

April 3, 2024

Senator Melissa Wiklund
Chair of the Committee on Health and Human Services

Re: SF 4018 — Mohamed: Shelter and support grant appropriation

Dear Health and Human Services Committee members,

The City of Minneapolis supports SF 4018, which appropriates \$60 million dollars in FY 25 to support shelter services, especially those that address gaps in other funding streams. This includes crisis responsive services, housing-focused case management, outreach and more. Current spending is not sustainable and there's a fragile balance of services that hangs in the balance for prioritizing some of the most vulnerable people in the City, County and in the State.

Since the pandemic, the City of Minneapolis, Hennepin County and their partners have invested more than \$200 million in homelessness response to expand emergency shelter, low-barrier housing and protective housing for people experiencing homelessness, as well as to enhance existing shelters and expand support services, rapid rehousing, and street outreach. The City has an annual housing and homelessness budget of nearly \$40 million. Additionally, the City has also committed more than \$44.5 million for housing and homelessness response, made possible by American Rescue Plan Act (ARPA) funds and an additional \$32 million in federal COVID Relief resources to address this issue.

The funding in SF 4018 is critical to ensuring that these improvements in the homeless response system continue for the long-term. Targeted funding is needed for homeless response in Minneapolis, Hennepin County, and across the State to ensure that we have no gaps into the future, including:

- Improved accountability to make homelessness rare, brief, and non-recurring
- Stronger supports in exiting shelter and entering long term housing
- Improved stability for vulnerable families
- State level incentives to step up in proactive systems design and operations

Homelessness is a statewide issue. The City of Minneapolis, in partnership with Hennepin County, is more than willing to do its part in meeting the needs of those who are unhoused, but we cannot do it without continued support from the State of Minnesota. Thank you for your time and thoughtful consideration of this important legislation.

Yours truly,



Mayor Jacob Frey
City of Minneapolis



Councilmember Jeremiah Ellison
City of Minneapolis