

# Family Homeless Prevention Assistance Program Fast Track Funds

Initial Report to Minnesota Legislature

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#### **Executive Summary**

The Family Homeless Prevention and Assistance Program (FHPAP) was established in 1993 by the Minnesota Legislature to assist families with children, single adults and youth who are experiencing homelessness or at imminent risk of homelessness. FHPAP resources are intended to complement the existing network of services in the community's <a href="Continuum of Care">Continuum of Care</a> (CoC) region or within Tribal Nations.

FHPAP provides grant funding statewide in the form of support services (up to 50%), direct financial assistance (primarily rent assistance), and administration (up to 15%). FHPAP is a critical resource to effectively end homelessness. Effectively ending homelessness means preventing homelessness whenever possible (prevention use of FHPAP), and if homelessness does occur, that it is rare, brief, and nonrecurring (rapid rehousing use of FHPAP). In addition to prevention and rapid rehousing activities, FHPAP can support Coordinated Entry and street outreach activities designed to address or prevent homelessness.

On March 30, 2023, Governor Tim Walz signed bill <u>Chapter 20--H.F.No. 1440</u>, which appropriated one-time Family Homeless Prevention and Assistance Program (FHPAP) "Fast Track" funds in the amount of \$50 million. In the first round of Fast Track funding, Minnesota Housing awarded \$23.6 million to the 20 administrators statewide (Table 1) to serve their communities from June 1 through September 30, 2023. This was the full amount requested by existing providers for this time period based on their assessment of community need and capacity to scale up. The funds were awarded evenly between the Metro and Greater Minnesota.

With this additional funding, administrators spent more than what is typically awarded for the entire biennium in the 4 months of their contract, nine times the expenditure of a typical quarter. Over 6,400 households, an estimated 43% of eligible households, were served (Table 2) with Fast Track resources in that timeframe. In comparison, 4,300 households were served in all of 2022.

#### Fast Track 2022-2023

Before the legislation was passed and signed into law, Minnesota Housing leadership, program staff, current FHPAP administrators and external stakeholders began planning in anticipation of the Fast Track funding. Program staff maintained optional weekly meetings with administrators through September 2023. Based on the initial meetings, decisions and program improvements were made to simplify the program to expedite payments, improve efficiency of the program and meet program expectations. These processes and changes included:

- Partnering with current FHPAP administrators to distribute funds statewide
- Advancing existing FHPAP funds prior to Fast Track contract execution to help families sooner

- Simplifying the process for making and approving budget modifications
- Increasing the administrative budget limit from 10-15% of grant amount
- Lifting of requirement to utilize Minnesota Prevention Assessment Tool (M-PAT)
- Updating the Homeless Management Information System (HMIS) which is used by grantees for reporting
- Adding language to grant contract agreement to ensure payment of assistance at the local level within 30 days of applicant eligibility determination.

Administrators were surveyed to determine funding level based on capacity and need. Existing contracts were amended between June 1<sup>st</sup> and July 3, 2023. **During the final quarter of 2022-2023 biennium, administrators spent more than what is typically awarded for the entire biennium, nine times the expenditures of a typical quarter.** Of the amount awarded, there was \$1.2 million of funds unspent and returned to Minnesota Housing. These funds will be included in the second round of the competitive RFP in 2024, with applications due February 22, 2024.

#### **Impact**

The systemic and personal roots of housing instability and homelessness are complex. We know that FHPAP base funding scratches the surface of need across Minnesota. The surge in resources made available through Fast Track funding meant that providers were able to serve more households and cover larger amounts of rent and utilities owed.

Minnesota Housing disbursed \$23.6 million to the 20 administrators statewide (Table 1) to serve their communities from June 1 through September 30, 2023. This was the full amount requested by existing providers for this time period based on their assessment of community need and capacity to scale up and the funds were awarded evenly between the Metro and Greater Minnesota. This amount is more than the FHPAP base funding for a biennium (\$20.5 million) and nine times the amount expended in typical quarter. Over 6,400 households were served with Fast Track funds (Table 2) in that timeframe. In comparison, 4,300 households were served in all of 2022.

Administrators across the state experienced an incredible demand for Prevention resources, both number and amount of rental assistance requested; about 95% of those served were seeking resources to maintain their housing (Prevention). Rapid Rehousing funds were not utilized as much as anticipated in part due to the prevention need as well as the short-term nature of the funding. About 90% of households served were adult-headed (48% single, 41% family) with 10% headed by a youth under 25 years old (6% single, 4% family). The average age of a recipient of FHPAP Fast Track resources was 25.3 years old with 42% at ages 0-17 (Diagram 1); the oldest recipient was 97 years old. There was about a 6% increase in Black, Indigenous and people of color households served in comparison with 2022 FHPAP stats (62% up from 56%).

One of the many Fast Track participants who followed-up with their appreciation shared, "This weight of being behind rent was so great on my shoulders. I am enrolled at MSUX [Minnesota State University X], I work parttime, I can't drive and have four kids living under my roof. I kept paying a little extra each month in hopes of getting ahead and it never worked. I am BEYOND thankful for this community and your program. This will help get me back on track."

Providers reported they strengthened partnerships and relied on these stronger relationships to get resources out quickly. They shared that Fast Track resources helped repair relationships with property owners and engage new property owners. One such property owner emailed an administrator saying, "Thank you for your support for [name redacted] and her family. I know she is very grateful for your support. She has expressed and demonstrated that she can continue to make things work financially for her family with your one-time support to help her overcome recent financial challenges. She has been working extremely hard, and I am sure this is a huge relief for her and her family. Organizations like yours make an important difference in people's lives, and I think this is definitely one of those moments."

#### **Tracking Applications**

The FHPAP program does not currently require administrators to track the number of applications for assistance in a prescribed format because administrators design their local projects collaboratively in response to community need and leverage other resources to stabilize households. Applications for housing or other emergency assistance can cover a number of programs and resources are often matched with participants according to need and funding availability. Given the flexibility of program implementation, for the purposes of this report, this information was gathered in a variety of methods. Grantees were required to create a brief written description of how "the number of applicants" will be defined in a consistent manner across the program and by subgrantees. The methodology consistent across the program was:

- Tracked the number of applicants starting June 2023
- Included the number of households who called/emailed/were referred to/walked in your program and requested assistance for a housing crisis.

In prior grant cycles, administrators that track the number of applicants noted that FHPAP can serve about 5-10% of eligible households. With Fast Track resources, we estimate that 43% of eligible households were served (Table 2).

#### Fast Track 2024-2025

The remaining \$26.4 million of Fast Track funding was awarded through the 2024-2025 FHPAP competitive RFP (Table 1) and based, in part, on the share of need statewide. These awards are currently being spent by administrators and their grantees.

Unspent Fast Track funds of approximately \$1.2 million from the 2022-2023 Fast Track Award will be combined with the additional one-time funds appropriated to FHPAP during the 2023 legislative session and made available through a competitive RFP in early 2024. In alignment with the legislation, final Fast Track spending and impact will be reported within 60 days after funds has been expended.

#### **Conclusion**

Over a 4-month span, FHPAP administrators were able to assist more than 6,400 households as compared to the 4,300 households that received assistance in all of 2022. Without the additional resources appropriated by the Legislature and without the significant efforts of Minnesota Housing staff, FHPAP administrators and their subgrantees a significant number of families would not have received these critical resources during this time period. Administrators and their subgrantees have been working both long and difficult hours since COVID in order meet the needs for prevention resources. Administrators and subgrantees have endured multiple challenges along the way including, but not limited to, hiring and maintaining staff and managing multiple sources of funding that require extra work. At the same time, we know that more than half of the households who sought assistance but ultimately not served are likely continuing to seek help, reapplying to FHPAP and other resources month after month, experiencing potential traumatization and becoming more anxious about their housing stability. Minnesota Housing staff are grateful to the Legislature for the additional funding and to administrators and their subgrantees for the continued efforts to help families in their communities.

## **Reference Data**

**Table 1: Fast Track Funding Total Disbursement** 

Grant Administrators	Counties Served	22-23 Fast Track Award	24-25 Fast Track Award	Total
Anoka County	Anoka	\$750,000	\$1,287,500	\$2,037,500
Bi-County Community Action Programs, Inc.	Beltrami and Cass	\$70,000	\$398,467	\$468,467
Carver County Health and Human Services	Carver and Scott	\$1,010,500	\$725,807	\$1,736,307
Dakota County Community Services	Dakota	\$1,900,000	\$1,581,050	\$3,481,050
Hennepin County	Hennepin	\$5,500,000	\$7,219,502	\$12,719,502
Kootasca Community Action, Inc.	Cook, Itasca, Koochiching, and Lake	\$280,000	\$382,965	\$662,965
Lakes and Pines Community Action Council, Inc.	Aitkin, Carlton, Chisago, Isanti, Kanabec, Mille Lacs, and Pine	\$500,000	\$880,135	\$1,380,135
Lakes and Prairies Community Action Partnership, Inc.	Clay and Wilkin	\$583,328	\$417,780	\$1,001,108
Lutheran Social Service of Minnesota – Brainerd	Todd, Crow Wing, and Morrison	\$386,832	\$525,300	\$912,132
Lutheran Social Service of Minnesota – Central	Benton, Sherburne, Stearns, and Wright	\$243,650	\$710,055	\$953,705
Mahube – Otwa Community Action Partnership, Inc.	Becker, Mahnomen, Hubbard, Otter Tail, and Wadena	\$2,600,000	\$585,698	\$3,185,698
Minnesota Valley Action Council, Inc.	Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Waseca, and Watonwan	\$200,000	\$583,495	\$783,495
Ramsey County	Ramsey	\$1,504,263	\$3,393,850	\$4,898,113
St. Louis County	St. Louis	\$500,000	\$1,132,345	\$1,632,345
Three Rivers Community Action, Inc.	Dodge, Freeborn, Fillmore, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, and Winona	\$1,330,000	\$2,236,936	\$3,566,936

Grant Administrators	Counties Served	22-23 Fast Track Award	24-25 Fast Track Award	Total
Tri-Valley Opportunity Council, Inc.	Polk, Marshall, Norman, Pennington, Red Lake, Clearwater, Kittson, Roseau, and Lake of the Woods	\$500,000	\$425,696	\$925,696
United Community Action Partnership	Lincoln, Lyon, Jackson, Cottonwood, Redwood, Pipestone, Murray, Rock, Nobles, Kandiyohi, McLeod, Meeker, Renville, Yellow Medicine, Swift, Chippewa, Lac qui Parle, and Big Stone	\$2,100,000	\$1,217,975	\$3,317,975
Washington County	Washington	\$1,165,000	\$772,500	\$1,937,500
West Central Minnesota Communities Action	Grant, Pope, Stevens, Traverse, and Douglas	\$200,000	\$278,615	\$478,615
White Earth Band of Ojibwe	Red Lake Nation, Mille Lacs Band, Leech Lake Band, White Earth Nation, Fond Du Lac Band of Lake Superior Chippewa, and Bois Forte Band	\$2,250,000	\$1,670,754	\$3,920,754
	Metro	\$11,829,763	\$14,980,209	\$26,809,972
Greater Minnesota		\$11,743,810	\$11,446,218	\$23,190,028
Total		\$23,573,573	\$26,426,427	\$50,000,000

#### Map 1: Fast Track Funding Total Disbursement

# Family Homelessness Prevention Assistance Program (FHPAP) Fast Track Funds

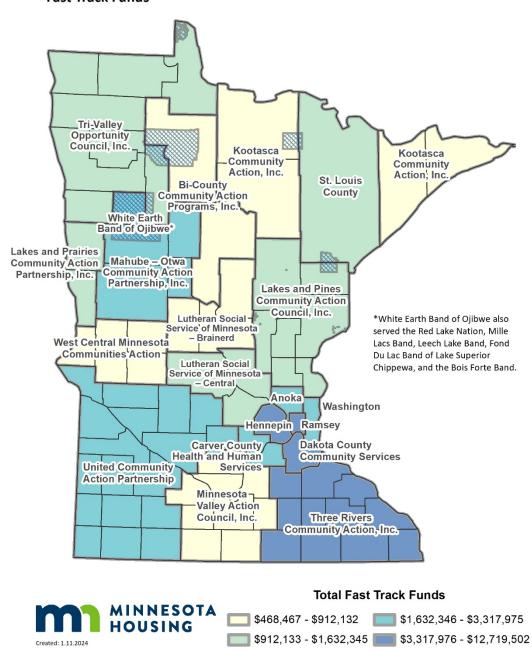
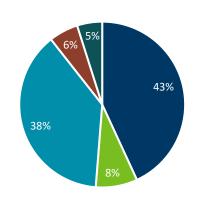


Table 2: 2022-2023 Fast Track Households Served and Applicants Received

Applications	Households Served	% of Applicants Served
15,122	6,447	43%

Diagram 1: 2022-2023 Percentage of Fast Track Recipients by Age Group

Age of Recipients



■ 0-17 ■ 18-24 ■ 25-54 ■ 55-64 ■ 65+