



March 31, 2023

**RE: Support for Shelter Capital, Emergency Services Program Homelessness Provisions and Children and Families in SF 2995**

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 gratitude and support for many of the provisions in SF 2995 and to urge you to consider additional critical investments. 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.

While all included in this bill is critical to supporting people experiencing homelessness, children and families, we want to lift the **need for \$40M this biennium and \$70M in the following biennium for the Emergency Services Program and \$150M for shelter capital to create and maintain our shelter spaces and capacity.** While this letter is focused on critical crisis responses, **we also support innovations like the Community Solutions Grant Program, investment in childcare and providers, and changes to MFIP. All of this will help prevent the experience of family homelessness.**

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.

**Investment in 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.** Over the last month, one of our two guest elevators has been inoperable multiple times and days. Replacing it is over \$1M, more costly than we can afford. While the experience of homelessness exists in this state, we must make sure there are dignified and safe places for people to shelter.

As an organization, we also saw inflationary increases for food, utilities, insurance, contracts, and staffing – without corresponding increases in contracts 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. **Dollars for the Emergency Services Program (ESP) will allow organizations and local communities to meet the needs of people experiencing homelessness.** 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.

Sincerely,

Rinal Ray  
CEO