergency Shelter Facilities** would help providers like People Serving People meet increased demand for when people need shelter, ensure our shelter spaces provide for a dignified experience, and make needed infrastructure improvements. Currently, with the support of ARPA funds passed through the City of Minneapolis and State of Minnesota, we are undergoing a major HVAC renovation which will make shelter healthier and safer amid COVID and respiratory illness season. It will also provide for a more trauma responsive approach in giving families the ability to set the temperature in their private rooms. Over the last month, one of our two guest elevators has been inoperable multiple times and days and replacing it is more costly than we can afford. While we do not want families in shelter period, the experience of homelessness exists in this state, we must make sure there are dignified places for people to shelter.

**A total \$110 million investment through 2027 for the Emergency Services Program (ESP)** will allow organizations and local communities to meet the needs of people experiencing homelessness through supporting shelters, important supports, and services. This increase will be key to supporting both new and existing shelters in providing services to people experiencing homelessness; these services help people get on the path to stability and keep the doors of the shelter open.

We ask for your support of these and other measures in the Pathway Home Act.

Sincerely,  
Rinal Ray  
CEO