

 **DEPARTMENT OF
HUMAN SERVICES**

Legislative Report

Working Group for Simplifying Supportive Housing Resources

Recommendations to the Legislature

Homelessness, Housing, and Support Services Administration

September 2026

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Minnesota Statutes, Chapter 3.197, requires the disclosure of the cost to prepare this report. The estimated cost of preparing this report is \$2,149.20

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I. Executive summary

Purpose and scope of the working group

This report summarizes the work and recommendations of the Working Group on Simplifying Supportive Housing Resources, established by Minnesota Session Laws 2024, chapter 127, article 51, section 4, to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness. The working group was responsible for studying and recommending strategies to reduce administrative complexities, enhance equity and accessibility, simplify eligibility criteria, and accelerate transitions from homelessness to sustainable housing. Membership of the working group included state agency leaders, state legislators, Tribal representatives, county officials, housing and service providers, and individuals with lived experience. Session law directed the working group to focus on the following state-funded programs:

- Housing Support
- Long-Term Homeless Supportive Services
- Housing with Supports for Adults with Serious Mental Illness
- Housing Trust Fund
- Other capital and operating funds administered by the Minnesota Housing Finance Agency (MHFA)

Definitions of key housing and human services terms that are used in this report are provided in the glossary in Appendix A.

A solution to homelessness and a call to action

Minnesota faces significant homelessness challenges. As of the January 2025 Point-in-Time count, about 8,400 individuals experienced homelessness in Minnesota, with some communities more likely to face this reality.¹ The One Minnesota Housing Stability Plan² calls on the state to reduce the number of Minnesotans experiencing homelessness and the inequities in who experiences homelessness.

Permanent Supportive Housing is one type of supportive housing that combines permanent, affordable housing with comprehensive supportive services. These services include a person-centered plan to pursue goals such as health, recovery, education, employment, and community, moving residents from surviving to thriving. Permanent Supportive Housing is a proven, effective solution to end homelessness

¹ A Point-in-Time count is a single-night snapshot of homelessness across Minnesota and the nation. Homeless Management Information System. *2025 Point-in-Time Count Results*. 2025. <https://www.hmismn.org/news/2025-point-in-time-count-results>; Minnesota Interagency Council on Homelessness. *Resources and Data*. <https://mich.mn.gov/resources>.

² One Minnesota Plan – Housing Stability. 2025. <https://mn.gov/mmb/one-mn-plan/measurable-goals/housing-stability.jsp>

for people with histories of housing instability, trauma, systemic exclusion, disabilities, and chronic health conditions.

Supportive housing is a broader term that includes affordable rental housing that includes services to help residents improve their quality of life. It is often for people who are experiencing homelessness and have difficulties getting and keeping housing. Funding for supportive housing is patched together from many sources. Each source has unique criteria, often creating conflicts, confusion, and narrowing eligibility for those who can be served. Supportive housing also requires funding for capital, ongoing operations, and supportive services, making it complex to operate. In addition to inadequate funding, challenges include complex eligibility rules, burdensome documentation requirements, and misaligned funding streams. Despite these barriers, the evidence is overwhelming that many people who have been marginalized by society and systems flourish in supportive housing.

Since the working group was convened in January of 2025, the pace of change in supportive housing has accelerated dramatically. Recent federal policy shifts and the termination of the state's Housing Stabilization Services Medicaid benefit have introduced further challenges for residents and providers.

Despite the challenges, Minnesota is a national leader in supportive housing, with over 8,000 state-funded units and a long history of public investment. This working group envisions a Minnesota where people affected by homelessness and housing instability move from surviving to thriving, where access is simple for everyone in need, staff working in the field earn healthy wages, and operating funding reflects the true cost of stable housing. It is the vision of this working group that the complexities of housing needs are collectively understood, and there is a shared investment in strong, stable, and sustainable solutions to ensure permanent housing for all. The working group believes that this unity reflects a mindset shift across communities, beyond providers and policymakers.

Methodology

The working group met monthly throughout 2025. An initial task was to identify pain points experienced by individuals experiencing homelessness and providers, to be addressed in the recommendations. The working group then identified priority areas for study and formed subcommittees to explore and draft recommendations. It engaged community partners and gathered public feedback on the draft recommendations via interviews, listening sessions, and a survey. Those who gave feedback included housing providers, housing service providers, state employees, housing developers, county employees, Tribal employees, and current and former supportive housing residents.

In finalizing its recommendations, the working group agreed to work toward consensus through discussion and deliberation to understand multiple perspectives and revise draft recommendations based on new information and a shared understanding. Where unanimity could not be reached, the group agreed to include additional considerations in the report.

Recommendations

The working group developed 17 recommendations in line with its legislative charge. The recommendations are organized into the following categories:

- Funding Alignment
- Eligibility Paperwork
- Barriers to Housing and Employment
- Reporting, Monitoring, and Outcomes
- Preserving Support Services Funding
- Housing Support Program
- Coordinated Entry Stewardship
- Qualified Allocation Plans

Of these 17 recommendations, 5 were identified by the working group as priorities:

- Include capital, operations, and supportive services in Permanent Supportive Housing funding (Recommendation 1a);
- Review Permanent Supportive Housing program eligibility paperwork requirements to eliminate redundancies (Recommendation 2a);
- Allow all state programs to accept either the Long-Term Homelessness or High Priority Homeless definitions for program eligibility paperwork (Recommendation 2c);
- Preserve and direct the state-funded portion of Housing Stabilizations Services to fund Permanent Supportive Housing solutions (Recommendation 5a); and
- Make changes to the Housing Support program (Recommendation 6a).

Legislative language for priority recommendations

While implementing many recommendations would require legislative action, some do not and could instead be done administratively. Draft legislative language for recommendations prioritized by the working group is included in Section VI, when necessary.

II. Legislation

The Working Group on Simplifying Supportive Housing Resources was established by the Minnesota legislature in 2024 under [Minnesota Session Laws 2024, chapter 127, article 51, section 4](#), and began its work in January of 2025.

Sec. 4. **WORKING GROUP ON SIMPLIFYING SUPPORTIVE HOUSING RESOURCES**

Subdivision 1. **Establishment.** A working group on simplifying supportive housing resources is established to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness.

Subd. 2. **Membership.** (a) The working group must prioritize membership from individuals and organizations that use or administer state-funded supportive housing resources and must include the following:

- (1) the commissioner of the Minnesota Housing Finance Agency or designee;
- (2) the commissioner of human services or designee;
- (3) two representatives with lived experience from the Minnesota Coalition for the Homeless;
- (4) one representative from Hearth Connection;
- (5) one representative from the Metropolitan Urban Indian Directors network;
- (6) one representative from the Minnesota Housing Stability Coalition;
- (7) five representatives from organizations providing or administering state-funded supportive housing resources to people experiencing homelessness, including organizations that provide services to youth experiencing homelessness, veterans experiencing homelessness, populations that disproportionately experience homelessness, and a provider that participates in a coordinated entry system and demonstrates statewide geographic representation;
- (8) one representative from the Minnesota Tribal Collaborative;
- (9) one representative from Hennepin County;
- (10) one representative from St. Louis County;
- (11) two members from the House of Representatives, one appointed by the speaker of the House and one appointed by the minority leader; and
- (12) two members from the senate appointed by the Senate Committee on Committees, one representing the majority caucus and one representing the minority caucus.

(b) The members listed in paragraph (a), clauses (3) to (10), must be appointed by the commissioner of human services in collaboration with the commissioner of the Minnesota Housing Finance Agency.

(c) All appointing authorities must make their appointments to the working group by August 1, 2024

Subd. 3. **Duties.** (a) The working group must study supportive housing resources to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness, including the following programs:

(1) the housing support program;

(2) long-term homeless supportive services;

(3) housing with supports for adults with serious mental illness;

(4) the housing trust fund; and

(5) other capital and operating funds administered by the Minnesota Housing Finance Agency.

(b) In studying supportive housing resources, the working group must identify the processes, procedures, and technological or personnel resources that would be necessary to enable the state, county or Tribal agencies, and providers responsible for administering public supportive housing funds to meet the following goals:

(1) reduce administrative complexities;

(2) enhance equity and accessibility, including coordinated entry;

(3) streamline and simplify eligibility criteria, paperwork, and funding distribution; and

(4) accelerate the transition of individuals from homelessness to sustainable long-term solutions.

Subd. 4. **Compensation.** Notwithstanding Minnesota Statutes, section 15.059, subdivision 3, members of the working group shall not be compensated, except for the members with lived experience of homelessness.

Subd. 5. **Meetings; facilitation.** (a) The commissioner of human services may contract with a third-party vendor to facilitate the working group and convene the first meeting by January 15, 2025.

(b) The working group must meet at regular intervals as often as necessary to fulfill the duties under subdivision 3.

(c) Meetings of the working group are subject to the Minnesota Open Meeting Law under Minnesota Statutes, chapter 13D.

Subd. 6. **Consultation.** The working group must consult with other individuals and organizations that have expertise and experience in providing supportive services that may assist the working group in fulfilling its responsibilities, including entities engaging in additional input from those with lived

experience of homelessness and administrators of state-funded supportive housing not included on the working group.

Subd. 7. **Report required.** The working group shall submit a final report by January 15, 2026, to the chairs and ranking minority members of the legislative committees with jurisdiction over housing and homelessness finance and policy detailing the recommendations to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness. The report shall include draft legislation required to implement the proposed legislation.

Subd. 8. **Expiration.** The working group expires January 15, 2026.

EFFECTIVE DATE. This section is effective the day following final enactment.

III. Introduction

About 8,400 Minnesotans were experiencing homelessness as of the January 2025 Point-in-Time Count, a single-night snapshot of homelessness across Minnesota and the nation.³ Among these thousands of people without a place to call home, striking disparities exist. Black, Indigenous, and people of color are 10 to 30 times more likely to experience homelessness than their white, non-Hispanic counterparts.⁴ Homelessness is also rising among aging and rural Minnesotans, as is unsheltered homelessness.⁵

The Minnesota Interagency Council on Homelessness' Crossroads to Justice Plan⁶ sets out a bold vision and commitment to housing, racial, and health justice. The One Minnesota Housing Stability goal calls on the state to reduce the number of Minnesotans experiencing homelessness and the inequities of homelessness.⁷

A Proven Solution: Supportive Housing

Permanent Supportive Housing combines permanent, affordable housing with comprehensive supportive services. These services include a person-centered plan to pursue goals such as health, recovery, education, employment, and community, moving residents from surviving to thriving. Supportive housing ends homelessness. It is a proven, effective solution for people with histories of housing instability, trauma, systemic exclusion, disabilities, and chronic health conditions.

The evidence is overwhelming that many people who have been marginalized by society and systems flourish in supportive housing.

- Most residents stay stably housed after experiencing often chronic homelessness and/or housing instability.⁸

³ A Point-in-Time count is a single-night snapshot of homelessness across Minnesota and the nation. Homeless Management Information System. *2025 Point-in-Time Count Results*. 2025. <https://www.hmismn.org/news/2025-point-in-time-count-results>; Minnesota Interagency Council on Homelessness. *Resources and Data*. <https://mich.mn.gov/resources>.

⁴ Homeless Management Information System. 2025. <https://www.hmismn.org/news/2025-point-in-time-count-results>. And Minnesota Interagency Council on Homelessness. *Resources and Data* <https://mich.mn.gov/resources>

⁵ Wilder Research, *Unsheltered Homelessness*. 2023. https://www.wilder.org/wilder_research/unsheltered-homelessness-understanding-the-experiences-and-effects-of-sleeping-outside/

⁶ Minnesota Interagency Council on Homelessness. 2023. <https://mich.mn.gov/crossroads-justice-strategic-plan>

⁷ One Minnesota Plan – Housing Stability. 2025. <https://mn.gov/mmb/one-mn-plan/measurable-goals/housing-stability.jsp>

⁸ Wilder Research, *Supportive Housing Outcomes in Minnesota: Summary of Findings* (August 2025), https://www.wilder.org/wp-content/uploads/2025/08/SupportiveHousingOutcomesInMN_Summary-12_15.pdf.

- According to Wilder Research, citing a study published in *The Journal of the American Medical Association*, people who had been through inpatient alcohol treatment 10–20 times reduced their alcohol consumption by 35% in the first year of housing.⁹
- Supportive housing reduces racial disparities in homelessness, with a greater proportion of Black, Indigenous, and other people of color using supportive housing to meet the disparate needs of those experiencing homelessness. For instance, 17% of people in supportive housing identify as American Indian, compared to 1% in the general population and 11% who experience homelessness.¹⁰ While we still have work to do, this data demonstrates that supportive housing in Minnesota addresses systemic inequities in housing access.

Funding for supportive housing is patched together from many sources, however. Each source has unique criteria, often creating conflicts, confusion, and narrowing eligibility for who can be served. Supportive housing requires funding for:

- **Capital:** Funds for the construction or rehabilitation of a brick-and-mortar building from sources that include tax credits, Housing Infrastructure Bonds, deferred or forgivable loans, local resources, and more. The Minnesota Housing Finance Agency, along with local governments, intermediaries, and others, provide supportive housing capital financing.
- **Operating:** Day-to-day operations, including security, front desk coverage, repairs, and insurance. These costs are often funded through a mix of grants, resident rent contributions, rental assistance, and other operating subsidies from multiple funders.
- **Supportive Services:** Individualized services for residents to maintain stability and improve their quality of life. These services include a person-centered plan to pursue goals such as health, recovery, education, employment, and community. Services are often funded through the Department of Human Services as grants or individual benefit enrollment.

Minnesota Supportive Housing Challenges

Operating supportive housing is complex. Challenges include:

- The inadequacy of funding and administrative burdens hinder the ability of providers to serve Minnesotans efficiently and effectively.
- Complex eligibility requirements make it difficult for people to utilize services and be matched to an appropriate unit.

⁹ Wilder Research, *Homelessness Among Adults 55+ in Minnesota*. 2023.
https://www.wilder.org/wilder_research/homelessness-amlong-adults-55-in-minnesota-how-do-older-adults-experience-homelessness/

¹⁰ US Census Bureau Population Estimates, *2023 Point-in-Time Count*, Minnesota's Homeless Management Information System.

- Available funding does not reflect the cost of operations and services. Also, service funding may exist, but rental assistance may not, or vice versa. Both result in providers operating at a financial loss.
- Burdensome documentation requirements for unhoused participants can lengthen the time a person remains homeless.

Over the last five years, the housing landscape has seen a dramatic shift. The global COVID-19 pandemic elevated the importance of a safe home and prompted significant public policy and resources to keep people healthy and housed. After the end of the eviction moratoriums and rental assistance programs, however, Minnesota saw an increase in evictions,¹¹ as well as providers' reporting rising rates of substance use and unemployment among clients. To compound these effects, higher construction and staffing costs, leadership turnover, and structural deficits have impacted providers' capacity to sustain quality supportive housing programs that keep people stably housed.

Since the Simplifying Supportive Housing working group convened in January of 2025, the pace of change in supportive housing has accelerated dramatically. This has introduced further challenges for residents and providers.

- **Federal level:** New priorities aim to change the trajectory of the homeless response system and supportive housing policy, shifting funding away from Permanent Supportive Housing and toward mandatory services or treatment, transitional programming, and criminalization of public camping. Working group members expressed concern that these new funding parameters could lead to increased homelessness, staff reductions, and increased instability of supportive housing providers and the ecosystem.
- **State level:** The state's termination of the Housing Stabilization Services Medicaid benefit removed an important tool for helping people exit homelessness. In addition, the state launched a pre-payment review process for Medicaid services identified as high-risk for fraud. Supportive housing providers have indicated that this longer payment process has delayed reimbursements for some services, creating additional strain and instability for providers.

The working group was established to offer actionable recommendations for simplifying supportive housing and services, providing relief to Minnesotans seeking stability. While the larger context of homelessness demands action at the federal, state, and local levels, the working group prioritized solutions within its role and authority.

¹¹ Center for Urban and Regional Affairs (CURA), *The Impact of the COVID-19 Eviction Moratorium on Landlord-Initiated Displacement Actions in Minnesota*. 2022.
<https://www.cura.umn.edu/research/impact-covid-19-eviction-moratorium-landlord-initiated-displacement-actions-minnesota>

Minnesota Supportive Housing Strengths

Despite ongoing challenges, Minnesota is a national leader in supportive housing with over 8,000 state-funded units. The state has invested critical resources in supportive housing for many years. For example:

- The 2022 Legislature gave one-time funding of \$5.4 million for the Veteran Supportive Housing Opportunities program,¹² leading to the creation of over 200 supportive housing units and contributing to ending veteran homelessness in 86 of 87 Minnesota counties.
- The 2023 Legislature invested significant funds to establish or improve housing stability initiatives.¹³ This included one-time funding of \$50 million for the Family Homeless Prevention and Assistance Program, one-time funding of \$5.5 million for the Homework Starts with Home program, one-time funding of \$25 million dollars for supportive housing infrastructure, one-time funding of \$45 million for a Community Stabilization Program to preserve naturally occurring affordable housing, and ongoing funding for rental assistance through a new state Rent Assistance Program and dedicated housing revenue streams.
- The 2024 Legislature gave one-time funding of \$50 million to the Community Stabilization Program. The program funds major repairs and stabilization of distressed affordable housing properties, including supportive housing, preserving existing housing, and improving conditions for residents.¹⁴
- The 2025 Legislature increased ongoing funding for the Homeless Youth Act by \$500,000 in FY2026-27 and \$5.7 million in FY 2028-29 and ongoing. These funds increase state investments for outreach, emergency shelter, and supportive housing.¹⁵

Minnesota's unique strength lies in our people, our partners, and our shared goal of ending homelessness and advancing housing stability.

Purpose of the working group

The Simplifying Supportive Housing Resources working group collaborated to study supportive housing resources to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness. Some members were appointed directly; others submitted applications. Appointing authorities included the Commissioner of Human Services, the Minnesota Housing Finance Agency, the House of Representatives, and the Senate. The members of the working group are listed in Appendix B.

¹² Laws of Minnesota 2022, Chapter 54, Article 1, Section 3, Subdivision 2(h)

¹³ Laws of Minnesota 2023, Chapter 37, Article 1, Section 2

¹⁴ Minnesota Housing Finance Agency, *Distressed Multifamily Rental Building Program*, available at: <https://mnhousing.gov/home/rental-housing/housing-development-and-capital-programs/deferred-loans-and-grant-programs/distressed-building>.

¹⁵ Minnesota Department of Human Services, *New legislation continues Minnesota's fight to end homelessness*, GovDelivery bulletin, July 3, 2025, <https://content.govdelivery.com/accounts/MNDHS/bulletins/3e7f2eb>.

The expectations of the working group were to make recommendations for achieving the following:

- Reduce administrative complexities;
- Enhance equity and accessibility, including coordinated entry;
- Streamline and simplify eligibility criteria, paperwork, and funding distribution; and
- Accelerate the transition of individuals from homelessness to sustainable long-term solutions.

In its study, the working group was expected to identify the processes, procedures, and technological or personnel resources necessary to enable state, county, Tribal governments, and providers responsible for administering public supportive housing funds to meet the above goals.

The working group engaged in robust discussions and gathered public input and subject-matter expertise. We are grateful to all who contributed. Each of our recommendations will require resources to be implemented successfully. While operational in nature, they offer a glimpse of what's possible to advance sustainable supportive housing for those who need it most.

Call to Action

The working group's vision is a Minnesota where people affected by homelessness and housing instability move from surviving to thriving, where access is simple for everyone in need, staff working in the field earn healthy wages, and property operation funding reflects its costs. In our vision, the complexities of housing needs are collectively understood, and there is a shared investment in strong, stable, and sustainable solutions to ensure permanent housing for all. This unity reflects a mindset shift across communities, beyond providers and policymakers.

IV. Scope of Study and Methodology

Programmatic Scope of Study

As stated in session law, the working group was to focus its study on the following programs:

- The Housing Support program;
- Long-Term Homeless Supportive Services;
- Housing with Supports for Adults with Serious Mental Illness;
- The Housing Trust Fund; and
- Other capital and operating funds administered by the Minnesota Housing Finance Agency.

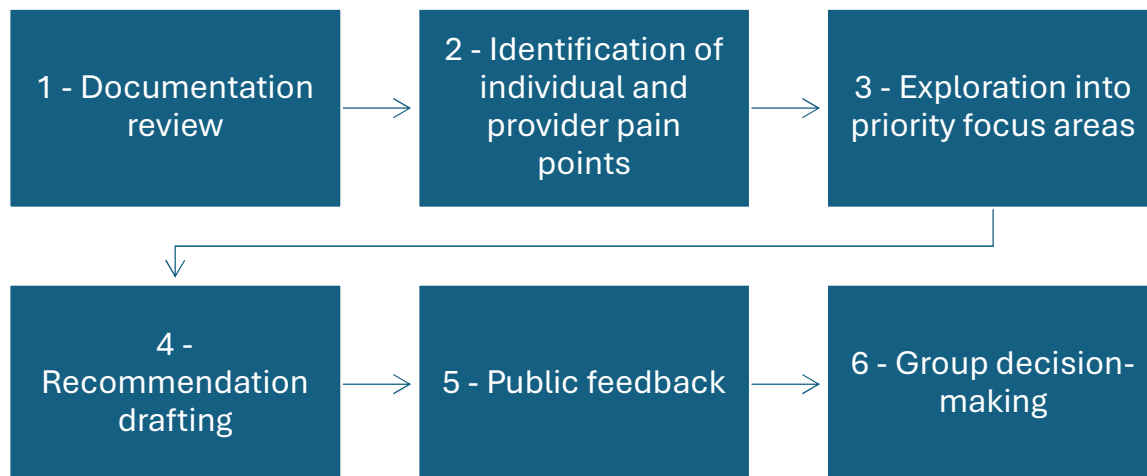
Methodology

Structure

The working group met monthly from January 2025 to December 2025. Given their diverse areas of expertise, group members spent time in their initial meetings building cohesion, understanding one another, and understanding a shared vision for the future. They also determined a leadership structure: they elected two co-chairs (who agreed to serve as tiebreakers if needed) and two additional leaders who formed a steering committee to guide and oversee the project. This committee met between working group meetings to plan and debrief. The working group's structure also included subcommittees that formed around priority areas to focus their exploration, which are described in the sections below. All working group meetings and subcommittee meetings were facilitated by a neutral third party.

Process

The working group followed multiple stages in its process toward finalizing this report. The image below describes an overview, and details for each stage are described below.



Documentation review

The working group began its study by reviewing relevant documents. In addition to reviewing reports from prior feedback gathering, documents reviewed included: recommendations from previous working groups on related topics, program documents and guidelines, definitions, and more. It was important to the group to build on past data gathering efforts to limit demands on external parties who have already provided similar information.

Identifying pain points for individuals and providers

The working group initially formed two subcommittees to identify pain points in the experiences of individuals seeking supportive housing and providers. Those subcommittees were named:

- Individual Journey Mapping Subcommittee
- Provider Journey Mapping Subcommittee

Based on their own experience and insight, past data gathering efforts, and consultation with state staff, subcommittee members developed three individual journey maps, which are flowcharts that illustrate the steps different individuals take from intake assessment to moving into housing. The journey maps, which can be seen in Appendix C, allowed the working group to highlight pain points, which included:

- Lack of navigation support,
- Documentation burden,
- Delays,
- Eligibility challenges,
- Denied eligibility,
- Communication challenges,

- Lack of awareness of the overall process,
- Lack of person-centered options or support, and
- Coordinated entry too linear and inflexible.

To understand providers' experiences and identify their own pain points in assisting individuals' transitions out of homelessness, subcommittee members designed and distributed an online survey to providers. The survey asked about the referral process, documentation needed, and recommendations for simplifying the housing resources. A summary of the key findings can be found in Appendix D. A total of 157 providers responded, representing a range of housing models, most commonly from site-based and scattered site-based Permanent Supportive Housing. The following challenges are highlights of the survey results:

- System and administrative delays;
- Staffing burdens;
- Eligibility or geographic mismatches;
- Communication breakdowns;
- Incomplete or inaccurate referral information;
- Time needed to collect and verify documents;
- Time needed for housing search;
- Unit availability;
- Communicating with/contacting the client;
- System navigation to sustain housing;
- Engagement with services;
- Residents' behavior, lease violations, or not paying rent; and
- Financial barriers and funding gaps.

The survey results informed the development of a provider journey map, also presented in Appendix D.

Exploration into priority focus areas

Building on the pain points, challenges, and ideas gathered from the individual and provider journey mapping exercises, the working group identified priority areas to explore. They formed subcommittees around each area, which included:

- Streamlining background checks;
- Reducing eligibility paperwork and redundancy;
- Reporting, accountability, and submitting outcomes;
- Establishing metrics; and
- Streamlining requests for proposals.

Subcommittees met outside of full working group meetings and reported their findings and draft recommendations.

Recommendation drafting

Subcommittees that led the exploration of priority focus areas also developed draft recommendations. They presented these as initial solutions or opportunities to the full working group, who discussed and offered insight for the subcommittees to use as they revised their draft recommendations.

Public feedback gathering

The working group felt it was important to gather feedback from others engaged in supportive housing throughout the process of developing recommendations. The following groups provided insight to the working group, either to guide the group as it drafted recommendations (submitted in writing or presented in a meeting) or as feedback on drafted recommendations (gathered through a survey, interviews, and listening sessions):

- 218 Housing
- Axis Support Services
- Continuum of Care coordinators
- Hammer Residence Inc.
- Helix
- Hennepin County
- Housing providers in Twin Cities Metro and Southern Minnesota
- Housing Stability Coalition
- Housing support providers in St. Louis County
- Logo Community Support Services
- Metro Urban Indian Directors
- Mille Lacs Band of Ojibwe
- Lived experience advocacy groups, including:
 - Northeast Lived Experience Council
 - The Regional Kitchen Table
 - St. Louis County Youth Action Board
 - Street Wise (Duluth)
 - Minnesota Interagency Council on Homelessness (MICH Consultants)
 - Lived Experience Advocacy Network
 - Minnesota Coalition for the Homeless
- Minnesota State Representatives
- Minnesota Indian Women's Resource Center Consultant
- National Alliance on Mental Illness
- Oak Tree Support Services
- Opportunity Community Services Inc
- Premier Services LLC
- Ramsey County
- Red Lake Nation Tribal community
- River Valleys CoC
- Southern Minnesota County Directors (Region 9 and 10)
- Touchstone

A total of 71 individuals responded to the survey, 22 individuals were interviewed, and numerous others participated in listening sessions. Working group members also consulted with the organizations they represent for general input. These organizations are listed in Appendix B. The questions used to gather external feedback can be found in Appendices E and F, and a detailed summary of the feedback gathered on the draft recommendations via survey and interviews is provided in Appendix G.

Group decision-making

The working group agreed to work toward consensus, which was understood to be a process of discussion and deliberation to understand multiple perspectives, then revised draft recommendations based on the new understanding. Part of the process was to periodically check in with individuals on their level of support, with the purpose of identifying the changes needed to increase support. Where unanimity could not be reached, the group agreed to include additional considerations in the report.

Limitations

In its work, the group encountered the following limitations.

- Some meetings were held virtually or offered in a hybrid format. While more accessible, these formats constrained opportunities for deeper engagement and spontaneous collaboration. This constraint was addressed by shifting to more in-person meetings, held both in the Metro area and Greater Minnesota.
- The depth of exploration into the areas mentioned above required a detailed understanding of complex systems at a ground level. This demanded substantially more time from the working group members than initially expected. Given more time to explore, working group members may have identified additional areas of system redundancy.
- Adherence to the state Open Meeting Law introduced procedural constraints that influenced how and when discussions could take place.
- The surveys to gather external insight and feedback were conducted through working group members who relied on their own connections and communication channels. This could have introduced a sampling bias.

V. Working group recommendations

The working group's final recommendations are grouped by the following themes:

- Funding alignment
- Eligibility paperwork
- Barriers to housing and employment
- Reporting, monitoring, and outcomes
- Preserving support services funding
- Housing Support program
- Coordinated entry stewardship
- Qualified allocation plan

The working group elevated five recommendations as top priority, due to their potential impact. These are marked “priority” in the title of individual recommendations below.

Recommendations referring to “programs within the scope of the working group” are referring to those named in session law establishing the working group and its purpose:

- The Housing Support program;
- Long-Term Homeless Supportive Services;
- Housing with Supports for Adults with Serious Mental Illness;
- The Housing Trust Fund; and
- Other capital and operating funds administered by the Minnesota Housing Finance Agency.

1. Funding Alignment

Problem statement: Permanent Supportive Housing (PSH), which combines permanent affordable housing with comprehensive support services, is an evidence-based solution to homelessness and is currently not fiscally sustainable to operate as intended. Currently, PSH providers access different forms of funding sources for capital, operating, and supportive services. Additionally, these funds are from different state and federal agencies with differing grant timelines, processes, and length of funds (if awarded). All these complexities create significant administrative burdens and funding uncertainties that put housing stability for people who are living in PSH programs at risk of homelessness once again.

1a. Priority Recommendation: Include capital, operations, and supportive services in Permanent Supportive Housing funding

The working group recommends that the Department of Human Services (DHS) and Minnesota Housing Finance Agency (MHFA) align Permanent Supportive Housing (PSH) funding to include capital (e.g., brick and mortar), operations (e.g., maintenance, property management, administration), and supportive services (e.g., front desk staff, support services, and coordinated entry navigation staff) for the duration

of the affordability period (the time a housing property is legally required to stay affordable to low-income residents). This will better support residents in finding and maintaining housing. This should include a review of models to adequately capitalize operating and service reserves, funding levels that reflect resident population size and needs, and consideration of property configurations (e.g., properties where 100% of units are PSH versus 50% of units are PSH).

The working group recommends that DHS and MHFA report back to the housing committees in the legislature on opportunities for alignment, trade-offs, barriers, and ideas for overcoming them by January 1, 2027.

This working group recommendation applies to all designated Permanent Supportive Housing programs, both new and in existence.

Implementation considerations

- See Recommendation 1b, which offers pathways by which the affordability timeline might be implemented.
- Successful implementation will require agency staff time and perhaps additional staffing capacity, which is needed to properly review and align all aspects of the recommendation. Costs are associated with increased staff capacity demands at DHS and MHFA.
- Agencies will need to identify and adjust application, review, and decision-making timelines to better align capital, operating, and supportive services funding.
- A fiscal analysis will be required to discern the level of service funding required to be successful, based on specific supportive services provided and the level of resident acuity.
- Legislative reports require an appropriation to support the additional work necessary to complete them.
- The January 2027 timeline included in the recommendation will be a challenge to achieve if the Legislature does not pass a bill with this provision until May 2026.

1b. Recommendation: Align Requests for Proposals with capital funding timelines

The working group recommends creating a pathway through the request for proposals process for the state-funded programs named in the statute and contracting process for supportive services resources to align with the capital funding timeline (e.g., allow existing programs to apply or reapply with a preference, offer longer grant periods, automatic renewal when threshold standards are met). This must still allow for consideration of nonperformance and the potential for funding reallocation.

When designated funding ends or is decreased significantly to the point where original activities cannot be provided, explore additional pathways to regulatory relief to adjust services and/or populations served.

Implementation considerations

- State agencies must follow state statute and policy around grant management. Implementation of the first part of this recommendation would require agencies to work within those rules or require the policies to change.

- At the time of the funding award, the award documents should clearly explain what regulatory changes are allowed if any part of the project's funding later falls through. MHFA already does this.
- Consider also what regulatory modifications would be necessary if funding does not decrease, but the cost of providing services increases significantly.
- Minnesota Statutes 2024, section 462A.06, subd. 11, already gives MHFA broad authority to adjust its rules to support affordable housing. This recommendation encourages the agency to use that authority, when needed, to make regulatory changes that help affordable housing developments with supportive services remain financially stable.

1b. Recommendation: Consolidate Requests for Proposals (RFPs)

A request for proposals (RFP) is the process agencies use to announce available funding and select organizations to receive it, including setting eligibility requirements, timelines, and evaluation criteria. The working group recommends that MHFA and DHS explore and pursue a consolidated RFP for Long-Term Homeless Supportive Services Fund (LTHSSF), Housing Trust Fund (HTF), and Housing with Supports for Adults with Serious Mental Illness (HSASMI), including other related programs.

Implementation considerations

- This will require agency staff time and perhaps additional staffing capacity.
- The potential harm done to providers of programs currently serving households in programs that braid these funds with other funding sources, e.g., Centers for Medicare & Medicaid Services (CMS) billables, U.S. Department of Housing and Urban Development (HUD) funding, etc., needs to be quantified.

2. Eligibility Paperwork

Problem Statement: Excessive and redundant program eligibility paperwork requirements delay access to housing and program enrollment, leading to inefficient use of resources that could be better directed toward direct services and program oversight. Instead of improving accountability, these requirements create confusion and operational inefficiencies, reducing the effectiveness of homelessness response systems.

2a. Priority Recommendation: Review to eliminate redundancies

The working group recommends that DHS and MHFA meet to review eligibility documentation requirements for Permanent Supportive Housing (PSH) programs identified in statute and—with input from counties, Tribal Nations, property owners, service providers, and individuals with lived experience—eliminate duplicative requirements, identify contradictions, and ensure strong oversight and program integrity.

Implementation considerations

- This will require agency staff time and perhaps additional staffing capacity, which is needed to properly review and align all aspects of the recommendation. Costs are associated with increased staff capacity demands at DHS and MHFA.

2b. Recommendation: Change the Professional Statement of Need (PSN) form

A Professional Statement of Need (PSN)¹⁶ is a document used to determine eligibility for some housing programs. It must be completed by a qualified professional or county or Tribal designee and is used to demonstrate that an individual experiences housing instability, has a disabling condition, and/or has a need for supportive services.

Policy requires individuals to renew the PSN every year, even when disabilities or functional limitations are permanent. This creates unnecessary administrative burden and increases the risk of housing benefit disruptions when renewals are delayed.

Previously, the PSN included a “permanent” disability option, but that option was removed when Housing Stabilization Services (HSS) was added to the form. As a result, the PSN no longer distinguishes between temporary, long-term, and permanent needs. The working group recommends making the following changes to the PSN form:

- Designate a PSN form for Housing Support only;
- Add "permanent" as an option to the PSN for disability (room and board), allowing individuals with permanent disabilities to avoid unnecessary annual re-certification; and
- Add "long-duration" or "permanent" as an option to the functional assessment portion of the PSN (Supplementary Services), reflecting ongoing service needs that are not expected to change year to year.

2c. Priority Recommendation: Accept two definitions of homelessness

In order to reduce the amount of eligibility paperwork and to move people into housing faster, the working group recommends allowing all state programs to accept either the Long-Term Homelessness or High Priority Homeless definitions for program eligibility paperwork.

Long-Term Homelessness is based on how long someone has experienced homelessness over time, while High Priority Homelessness is based on how urgent and severe their current situation is. Both definitions identify people with significant housing needs, but they use different criteria. More detailed definitions of High Priority Homelessness and Long-Term Homelessness are included in Appendix A.

Accepting either definition across state programs would reduce paperwork and allow people to move into housing more quickly. Additionally, MHFA and DHS should agree on the documentation requirements to meet eligibility for any program requiring either Long-Term Homelessness or High

¹⁶ Minnesota Department of Human Services, *Professional Statement of Need (PSN) Form*, DHS-7122-ENG, <https://edocs.dhs.state.mn.us/lfserver/Public/DHS-7122-ENG>.

Priority Homelessness, including Housing Support, Long-Term Homeless Supportive Services, and Permanent Supportive Housing openings. The acceptance of either definition will allow maximum flexibility for both providers and people served. For example, Housing Support will accept High Priority Homelessness, Long-Term Homeless Support Services Fund will accept High Priority Homelessness, and MHFA developments will accept Long-Term Homelessness.

Implementation considerations

- This will require agency staff time and perhaps additional staffing capacity, which is needed to properly review and align all aspects of the recommendation, including MHFA staff capacity to modify contracts, where possible. Costs are associated with increased staff capacity demands at DHS and MHFA.
- Determine whether / which programs need changes to the statute language (i.e., Housing Support may need a statute language change).

3. Barriers to Housing and Employment

Problem Statement: The DHS Housing Support programs require NETstudy 2.0, a web-based system used to submit background study requests to DHS for employees, board members, and volunteers. These checks are costly and time-consuming, often resulting in significant delays when filling crucial positions. Because NETstudy reviews duplicate other, more streamlined background studies, they contribute to ongoing staffing shortages and workforce challenges.

3a. Recommendation: Reduce barriers to employment

The working group recommends adopting changes to Minnesota Statutes, section 256I.04, subdivision 2c, to reduce barriers to employment and create workforce solutions by allowing providers to rely on a single background study system based on the type of program they operate.

The working group recommends that, beginning July 1, 2026, supportive housing providers be allowed to meet background study requirements by using Bureau of Criminal Apprehension (BCA) background checks under the Kari Koskinen Manager Background Check Act. Emergency shelter providers would be allowed to meet background study requirements by initiating and maintaining background studies that follow the fair-chance employment standards in chapter 364.

The working group proposes adopting these changes to the Housing Support statute, 2025 Minnesota Statutes, section 256I.04:

Subd. 2c. **Background study requirements.** (a) A provider of housing support must initiate background studies in accordance with section 245C.03, subdivision 10.

(b) A provider initiating a background study pursuant to chapter 245C is not required to initiate a background study in accordance with sections 299C.66 to 299C.71 or chapter 364.

(c) Notwithstanding clause (a), effective July 1, 2026, a supportive housing establishment may satisfy the requirements of this subdivision by initiating and maintaining background studies under sections 299C.66 through 299C.71.

(d) Notwithstanding clause (a), effective July 1, 2026, a provider of emergency shelter may satisfy the requirements of this subdivision by initiating and maintaining background studies that comply with the guidelines of chapter 364.

3b. Recommendation: Increase capacity to address tenant selection

Housing providers that receive MHFA funding are required to have a Tenant Selection Plan (TSP). A Tenant Selection Plan is a written policy developed and maintained by a housing provider that describes how people are selected for housing. It includes the criteria and procedures for selecting tenants for occupancy, including application processing, eligibility screening, preferences or priorities, rejection criteria, and appeal procedures. Tenant Selection Plans must comply with fair housing and civil rights laws and are intended to ensure that housing is filled in a fair, consistent, and transparent way.

The working group recommends increasing MHFA's capacity to enforce the tenant selection criteria within the Tenant Selection Plan (TSP).¹⁷ This will improve consistency in how tenant selection policies are followed and applied across providers.

Implementation considerations

- Increasing MHFA capacity to explore and develop an enforcement mechanism will require additional staffing and state funding.

4. Reporting, Monitoring, and Outcomes

Problem statement: All state programs have varied requirements for reporting, monitoring, and data collection, which creates heavy administrative burdens that limit program efficiency and effectiveness. While participant feedback is critical, it is inconsistently collected and acted upon, reducing opportunities for improvement. Additionally, there is no standardized method or tool to track vacancy and utilization rates, leaving critical gaps in data needed to guide policy, procedures, and practices.

4a. Recommendation: Establish site-based property management metrics

The working group recommends that site-based Permanent Supportive Housing (PSH) programs (buildings that are at least 50% PSH) collect consistent and comparable data to demonstrate success and operational efficiency at the property level. These metrics will help ensure that housing quality and management practices directly support long-term stability and positive resident experiences. Key metrics to collect include:

¹⁷ Minnesota Housing Tenant Selection Plans. 2025. <https://www.mnhousing.gov/home/rental-housing/property-managers/documents-forms-and-resources/tenant-selection-plans-tsp>

- Unit turnover,
- Vacancy rate,
- Evictions/termination reasons,
- Exits to successful housing, and
- Eligibility requirements/program denials.

Implementation considerations

- There will be costs associated with developing and implementing these metrics, primarily related to staff capacity for monitoring and quality assurance.

4b. Recommendation: Standardize data collection

The working group recommends standardizing data collection tools and definitions, utilizing the following guidelines across all Permanent Supportive Housing programs:

- The programs utilize existing data sets and reports from the Homeless Management Information System (HMIS) for all required reporting, except for programs that are serving people fleeing domestic violence who are already utilizing alternative data reporting systems, which could be utilized in place of HMIS. HMIS is a web-based data system that provides standardized, timely information to improve access to housing and services and to strengthen efforts to end homelessness.
- Clearly define each data point requested in reporting to ensure consistency across programs.
- Success indicators will include existing measures such as staying housed and increasing or maintaining earned and/or unearned income.
- Remove the requirement for Housing Support for Adults with Serious Mental Illness (HSASMI) providers to enter participant data into the Mental Health Information System (MHIS). The MHIS is Minnesota's statewide reporting system for publicly funded mental health treatment services, whereas HSASMI provides rental assistance and housing stabilization support to help individuals with serious mental illness secure and maintain permanent housing.

Implementation considerations

- There may be a need for Institute of Community Alliances time, capacity, evaluation, and a technology buildout for this recommendation to be implemented. (ICA is the Homeless Management Information System administrator.)
- Determine who is assigned to implement this recommendation.

4c. Recommendation: Strengthen participant feedback mechanisms

The working group recommends strengthening participant feedback mechanisms by creating formal channels for individuals receiving services to provide feedback to guide program improvements.

- Ensure there is a qualitative component in reporting requirements with resident feedback or participant feedback. The report and evaluation should include resident experience in a way

that does not increase burdens on the grantee (e.g., build into a site visit, perform by a third party, draw on existing provider practice, etc.).

- This is to be completed by a third party to maintain anonymity and in an accessible format.
- Ensure the data is shared and utilized for program implementation.

Implementation considerations

- Determine where the participant feedback will be stored and who will be responsible for managing it.
- Establish expectations for provider response and timelines when feedback consistently indicates problems.
- Consider what the feedback loop to tenants will be, how the data will be used, and how often tenants will be asked to provide feedback.
- Consider whether providers are responsible for identifying their own third-party evaluator, and who will bear this cost.

4d. Recommendation: Coordinate joint monitoring

The working group recommends that DHS and MHFA move toward coordinated monitoring for programs (within the scope of the working group) that use multiple funding sources (such as capital, operating, and service funds) from different agencies at the same time to support a single housing program and report progress. Areas to explore:

- For programs funded through multiple sources, establish a joint monitoring framework whenever possible.
- Align reporting schedules, indicators, and definitions.
- Streamline compliance and reduce duplicate reporting.
- Improve consistency and transparency across funders and program sites.

Implementation considerations

- This will require agency staff time and perhaps additional staffing capacity.

5. Preserving Permanent Supportive Housing Funding

Problem Statement: The supportive housing funding environment has changed over the last year, with the potential loss of important resources. The termination of Housing Stabilization Services (HSS) has eliminated a critical ongoing (billable) funding source to help people with disabilities find and maintain housing. Permanent Supportive Housing providers and other agencies that were providing housing consultation, navigation, and tenancy sustaining services through HSS are now facing service reductions, staffing cuts, and unit closures. The loss of supportive services and housing ultimately impacts people, who may now remain or return to homelessness.

Additionally, there is a significant risk that federal Housing and Urban Development Continuum of Care (CoC) funds may be lost across the state. Federal CoC dollars primarily fund rental subsidies/assistance, operating costs, and supportive services, which contribute to household and supportive housing

stability. Providers report that this could have a devastating impact, leaving thousands of people who are currently housed evicted and back on the streets.

5a. Priority Recommendation: Preserve and direct Housing Stabilization Services (HSS) funds

The working group recommends preserving the state-funded portion of the forecasted Housing Stabilization Services (HSS) budget. Direct these funds to Permanent Supportive Housing solutions to homelessness in supportive housing programs with strong regulation and oversight through a new temporary grant program that would prioritize providers who have (potentially) lost CoC Permanent Supportive Housing funding and HSS providers until a housing-focused Medicaid benefit relaunch is implemented. Maintaining this funding is critical to ensuring the availability of supportive housing, which serves as a foundational element for the success of broader housing and human services investments.

Implementation considerations

- This item requires legislative action.

5b. Recommendation: Redesign Medicaid benefit

In consultation with Tribal Nations, counties, owner-operators, service providers, people with lived experience, Continuums of Care, and funders, the working group recommends redesigning a Medicaid benefit to support housing navigation and stability services that must prioritize utilization within Permanent Supportive Housing settings, with strong program oversight and integrity controls.

Implementation considerations

- Medicaid benefit redesign will require staff time and capacity from multiple agencies.
- Costs are associated with compensating people with lived experience for their consultation work.

6. Housing Support Program

Problem statement: Housing Support is a proven Permanent Supportive Housing program unique to Minnesota. It links room and board assistance with supportive services to people with disabling conditions experiencing homelessness, both in site-based and scattered-site settings. Housing Support is a benefit program administered through counties and Tribes and can be used in a variety of settings through vendor agreements. As a result, the program operates statewide. However, its widespread use has led to administrative complexities for counties, Tribes, and vendors providing services.

6a. Priority Recommendation: Make changes to the Housing Support Program

The working group recommends the following changes to the Housing Support program. (Numbers 1 to 5 are strongly recommended; numbers 6 to 9 are lower in priority.)

1. Shift Minnesota Information Technology Services (MN-ITS) billing to monthly, but prorate daily if the stay is less than a month. (MN-ITS is the system that providers use to bill for Housing Support room and board.)
2. Provide an administration fee for counties and Tribal Nations providing Housing Support. This would help address the administrative burden on counties and Tribal Nations.
3. Align income calculation standards so that people in Permanent Supportive Housing, whether in community or Board and Lodge settings, pay 30% of their countable income toward housing costs.
4. Allow Housing Support Supplementary Services to be paid during the housing navigation period, up to 90 days prior to a housing move-in date for community-based providers.
5. DHS currently sets rates for support services for people exiting homelessness using the Housing Support Supplementary Services rate. Examine the set rate further, leveraging service provider expertise, to ensure it reflects the costs of delivering Permanent Supportive Housing.
6. Allow change of Housing Support county of financial responsibility (the county where the client resides at the time of application) to change to the county of residence more quickly after leaving treatment.
7. Review Housing Support allowable expenses to include time-limited storage for participants between Housing Support units.
8. Build community awareness about good cause exceptions to apply for Social Security.
9. Remove the prohibition on Housing Support recipients being employed by Housing Support organizations, as long as the employment is in a different setting from where they live.

Implementation considerations

- Determine whether MN-ITS technology has the ability to shift billing to monthly.
- Providing administrative fees for counties and Tribal Nations would be a significant increase in the cost of the program.
- Aligning payment standards implies significant changes/reduction in the amount of payment from tenants, increasing the costs of the program. This will require an ongoing increase in fiscal commitment because it will raise the state-funded portion relative to the resident-funded portion.

7. Coordinated Entry Stewardship

Problem statement: Minnesota has 10 Continuums of Care (CoCs), which are regional planning bodies that coordinate housing and services for people experiencing homelessness using the Coordinated Entry (CE) system. Coordinated Entry serves as a common entry point for assessing and referring to housing and services, and it is managed separately by each of the 10 CoCs. As a result, CE systems vary in terms of who qualifies and who is prioritized based on their needs and situation.

This has implications for state-funded housing programs and the service providers and individuals experiencing homelessness who utilize them. Although these CE systems were originally established to comply with U.S. Department of Housing and Urban Development requirements for federally funded

CoC initiatives, they are also either mandated or suggested by Minnesota's state supportive services and rental assistance programs.

7a. Recommendation: Establish a stewardship body for Coordinated Entry

The working group recommends that DHS and MHFA, in equal partnership with owner-operators, service providers, people with lived experience, and Continuums of Care (CoC), establish a statewide stewardship body for Coordinated Entry (CE). This state-level CE Stewardship Committee for Permanent Supportive Housing Policy will have equal representation from owner-operators, service providers, people with lived experience, and CoCs. This body may share information, better practices, conduct problem-solving, and make recommendations for change.

Implementation considerations

- Costs are associated with compensating people with lived experience for their participation in the statewide stewardship body.
- This will need staff time and thoughtful organization and facilitation from the state agencies to ensure the scope is realistic and the discussions are productive, or the engagement of a consultant to facilitate the process.

8. Qualified Allocation Plans

Problem statement: Minnesota's current Low-Income Housing Tax Credit Qualified Allocation Plan¹⁸ could better align with Permanent Supportive Housing's long-term financial and operational needs. Updating the Qualified Action Plans (QAPs) with stronger community engagement could reduce burdens on providers and strengthen the long-term sustainability of Permanent Supportive Housing (PSH) statewide. (QAPs are a framework that awards tax credits to developers for preserving affordable rental housing.)

8a. Recommendation: Amend QAPs for Low-Income Housing Tax Credits

The working group recommends that MHFA and local partners review and update the rules for awarding Low-Income Housing Tax Credits to better support the long-term success of Permanent Supportive Housing. This work will focus on identifying changes that give housing providers more financial and operational flexibility, reduce administrative burden, and improve long-term stability. An advisory team of Permanent Supportive Housing providers, funders, and tenant representatives will be convened to guide the process and deliver recommendations by January 1, 2027.

Implementation considerations

- Consider recent changes to federal Low-Income Housing Tax Credits policy and ensure that Minnesota's Qualified Action Plan is responsive to Low-Income Housing Tax Credits investors' appetite and makes Minnesota competitive for these private investment dollars.

¹⁸ Housing Tax Credit Qualified Allocation Plan. 2024-2025. https://www.mnhousing.gov/get/MHFA_283614

VI. Proposed legislative language for priority recommendations

The legislative language shared below was drafted to align with the Simplifying Supportive Housing work group's priority recommendations as presented in this report. DHS and MHFA may suggest additional technical assistance and amendments to further clarify intent and support implementation, if recommendations advance through bill introductions.

Recommendation 1a (Priority Recommendation): Include capital, operations, and supportive services in Permanent Supportive Housing funding

Section 1. **Direction to the commissioner.** (a) The commissioner of housing, in consultation with the commissioner of human services, must assess opportunities for aligning permanent supportive housing funding to include capital, operations, and supportive services for the duration of a property's expected affordability timeline, to better support residents in finding and maintaining housing. The assessment should include a review of:

- models to capitalize operating and service reserves,
- funding levels that reflect the number of residents,
- needs of the resident populations,
- property configurations, and
- changes to statutory language needed to support implementation.

(b) By January 1, 2027, the commissioner must submit a report to the chairs and ranking minority members of the legislative committees with jurisdiction over housing and human services policy and finance that reports on its findings, including opportunities for alignment, tradeoffs, barriers, and ideas for overcoming barriers.

Recommendation 2c (Priority Recommendation): Accept two definitions of homelessness

Section 1. Minnesota Statutes 2024, section 256I.03, is amended by adding a subdivision to read:

Subd. 16. **High priority homeless.** "High priority homeless" means an individual prioritized for supportive housing by the Continuum of Care Coordinated Entry system.

Sec. 2. Minnesota Statutes 2024, section 256I.04, subdivision 2(a) is amended to read:

Subd. 2a. **License required; staffing qualifications.** (a) Except as provided in paragraph (b), an agency may not enter into an agreement with an establishment to provide housing support unless:

(1) the establishment is licensed by the Department of Health as a hotel and restaurant; a board and lodging establishment; a boarding care home before March 1, 1985; or a supervised living facility, and the service provider for residents of the facility is licensed under chapter 245A. However, an establishment licensed by the Department of Health to provide lodging need not also be licensed to provide board if meals are being supplied to residents under a contract with a food vendor who is licensed by the Department of Health;

(2) the residence is: (i) licensed by the commissioner of human services under Minnesota Rules, parts 9555.5050 to 9555.6265; (ii) certified by a county human services agency prior to July 1, 1992, using the standards under Minnesota Rules, parts 9555.5050 to 9555.6265; (iii) licensed by the commissioner under Minnesota Rules, parts 2960.0010 to 2960.0120, with a variance under section 245A.04, subdivision 9; or (iv) licensed under section 245D.02, subdivision 4a, as a community residential setting by the commissioner of human services;

(3) the facility is licensed under chapter 144G and provides three meals a day; or

(4) effective January 1, 2027, the establishment is licensed by the Department of Health as a board and lodging establishment and is certified by the commissioner as a recovery residence in accordance with section 254B.215, subdivision 3, that is subject to the requirements of section 256I.04, subdivisions 2a to 2f. The Department of Human Services must serve as the lead agency for agreements entered into under this clause.

(b) The requirements under paragraph (a) do not apply to establishments exempt from state licensure because they are:

(1) located on Indian reservations and subject to tribal health and safety requirements; or

(2) supportive housing establishments where an individual has an approved habitability inspection and an individual lease agreement.

(c) Supportive housing establishments that serve individuals who have experienced long-term homelessness or meet high priority homeless eligibility and emergency shelters must participate in the homeless management information system and a coordinated assessment system as defined by the commissioner.

(d) Effective July 1, 2016, an agency shall not have an agreement with a provider of housing support unless all staff members who have direct contact with recipients:

(1) have skills and knowledge acquired through one or more of the following:

(i) a course of study in a health- or human services-related field leading to a bachelor of arts, bachelor of science, or associate's degree;

(ii) one year of experience with the target population served;

(iii) experience as a mental health certified peer specialist according to section 256B.0615; or

- (iv) meeting the requirements for unlicensed personnel under sections 144A.43 to 144A.483;
- (2) hold a current driver's license appropriate to the vehicle driven if transporting recipients;
- (3) complete training on vulnerable adults mandated reporting and child maltreatment mandated reporting, where applicable; and
- (4) complete housing support orientation training offered by the commissioner.

Sec. 3. Minnesota Statutes 2024, section 256I.05, subdivision 1(g) is amended to read:

Subd. 1g. **Supplementary service rate for certain facilities.** An agency may negotiate a supplementary service rate for recipients of assistance under section 256I.04, subdivision 1, paragraph (a) or (b), who have experienced long-term homelessness or meet high priority homeless eligibility and who live in a supportive housing establishment under section 256I.04, subdivision 2a, paragraph (b), clause (2).

Sec. 4. Minnesota Statutes 2024, section 256K.26, subdivision 1, is amended to read:

Subdivision 1. **Establishment and purpose.** The commissioner shall establish the long-term homeless supportive services fund to provide integrated services needed to stabilize individuals, families, and youth living in supportive housing developed to further the goals set forth in Laws 2003, chapter 128, article 15, section 9, and to support individuals meeting high priority homeless eligibility.

Sec. 5. Minnesota Statutes 2024, section 256K.26, subdivision 3, is amended to read:

Subd. 3. **Definitions.** For purposes of this section, the following terms have the meanings given:

- (1) "long-term homelessness" means lacking a permanent place to live continuously for one year or more or at least four times in the past three years; ~~and~~
- (2) "household" means an individual, family, or unaccompanied minor experiencing long-term homelessness or meeting high priority homeless eligibility; ~~and~~
- (3) "high priority homeless" means an individual prioritized for supportive housing by the Continuum of Care Coordinated Entry system.

Sec. 6. Minnesota Statutes 2024, section 256K.26, subdivision 5, is amended to read:

Subd. 5. **Content of proposals.** Proposals will be evaluated on the extent to which they:

- (1) include partnerships with providers of services or other partners;
- (2) develop strategies to enhance housing stability for people experiencing long-term homelessness or identified as high priority homeless by integrating services and establishing consistent services and procedures across jurisdictions as appropriate;
- (3) evidence a commitment to working with the commissioners of human services, corrections, and the Housing Finance Agency to identify appropriate households to be served under this section and serve

households as defined in subdivision 3. The commissioner may also set criteria for serving people at significant risk of experiencing long-term homelessness, with a priority on serving families with minor children;

(4) ensure that projects make maximum use of mainstream resources, including employment, social, and health services, and leverage additional public and private resources in order to serve the maximum number of households;

(5) demonstrate cost-effectiveness by identifying and prioritizing those services most necessary for housing stability; and

(6) evaluate and report on outcomes of the projects according to protocols developed by the commissioner of human services in cooperation with the commissioners of corrections and the Housing Finance Agency. Evaluation would include methods for determining the quality of the integrated service approach, improvement in outcomes, cost savings, or reduction in service disparities that may result.

Sec. 7. Minnesota Statutes 2024, section 256K.26, subdivision 6, is amended to read:

Subd. 6. **Outcomes.** Projects will be selected to further the following outcomes:

(1) reduce the number of Minnesota individuals and families that experience long-term homelessness;

(2) increase the number of housing opportunities with supportive services;

(3) develop integrated, cost-effective service models that address the multiple barriers to obtaining housing stability faced by people experiencing long-term homelessness or high priority homelessness, including abuse, neglect, substance use disorder, disability, chronic health problems, or other factors including ethnicity and race that may result in poor outcomes or service disparities;

(4) encourage partnerships among counties, Tribes, community agencies, schools, and other providers so that the service delivery system is seamless for people experiencing long-term homelessness or high priority homelessness;

(5) increase employability, self-sufficiency, and other social outcomes for individuals and families experiencing long-term homelessness or high priority homelessness; and

(6) reduce inappropriate use of emergency health care, shelter, substance use disorder treatment, foster care, child protection, corrections, and similar services used by people experiencing long-term homelessness or high priority homelessness.

Recommendation 5a (Priority Recommendation): Preserve and direct Housing Stabilizing Services funds

Section 1. **APPROPRIATION; SUPPORTIVE HOUSING GRANTS.** \$..... in fiscal year 2027 and \$..... in fiscal year 2028 are appropriated to the commissioner of human services to fund supportive housing solutions. The commissioner must distribute funds as grants to permanent supportive housing entities

that can demonstrate strong regulation and program oversight and that have emerging and critical needs due to the loss of federal Continuum of Care funding or loss of the state portion of funding due to the termination of the Housing Stabilization Services program. Funds may support housing consultation, housing navigation, tenancy sustaining services, rental subsidies and rental assistance, and operating costs for permanent supportive housing.

Recommendation 6a (Priority Recommendation): Make changes to the Housing Support program

1. Shift MN-ITS billing to monthly, but prorate daily if the stay is less than a month

Section 1. **APPROPRIATION; HOUSING SUPPORT BILLING.** \$..... in fiscal year 2027 is appropriated from the general fund to the commissioner of human services for system costs needed to support monthly billing for Housing Support supplementary services. This is a one-time appropriation.

2. Provide an administrative fee for counties and Tribal Nations providing Housing Support.

Section 1. Minnesota Statutes 2024, section 256I.05, is amended by adding a subdivision to read:

Subd. 12. **Housing Support Administrative Rate for Counties and Minnesota Tribal Governments.** (a) The commissioner of human services must determine an administrative rate to be paid to counties and Minnesota Tribal Governments that administer Housing Support agreements to fund the following activities:

(1) establishing and maintaining housing support agreements with providers, including the establishment of contracting processes;

(2) overseeing and monitoring provider quality and performance; and

(3) determining eligibility and making payments to eligible providers.

(b) By January 15, 2027, the commissioner of human services must report to the chairs and ranking minority members of the legislative committees with jurisdiction over human services policy and finance on the administrative rate established and its methodology.

Sec. 2. **APPROPRIATION; HOUSING SUPPORT ADMINISTRATIVE RATE.** \$..... in fiscal year 2028 and \$..... in fiscal year 2029 is appropriate from the general fund to the commissioner of human services for the housing support administrative rate for counties and Minnesota Tribal Governments.

3. Align income calculation standards so that people in Permanent Supportive Housing, whether in community or Board and Lodge settings, pay 30% of their countable income toward housing costs.

Section 1. Minnesota Statutes 2024, section 256I.03, subdivision 7, is amended to read:

Subd. 7. **Countable income.** (a) "Countable income" means all income received by an applicant or recipient as described under section 256P.06, less any applicable exclusions or disregards.

(b) For a recipient of any cash benefit from the SSI program who does not live in a setting described in section 256I.04, subdivision 2a, paragraph (b), clause (2), or a board and lodging establishment determined by the commissioner to meet the definition of supportive housing in section 256I.03, subdivision 15, countable income equals the SSI benefit limit in effect at the time that the person is a recipient of housing support, less the personal needs allowance under section 256B.35. If the SSI limit or benefit is reduced for a person due to events other than the receipt of additional income, countable income equals actual income less any applicable exclusions and disregards.

(c) For a recipient of any cash benefit from the SSI program who lives in a setting as described in section 256I.04, subdivision 2a, paragraph (b), clause (2), or a board and lodging establishment determined by the commissioner to meet the definition of supportive housing in section 256I.03, subdivision 15, countable income equals 30 percent of the SSI benefit limit in effect at the time that a person is a recipient of housing support. If the SSI limit or benefit is reduced for a person due to events other than the receipt of additional income, countable income equals 30 percent of the actual income less any applicable exclusions and disregards. For recipients under this paragraph, the personal needs allowance described in section 256B.35 does not apply.

(d) Notwithstanding the earned income disregard described in section 256P.03, for a recipient of unearned income as defined in section 256P.06, subdivision 3, clause (2), other than SSI and the general assistance personal needs allowance, who lives in a setting described in section 256I.04, subdivision 2a, paragraph (b), clause (2), or a board and lodging establishment determined by the commissioner to meet the definition of supportive housing in section 256I.03, subdivision 15, countable income equals 30 percent of the recipient's total income after applicable exclusions and disregards. Total income includes any unearned income as defined in section 256P.06 and any earned income in the month that the person is a recipient of housing support. For recipients under this paragraph, the personal needs allowance described in section 256B.35 does not apply.

(e) For a recipient who lives in a setting as described in section 256I.04, subdivision 2a, paragraph (b), clause (2), or a board and lodging establishment determined by the commissioner to meet the definition of supportive housing in section 256I.03, subdivision 15, and receives general assistance, the personal needs allowance described in section 256B.35 is not countable unearned income.

4. Allow Housing Support Supplementary Services to be paid during the housing navigation period, up to 90 days prior to a housing move-in date for community-based providers.

Section 1. Minnesota Statutes 2024, section 256I.05, is amended by adding a subdivision to read:

Subd. 12. Supplementary Services; retroactive payment for housing navigation. A provider of housing support may receive a retroactive payment for supplementary services provided to help an individual transition into a setting described in 256I.04, subdivision 2a, paragraph (b), clause (2), if the individual has met the eligibility requirements of section 256I.04, subdivision 1, and section 256I.05, subdivision 1a. Payment under this subdivision is limited to supplementary services provided from the date of an individual's documented referral to housing support until the first date of the individual's lease agreement and must not exceed 90 days.

5. DHS currently sets rates for support services for people exiting homelessness using the Housing Support Supplementary Service rate. Examine the set rate further, leveraging service provider expertise, to ensure it reflects the costs of delivering Permanent Supportive Housing.

Section 1. Minnesota Statutes 2024, section 256I.05, is amended by adding a subdivision to read:

Subd. 12. **Supplementary Services Rate Assessment.** Beginning January 1, 2028, and every two years thereafter, the commissioner must assess the supplementary service rate to determine if the rate adequately covers the actual cost of providing services. The commissioner must share the results of the assessment with the chairs and ranking minority members of the human service policy and finance committees.

VII. Appendices

Appendix A: Glossary of Definitions

Term	Definition
Continuum of Care (CoC)	Continuum of Care (CoC) is the local partnership of community organizations that the Department of Housing and Urban Development recognizes to plan and coordinate housing and services for people experiencing homelessness in a geographic specific area. The goal of a CoC is to help people move into stable housing, increase self-sufficiency, prevent homelessness, and reduce the likelihood that people return to homelessness.
Coordinated Entry (CE)	Coordinated Entry (CE) is a system that helps people experiencing homelessness access housing. Through CE, a person can contact a single access point in their region—one of ten different regions statewide—to complete an assessment and be connected to housing opportunities across multiple programs.
County of Financial Responsibility	County of financial responsibility is the county that is legally responsible for paying for an individual’s social services. Minnesota Statute 256G.02 determines which county pays for social services based on a person’s living situation. In most cases, the responsible county is where the person lives when they apply. If the person is in a facility, the responsible county is where they last lived in the community before entering the facility.
Department of Human Services (DHS)	The Department of Human Services is the state agency responsible for administering, supervising, and regulating Minnesota’s publicly funded human services programs, including programs related to health care, behavioral health, economic assistance, disability services, and long-term care.
High Priority Homeless (HPH)	High-priority homeless households are households experiencing homelessness that the Coordinated Entry system identifies as having the most significant barriers to housing stability and prioritizes for Permanent Supportive Housing.
Homeless Management Information System (HMIS)	The Homeless Management Information System (HMIS) is a secure, web-based data system used by programs serving people experiencing homelessness to record household information, track services provided, and measure housing outcomes. The system is used to understand homelessness in a community, including how many people are served, what services are used, and how effective those services are.
Housing Stabilization Services	Housing Stabilization Services was a Medical Assistance (Medicaid) benefit designed to help people with disabilities and seniors find and keep housing in the community. The program ended October 31, 2025.

Housing Support	Housing Support is a state program that pays for room and board for seniors and adults with disabilities who have low incomes, with the goal of preventing homelessness and reducing reliance on institutional care.
Housing Support for Adults with Serious Mental Illness (HSASMI)	Housing Support for Adults with Serious Mental Illness is a program to prevent or end homelessness, increase the availability of housing with support, and support recovery and community integration for people with serious mental illness, including co-occurring substance use disorders.
Housing Trust Fund (HTF)	The Housing Trust Fund is a state account that supports affordable housing for people with very low incomes. Funds may be used for loans or grants to build, preserve, or operate affordable rental and supportive housing, provide rental assistance, and help families with children secure stable housing. Most funding is required to benefit households with the lowest incomes.
Long-Term Homelessness	Long-term homelessness means lacking a permanent place to live, either continuously for one year or more, or on at least four separate occasions within the past three years (Minn. Stat. 256K.26).
Long-Term Homeless Supportive Services (LTHSS)	Long-term homeless supportive services are flexible, integrated services provided on an ongoing basis to individuals, families, and youth who have experienced long-term homelessness. These services are intended to stabilize households in permanent supportive housing, improve self-sufficiency, and reduce reliance on emergency systems such as shelters, health care, and corrections.
Low-income Housing Tax Credits (LIHTC)	The Low-Income Housing Tax Credit (LIHTC) program is a federal program that helps create affordable rental housing. Instead of giving developers direct funding, the program provides tax credits to developers who agree to build or preserve rental housing and rent some or all the units at affordable rates for lower-income households. In Minnesota, the LIHTC program is administered by MHFA, which decides which projects receive tax credits and monitors properties to make sure affordability and tenant requirements are met.
Minnesota Housing Finance Agency (MHFA)	The Minnesota Housing Finance Agency provides for the development, preservation, and financing of housing for low- and moderate-income households and administers state and federal housing programs, including issuing bonds, allocating tax credits, and providing grants and loans for housing development. It is also referred to as Minnesota Housing.
Permanent Supportive Housing (PSH)	Permanent Supportive Housing is affordable rental housing paired with ongoing voluntary supportive services that help people with the highest needs stay housed long-term. It is designed for individuals and families who are experiencing homelessness or are at high risk of homelessness and who need additional support to obtain and maintain stable housing.

	The terms “Permanent Supportive Housing” and “supportive housing” are sometimes used interchangeably, but are not the same. Throughout this report, supportive housing refers broadly to affordable housing paired with services. Permanent Supportive Housing refers to the permanent evidence-based housing model that supports people with the greatest barriers to housing stability.
Professional Statement of Need (PSN)	A Professional Statement of Need (PSN) is a written statement completed by a qualified professional that documents an individual’s need for services or supports beyond basic housing or room and board, based on the person’s mental health condition, disability, functional limitations, or other significant needs, and that supports eligibility for specialized housing-related services or higher service rates.
Qualified Action Plan	MHFA’s Qualified Allocation Plan (QAP) explains how the state decides which multifamily rental housing projects receive Low-Income Housing Tax Credits. The QAP sets the priorities and requirements used to award tax credits each year, based on federal and state law and MHFA’s strategic goals, through the annual Multifamily Consolidated Request for Proposals process.
Room and Board	Room and board refers to the basic living expenses covered through Minnesota’s Housing Support program. It is the base housing benefit and pays for housing and daily living costs but does not include services such as case management or supportive services. Room and board payments are made directly to the housing provider on behalf of the eligible individual.
Request for Proposal (RFP)	A request for proposal (RFP) is a formal solicitation document that invites qualified organizations to submit proposals describing how they will provide specific services, programs, or deliverables in response to needs, including technical approach, experience, staffing, outcomes, and cost.
Supplementary Services	Supplementary Services are individualized supports provided alongside Housing Support room and board to help a person remain stably housed. Services are authorized based on a Professional Statement of Need (PSN) and are available only to people who are eligible for and receiving Housing Support.
Supportive Housing	Supportive housing is affordable housing linked with social services tailored to the needs of the population being housed. The goal of supportive housing is to provide affordable housing with access to an array of services designed to foster housing stability and improve the health and quality of life for the population served. The terms “Permanent Supportive Housing” and “supportive housing” are sometimes used interchangeably but are not the same. Throughout this report, supportive housing refers broadly to affordable housing paired with services. Permanent Supportive Housing refers to the permanent evidence-

	based housing model that supports people with the greatest barriers to housing stability.
Tenant Selection Plan	A Tenant Selection Plan is a written policy developed and maintained by a housing provider that describes the criteria and procedures used to select tenants for occupancy, including application processing, eligibility screening, preferences or priorities, rejection criteria, and appeal procedures, and that complies with fair housing and civil rights laws.

Appendix B: Working Group Members

The Legislature directed the commissioner of human services to establish the statewide working group. The working group prioritized membership from individuals and organizations that use or administer state-funded supportive housing resources and included the following:

Category	Name	Organization
Commissioner of Minnesota Housing Finance Agency (Designee)	Rinal Ray	Minnesota Housing Finance Agency
Commissioner of Human Services (Designee)	Andrea Simonett	Department of Human Services
Representative with lived experience—Minnesota Coalition for the Homeless	Claudette McDowall	Minnesota Coalition for the Homeless
Representative with lived experience—Minnesota Coalition for the Homeless	Jason Urbanczyk	Minnesota Coalition for the Homeless
Representative from Hearth Connection	Laura Craig	Hearth Connection
Representative from Metropolitan Urban Indian Directors Network	Ruth Buffalo	Minnesota Women’s Indian Resource Center
Representative from Minnesota Housing Stability Coalition	Chris LaTondresse	Minnesota Housing Stability Coalition
Supportive Housing Provider (State-funded)	Janayah Bagurusi	Project for Pride in Living
Supportive Housing Provider (State-funded)	Gina Kautz	Clay County Housing Authority

Supportive Housing Provider (State-funded)	Wendy Wiegmann	Simpson Housing Services
Supportive Housing Provider (State-funded)	Jaime Wilkins	Lutheran Social Services
Supportive Housing Provider (State-funded)	Linsey Hofer	Minnesota Assistance Council for Veterans
Representative from Minnesota Tribal Collaborative	Christina Olsen	Minnesota Tribal Collaborative
Representative from Hennepin County	David Hewitt	Hennepin County
Representative from St. Louis County	Laura Birnbraum	St. Louis County
House of Representatives— Speaker Appointee	Liish Kozlowski	Minnesota House of Representatives
House of Representatives— Minority Leader Appointee	Bernie Perryman	Minnesota House of Representatives

The following two individuals participated as working group members for a portion of the process:

- Eric Grumdahl, former assistant commissioner, Homelessness, Housing, and Support Services Administration, Department of Human Services
- Caroline Hood, former president and CEO, RS EDEN

Appendix C: Individual Journey Maps and Pain Points

The following three journey maps are flowcharts that represent different individuals' experiences from assessment to move-in. The individual profiles were chosen due to general differences in their experiences. The profiles shown below (Figures 1 to 3) are for the following individuals:

1. Unsheltered single adult (or family)
2. Unsheltered Native American couple
3. Single adult high barriers

Figure 1. Journey map of unsheltered single adult or family

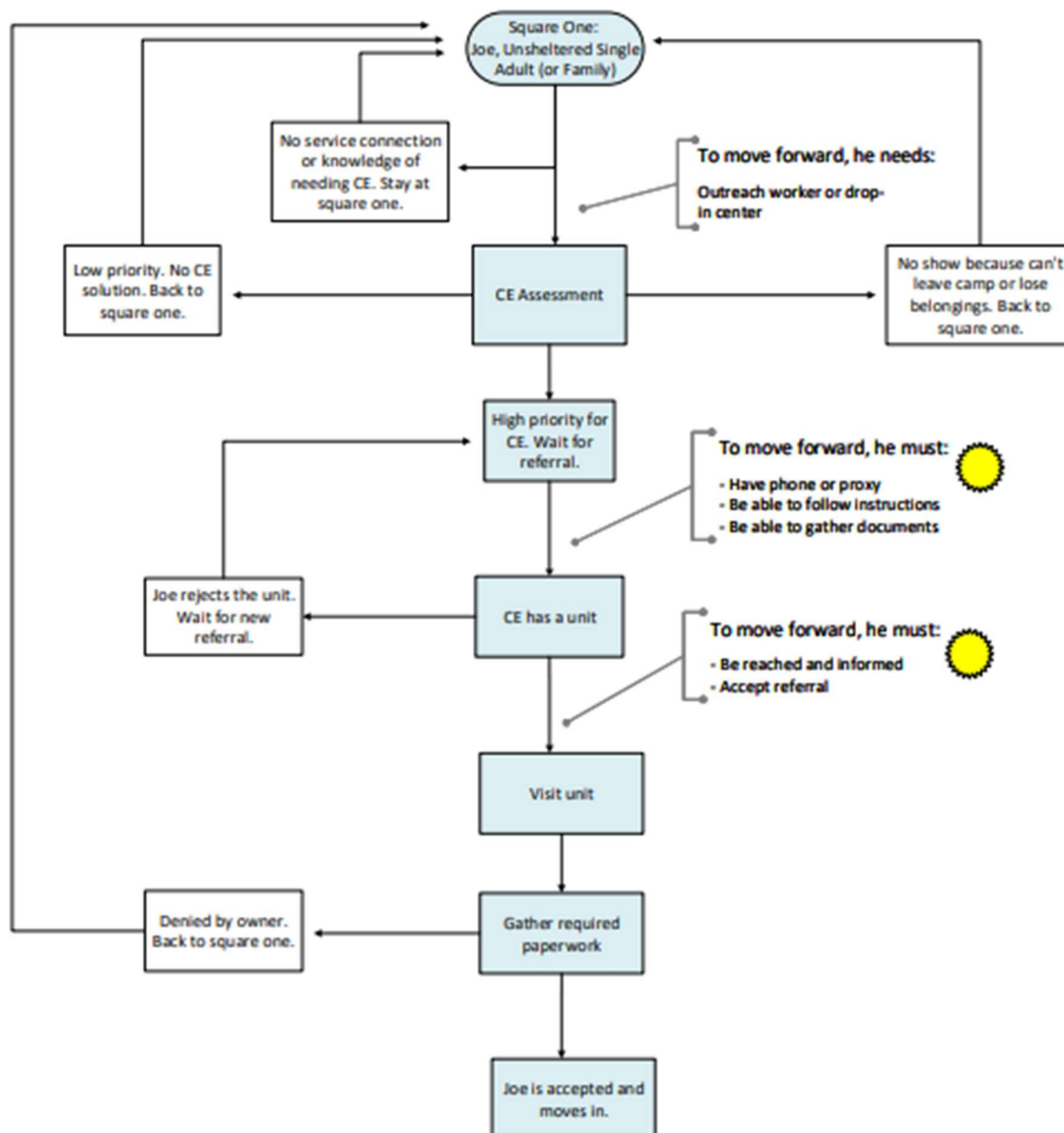
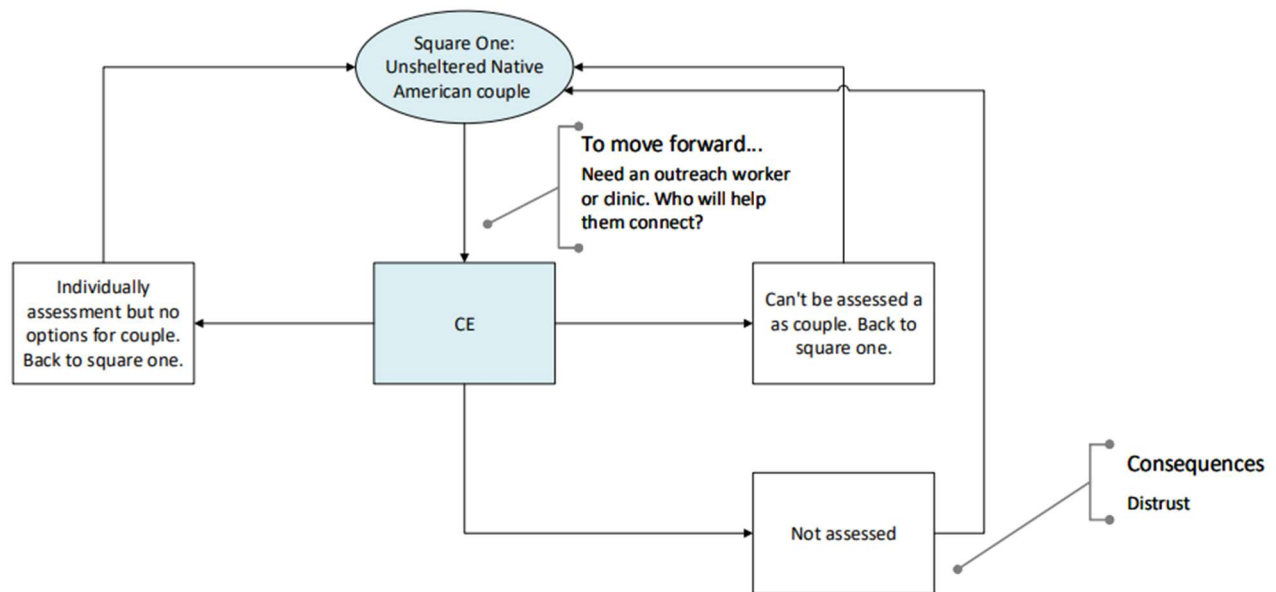


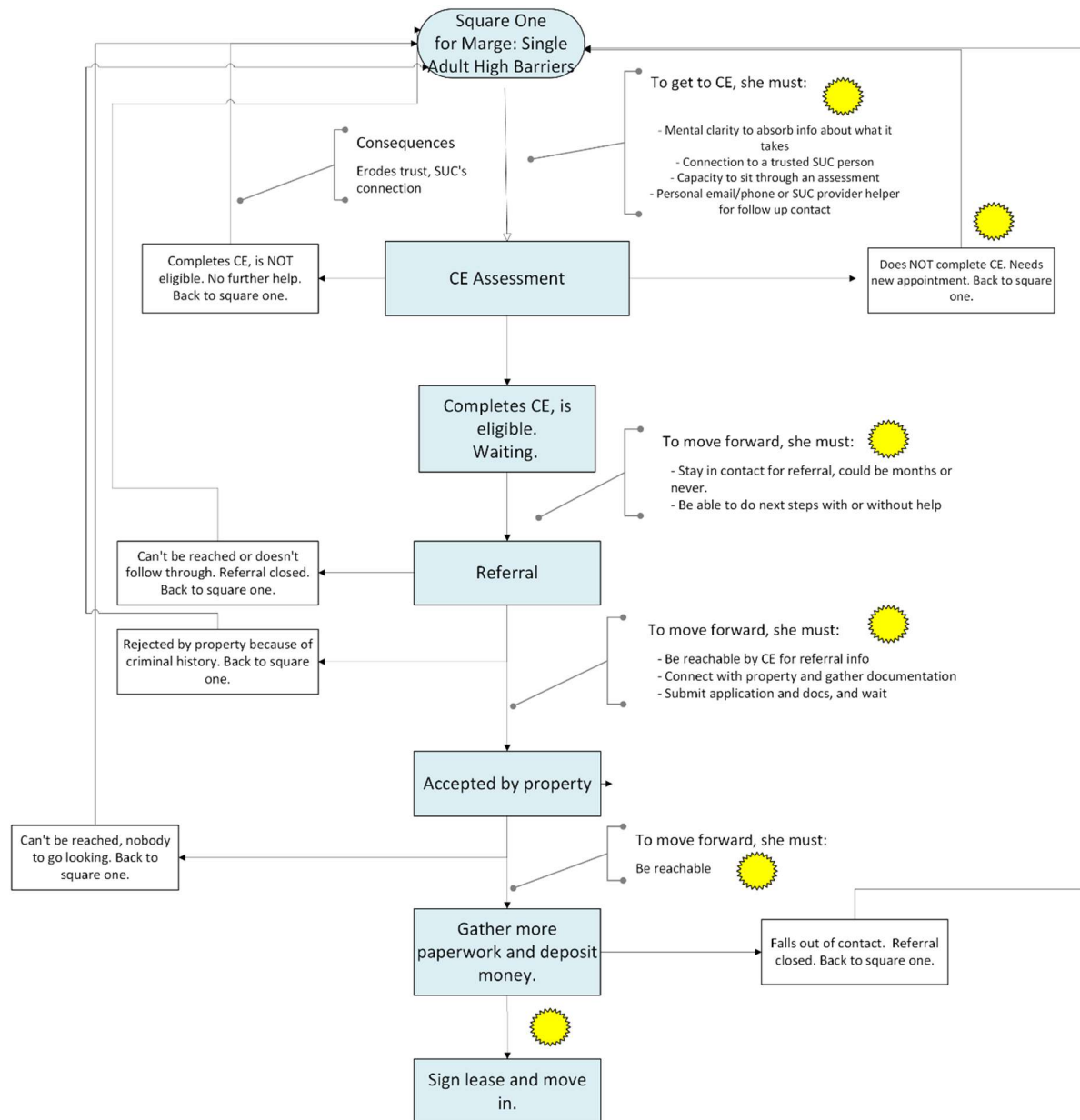
Figure 2. Journey map of unsheltered Native American couple



Limiting Issues:

- One or both have no income
- Coordinated Entry does not place couples in housing
- One partner has a disqualifying criminal background
- No connection to a trusted helper
- Surviving day-to-day taps all energy
- Very few culturally desired options

Figure 3. Journey map of single adult with high barriers



Documents required by the property and pain points:

- ID (birth certificate, which requires ID)
- Financial verification (need ID)
- Disability or Personal Statement of Need (need qualified provider)
- Homelessness verification (third party, and “who knows me enough to do it?”)

The three journey maps above helped guide the working group's discussion of overall pain points. The table below summarizes pain points in an individual's journey from assessment to move-in, with examples for each category.

Table 1. Summary of pain points in an individual's journey from assessment to move-in

Pain Point	Examples
Lack of navigation support	underfunded navigator roles, gaps in outreach and service delivery, lack of support after move-in
Documentation burden	gathering documentation/verification, repeated document requests, expired documents
Delays	wait times, life challenges arise during waiting periods, timing out
Eligibility challenges	inconsistency, confusion, lost eligibility status, mismatch of eligibility and resources, partners with different eligibility statuses
Denied eligibility	not knowing who made the denial decision, having flexible eligibility, yet being denied later in the process
Communication challenges	lost contact, no phone access, unclear status or next steps, no follow-up, unclear points of contact
Lack of awareness of overall process	don't know what to expect; multiple attempts are needed
Lack of person-centered options or support	a lack of understanding of different cultural needs and wants (e.g. families living together, undocumented folks, language barriers)
Coordinated Entry too linear and inflexible	System designed as a straight pipeline based on one point in time, when crisis is dynamic and fluid, making it hard to respond to changes in circumstances

Appendix D: Provider Survey Methods, Key Findings, and Provider Journey Map

Recognizing the critical role providers play in facilitating access to Permanent Supportive Housing, a subcommittee of the working group conducted a statewide survey to understand providers' experiences. The goal was to identify redundancies, inefficiencies, and barriers in the current system and inform strategic recommendations for improvement.

Provider Survey Methodology

The subcommittee tested a draft survey for state staff and finalized a set of 21 questions, both closed and open, that were programmed in SurveyMonkey. All working group members were asked to distribute the link to providers, who were given one week to respond. A total of 157 providers responded to the survey. The facilitation team analyzed and summarized the results by pulling out themes from each survey question.

Description of Survey Respondents

Survey respondents represented a range of housing models, most commonly from site-based and scattered-site Permanent Supportive Housing. Over 70% of respondents reported serving the 7-county metro area.

Their most common funding sources were the Housing Support and Long-term Homeless Supportive Services programs, although many other funding sources were mentioned.

More than half the respondents identified as service providers, with some serving as property managers or in other roles.

Just under half the respondents reported serving both families and single adults, with the same number serving single adults only. Youth were reportedly the least served. In addition to those broad groups, the most commonly reported populations served were:

- People experiencing homelessness;
- People with disabilities;
- Individuals with mental illness; and
- People experiencing long-term homelessness.

Key Findings

The Referral Process

Respondents were asked about the referral process, including open-ended questions about what is working well in the process and where they experience obstacles. Nearly 70% said that people are referred to their program or housing through Coordinated Entry (CE).

- a. **What is functioning effectively?** Respondents were most likely to describe the ease or clarity of the systems/processes and timeliness or speed of getting referrals as areas that function effectively in the referral process. The next most common response described communication, coordination, and relationships (e.g. with Coordinated Entry, Coordinated Entry for Youth and Singles, Coordinated Access to Housing and Shelter in Ramsey County, etc.)
- b. **What are the obstacles in the referral process?** The greatest number of responses were about the system, administrative delays, and staffing burdens. Some other frequently stated responses included eligibility or geographic mismatches, communication breakdowns, and incomplete or inaccurate referral information.

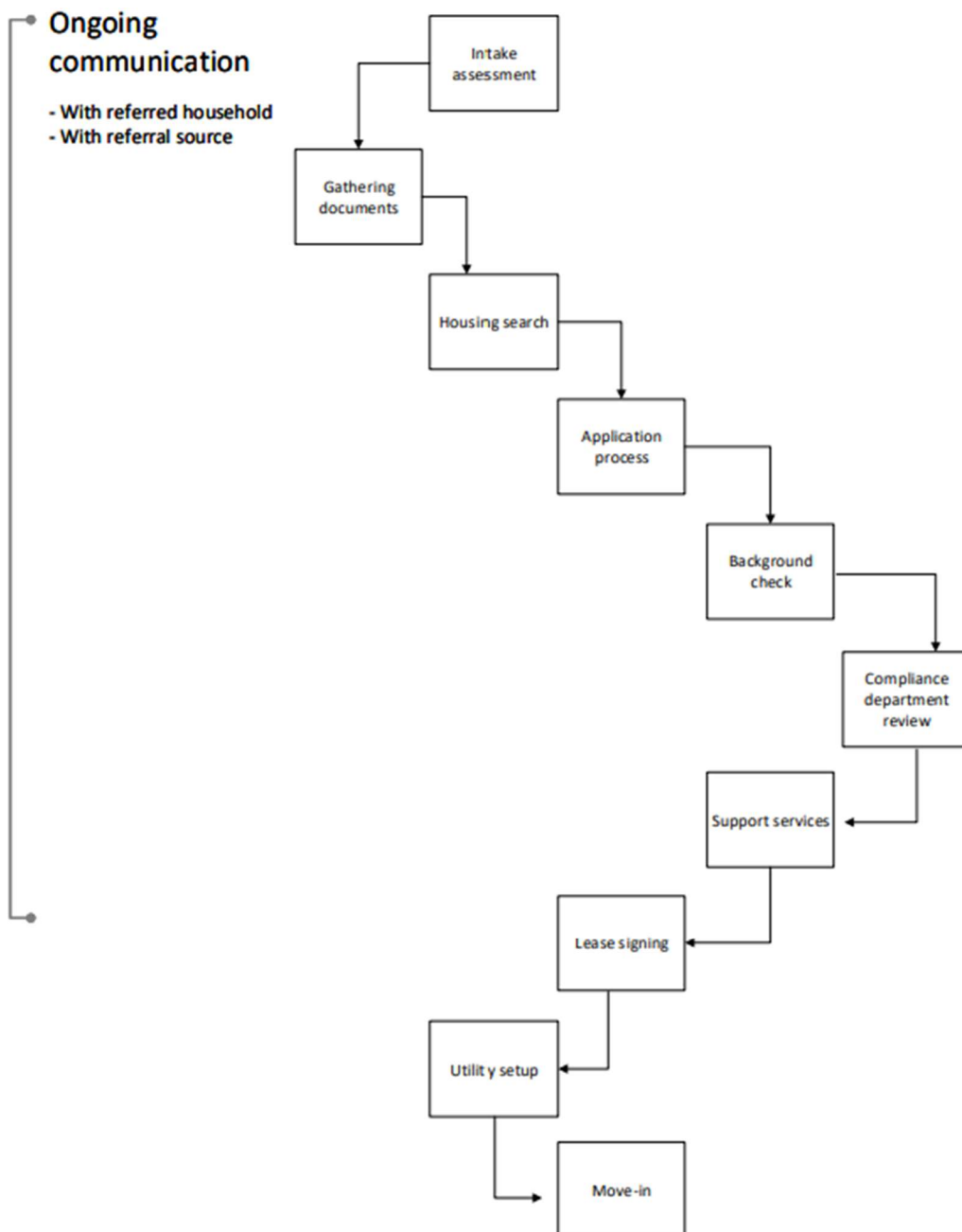
Eligibility documentation

- a. **What documents are required?** The documents most commonly mentioned were long-term housing verification and proof of income. Other common responses included professional statement of need, disability verification, identification, homeless verification, Social Security number, other program-specific documents, and application forms.
- b. **Time needed to complete required documents:** The length of time it takes to complete the required documents was quite varied or was unknown to the respondent. The most common timeline for respondents was two to three weeks.
- c. **Documentation that the household is responsible for:** Respondents were most likely to mention documents related to income verification, such as proof of income, paystubs, SSI, zero income forms, etc., as the responsibility of the household. The second most common response was related to recertification, such as annual or semi-annual recertifications, renewals, and updates.
- d. **Documentation that program staff is responsible for:** Respondents were most likely to mention documents related to reporting, such as Homeless Management Information System data entry and reports, etc., as the responsibility of program staff, followed by documents to connect to government benefits, such as assisting with housing subsidies and helping apply for SSI.

Process between eligibility and move-in

- a. **Process steps identified from eligibility to move-in:** The provider journey map in Figure 4 below depicts the steps commonly mentioned by survey respondents.
- b. **What is working well:** The most common response by far described communication and collaboration as an area that works well, followed by some steps in documentation, application, and the move-in itself.
- c. **What takes the longest during this timeframe:** Respondents were most likely to say that the step of collecting and verifying documents takes the most time, followed by the housing search and unit availability and communicating with or contacting the client.
- d. **Data systems:** A large majority of respondents said they use the Homeless Management Information System as their data system.

Figure 4: Provider Journey Map representing steps for an individual from assessment to move-in



What works well and challenges while assisting clients to sustain housing

- **Working well:** Respondents were most likely to say that strong case management and supportive services are working well, such as skilled direct staff, followed by effective collaboration and communication with those involved.

- **Challenges:** Respondents were most likely to mention system navigation or engagement with services as a challenge, followed by issues related to residents' behavior, lease violations, or not paying rent, as well as financial barriers and funding gaps.

Challenges during audits

Respondents were most likely to say they do not experience challenges with the annual audit and reporting process. Those who did experience challenges identified paperwork burdens and the complexity of compliance, as well as challenges related to data systems.

Ideas to simplify supporting housing resources

Respondents had the following suggestions for simplifying supporting housing resources:

- Reduce documentation and paperwork burdens
- Funding and financial flexibility
- Process simplification and consistency
- Improve inter-agency communication and collaboration
- Provide training for staff, tenants, and landlords
- Centralize resources and improve access
- Leverage technology for document storage and online processes
- Reform policies and programs to better align with provider and client needs

Appendix E: Survey Gathering External Feedback on Recommendations

Survey Introduction

Thank you for providing your feedback on the recommendations drafted by the working group on Simplifying Supportive Housing Resources, which was established in 2025. Working group members have been collaborating to study supportive housing resources to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness. They have drafted recommendations that they hope will:

- Reduce administrative complexities;
- Enhance equity and accessibility, including coordinated entry;
- Streamline and simplify eligibility criteria, paperwork, and funding distribution; and
- Accelerate the transition of individuals from homelessness to sustainable long-term solutions.

The working group is asking for your feedback on their draft recommendations, which they will finalize in December 2025. Please complete this survey by October 24, 2025. Click here to see the full set of draft recommendations. Note that the recommendations are numbered, and you will be asked to reference the number of the recommendations you have feedback on. ([DRAFT Recommendations Simplified Supporting Housing Resources 10.09.2025.pdf](#))¹⁹

Survey Questions

1. Which of the following do you most identify with? (check all that apply)
 - a. Housing provider
 - b. Housing service provider
 - c. State employee
 - d. Housing developer
 - e. County employee
 - f. Tribal employee
 - g. Current or former Supportive Housing Resident
2. Generally, if all these recommendations were implemented, to what extent would they simplify the process for individuals to obtain supportive housing resources?
 - a. 1 (will not simplify)
 - b. 2 (simplifies a little)
 - c. 3 (moderately simplifies)
 - d. 4 (definitely simplifies)
 - e. Unsure

¹⁹ DeYoung Consulting Services. *Draft Recommendations: Simplified Supportive Housing Resources*. October 9, 2025. Unpublished report.

3. Generally, if all these recommendations were implemented, to what extent would they improve overall equity of access to supportive housing resources? (“Equity of access” means that barriers to access are addressed to ensure everyone who needs the resources can receive them.)
 - a. 1 (will not improve equitable access)
 - b. 2 (improves equitable access a little)
 - c. 3 (moderately improves equitable access)
 - d. 4 (definitely improves equitable access)
 - e. Unsure
4. Generally, if all these recommendations were implemented to what extent would they streamline your organization’s own processes?
 - a. 1 (will not streamline)
 - b. 2 (streamlines a little)
 - c. 3 (moderately streamlines)
 - d. 4 (definitely streamlines)
 - e. Unsure
 - f. Not applicable
5. Specifically, which recommendations need revision to ensure equitable access to supportive housing resources or to streamline/simplify processes? State the number of the recommendation and an explanation for what revisions you would like to see.
6. What else would you like to share with the working group as they finalize their recommendations?

Appendix F: Interview Script Gathering External Feedback on Recommendations

Introduction

Thank you for making time today to provide your feedback on the recommendations drafted by the Working Group on Simplifying Supportive Housing Resources, which was established in 2025. Working group members have been collaborating to study supportive housing resources to streamline access, eligibility and administration of state-funded supportive housing resources for people experiencing homelessness. They have drafted recommendations that they hope will:

- Reduce administrative complexities;
- Enhance equity and accessibility, including coordinated entry;
- Streamline and simplify eligibility criteria, paperwork, and funding distribution; and
- Accelerate the transition of individuals from homelessness to sustainable long-term solutions.

The scope of the working group is to make recommendations for state-funded supportive housing programs only:

- (1) the Housing Support program;
- (2) Long-Term Homeless Supportive Services;
- (3) Housing with Supports for Adults with Serious Mental Illness;
- (4) the Housing Trust Fund; and
- (5) other capital and operating funds administered by the Minnesota Housing Finance Agency.

Today, I have questions for you regarding your feedback on their draft recommendations. We will compile all feedback we're collecting via interviews and a survey, and present that to the working group, which they will consider as they finalize recommendations. Your ideas will be considered, but of course, there is no guarantee that the working group will decide to incorporate them into their final recommendations.

Recording makes it easier to capture all your insight, as I cannot take notes as quickly as you speak. The recording will not be shared with anyone outside my consulting team, and we will delete it after the project is completed. Would it be okay to record this conversation?

Do you have any questions before we begin?

Pre-Interview Question

Have you had a chance to review the draft recommendations? (If not, do you want to take the time now to review, or, if you need more time to do that, we can reschedule the interview.)

I recommend having the document open so you can reference specific recommendations by number.
[Interviewees were provided with a link to draft recommendations.]

Interview Questions

1. Do you use or administer any of these state-funded programs:
 - a. the Housing Support program;
 - b. Long-Term Homeless Supportive Services;
 - c. Housing with Supports for Adults with Serious Mental Illness;
 - d. the Housing Trust Fund; and
 - e. other capital and operating funds administered by the Minnesota Housing Finance Agency.
2. Please tell me your name, role, and what makes you interested in giving the working group feedback on these recommendations.
3. How will these recommendations simplify the process for individuals to obtain supportive housing resources, if at all? *Prompt for specific recommendation numbers.*
4. How will these recommendations improve overall equity of access to supportive housing resources, if at all? *Prompt for specific recommendation numbers.*
5. How will these recommendations streamline your organization's own processes, if at all? *Prompt for specific recommendation numbers.*
6. If any of these recommendations were implemented, what might be some unintended consequences that the working group should consider? *Prompt for specific recommendation numbers.*
7. To what extent do you see your own organization's ideas for change reflected in these recommendations?
8. What, if any, additional recommendations would you make to simplify supportive housing resources—that fall into this working group's scope? As a reminder of their scope, the working group is charged with studying supportive housing resources to streamline access, eligibility, and administration of state-funded supportive housing resources for people experiencing homelessness. They must make recommendations to help reduce administrative complexities, enhance equity and accessibility, including coordinated entry, streamline and simplify eligibility criteria, paperwork, and funding distribution; and accelerate the transition of individuals from homelessness to sustainable long-term solutions.
9. What else would you like to share with me that I haven't asked you about, especially that could help the working group as they finalize their recommendations?

Appendix G: Summary of External Feedback on Recommendations

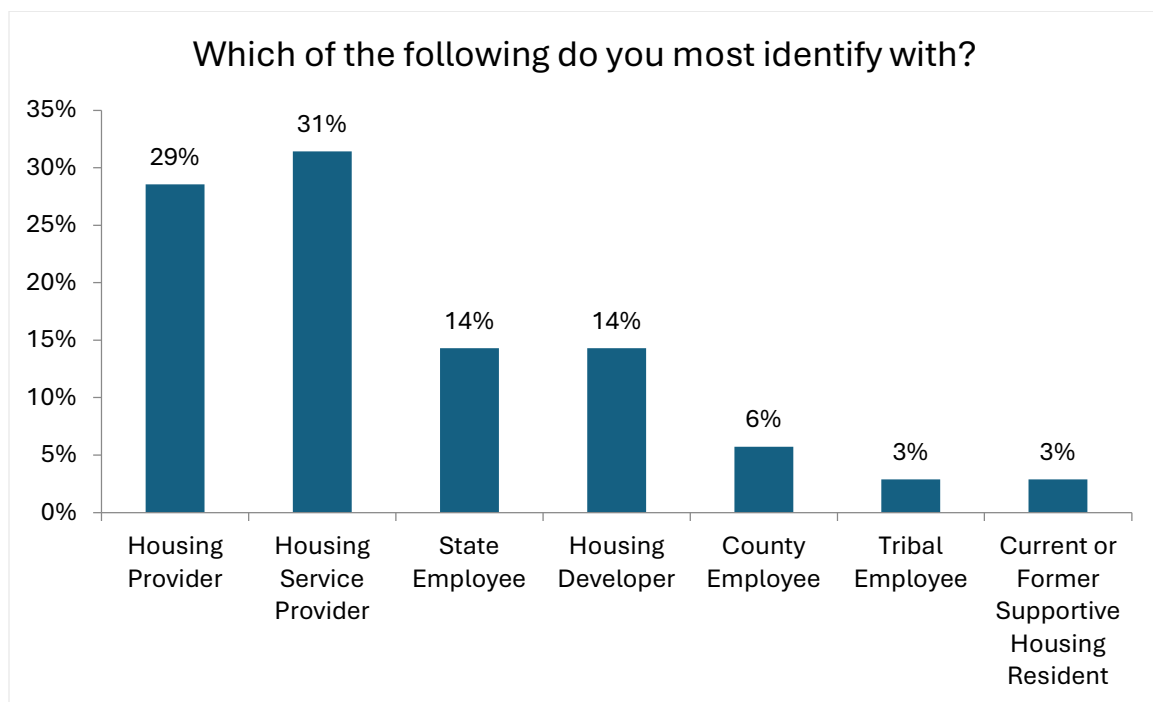
Once recommendations were drafted, working group members disseminated them widely to housing providers, state program staff, groups representing people with lived experience, counties, Continuum of Care boards, community organizations doing supportive housing work, and Tribal Nations. Most feedback was collected via an online survey (described in Appendix E), which received 71 unique responses. 22 other individuals gave feedback through half-hour interviews (described in Appendix F). Most participants were housing providers or housing service providers.

The survey asked four closed-ended questions. Three of the questions were designed to gather feedback on the working group's recommendations overall (see charts below). One additional closed-ended question asked respondents to indicate which participant group they most identified with. Respondents were also asked to provide open-ended comments about specific recommendations.

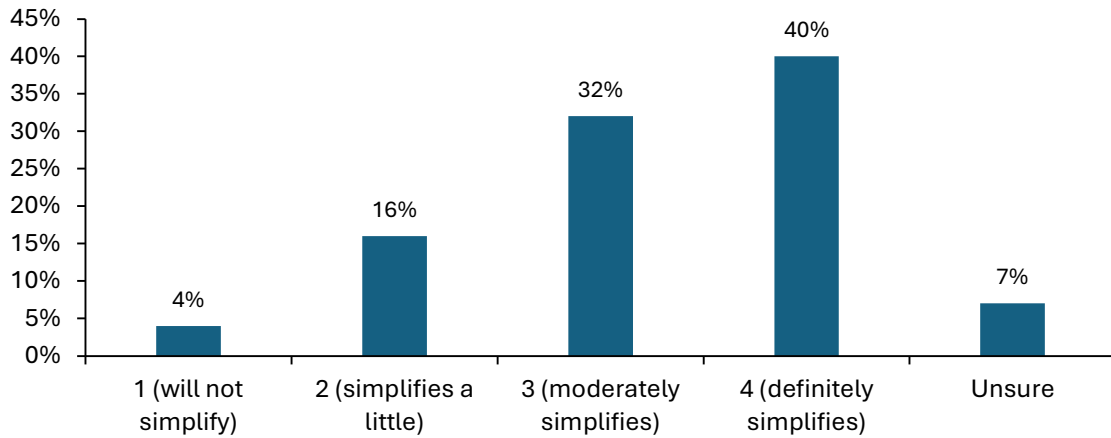
The feedback from interviews and the survey was integrated and analyzed. It was categorized as follows:

- Feedback on specific recommendations;
- Broad feedback for recommendations overall;
- Suggested new recommendations; and
- Feedback related to the report writing process.

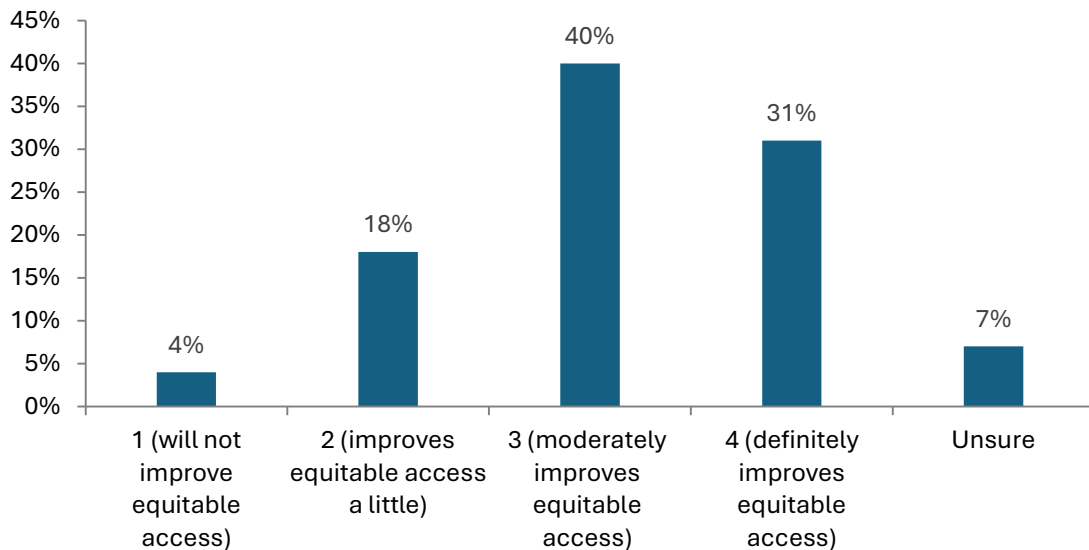
Similar ideas were combined and synthesized, then presented to the working group. The group reviewed the summary of feedback as they finalized recommendations.



Generally, if all these recommendations were implemented, to what extent would they simplify the process for individuals to obtain supportive housing resources?



Generally, if all these recommendations were implemented, to what extent would they improve overall equity of access to supportive housing resources?
("Equity of access" means that barriers to access are addressed to ensure everyone who needs the resources)





Feedback on specific recommendations

The following feedback corresponds to earlier drafts of the recommendations and may not always align with the final recommendations included in this report. Asterisks indicate themes supported by multiple participants. This summary integrates survey responses and interview insights.

Recommendation 1a: Include capital, operations, and supportive services in Permanent Supportive Housing funding

Respondent support for:

- Aligning funding across DHS and Minnesota Housing to include operations and supportive services, e.g., front desk and administrative roles. Admin people need these resources to do their work, for example, serving people who walk in the door, which is unbillable currently.*
- Fully exploring the set rates to really look at the provider experience and actual service costs.
- Funding reflects the needs of the population served, taking into consideration property configuration.

Respondent concerns/suggestions:

- Language is vague, wordy, and lacks clarity; some found it too broad or hard to follow. Spell out acronyms.
- Streamline everything under one umbrella, preferably DHS. Contracting with DHS is more streamlined, and the agency acknowledges differences between Tribal contracts and state contracts. Contracting with Minnesota Housing has been more difficult.
- Give options for additional pathways for relief.
- Replace Recommendation #1 with the following language:
 - Align Permanent Supportive Housing (PSH) funding from DHS and Minnesota Housing through streamlined funding processes that advance the State and community partners'

public policy objective to end homelessness. The funding process should include construction/ capital, operations (e.g. maintenance, property management, administration), supportive services (e.g. two front desk staff, support services, and coordinated entry navigation staff), and operating reserves for the duration of the expected affordability timeline to better support residents in finding and maintaining housing. Supportive services funding in this streamlined process should reflect the needs of the proposed populations being served, the number being served, and take into consideration property configurations (e.g. properties where 100% of units are PSH vs 50% of units are PSH). DHS and Minnesota Housing supportive service funding rates should be examined further, leveraging service provider expertise, to ensure it reflects the costs of delivering PSH. If designated supportive services or operating funding end or are significantly reduced, to the point where original activities cannot be provided, DHS and Minnesota Housing should determine pathways for regulatory relief to adjust required services and/or populations served. DHS and Minnesota Housing should jointly issue a report to the Housing Committees in the Legislature by January 1, 2027, that outlines their plan and timeline for: 1) funding alignment, 2) revising supportive services funding rates, and 3) delineating state and federal regulatory and agency-level policy barriers and their proposed approach for overcoming the barriers (including the regulatory relief path, if supportive service or operating funding decreases or is eliminated). This recommendation applies to all designated Permanent Supportive Housing programs both new and in existence.

- Need to include the right people from the disability division and behavioral health division need to be included. There are silos. They need to understand the need and complexity of permanent supportive housing.
- People moving into Permanent Supportive Housing should be prioritized for State Medical Review Team determination. Currently, only older folks and people leaving institutions are being prioritized.
- There is currently a consulting group studying this.

Recommendation 1b: Align requests for proposals with capital funding timelines

Respondent support for:

- Aligning supportive services funding with capital timelines.*
- Allowing longer grant periods and automatic renewals when performance thresholds are met.*

Respondent concerns/suggestions:

- Clarify the term “capital funding timeline” and suggest using “consolidated RFP” or clearer language.
- Consolidate recommendations #2, 3, 4, and 13 into the current recommendation #2, since all recommendations relate to aligning funding streams.

Recommendation 1c: Consolidate Requests for Proposals (RFPs)

Respondent support for:

- A consolidated RFP across programs. Seen as a way to reduce fragmentation and improve access.*

Respondent concerns/suggestions:

- Use similar RFP forms and/or structures instead of trying to get them into one RFP.

Recommendation 2a (Priority Recommendation): Review to eliminate redundancies

Respondent support for:

- Eliminating redundancies and contradictions across programs, streamlining documentation.*
- Getting provider input
- Seen as necessary for fraud prevention and better oversight.

Respondent concerns/suggestions:

- Make use of information currently collected in IT systems (MAXIS, Housing Management Information System, Medicaid Management Information System, Social Service Information System) to reduce duplication and burden.
- Include Medicaid waived services and the Disability Services Division at DHS

Recommendation 2b: Change the Professional Statement of Need form

Respondent support for:

- Overall recommendation, especially adding “permanent” options to the Professional Statement of Need form. Seen as person-centered and efficient, especially for those with permanent disabilities. Would reduce the burden on clients and professionals. It is increasingly hard to get clients to complete Professional Statement of Needs correctly, especially those already on Social Security Benefits. This is pertinent to scattered site.*

Respondent concerns/suggestions:

- We strongly disagree with this. It doesn’t match the scope of practice for mental health professionals who would be asked to sign off on this type of assessment. We agree that if someone has a Social Security disability determination, that could be used in place of Professional Statement of Need. A three-year determination could be made, but not a permanent determination. The behavioral health boards would have concerns.
- Have an addendum to the Professional Statement of Need that could be updated every five years, because it needs change.
- At some point, there needs to be a formal diagnosis for people who are receiving services, which impacts their continuity of care and opens up avenues for folks to receive benefits.
- Simplify the Professional Statement of Need instead of adding more forms; make it concise and clear. Ensure the form includes clear instructions (e.g., Section 4 needs two circles marked). Provide clear definitions and terms, and don’t have vague timelines.
- If Professional Statement of Need becomes permanent for Supplemental Service Rate, create a separate service needs assessment process. Change the purpose of this form if planning to make it permanent.

Recommendation 2c (Priority Recommendation): Accept two definitions of homelessness

Respondent support for:

- Reducing paperwork, streamlining, and allowing flexibility in eligibility definitions. This should reduce the waiting time. Seen as a major barrier for clients and providers. Simplification would improve access and efficiency.*

Respondent concerns/suggestions:

- DHS and MN Housing are not on the same page. Would rather see everything under one umbrella, preferably DHS.
- Consider whether Long-Term Homelessness really needs to be there, taking Greater MN into account. The Long-Term Homelessness definition is not helpful because it adds a requirement. And, once someone is eligible, they're always eligible, so it can blur who needs housing the most. Also, when it's used within the housing support program, counties add vendor agreements and a residency requirement, so providers end up with two additional things that make it more difficult.
- Allow Housing Support unit service providers to bill Supplemental Service Rate without requiring the households to be certified as Long Term Homelessness.
- Develop common language and agree on documentation requirements rather than acceptance of either definition.
- Create one common list of requirements/definitions and acceptable documentation for all programs, to speed up processes. Mille Lacs offers a model: they have streamlined their assistance to have just one application, with everything for Homeless Management Information System, for Family Homelessness Prevention and Assistance Program, Local Homeless Prevention Aid, and they see what program they're eligible for.
- Be flexible with identification documents in eligibility paperwork (e.g., do not require Social Security card or ID if receiving state benefits).
- Align Long Term Homelessness and High Priority Homeless definitions or clarify differences.
- Simplify High Priority Homeless/Long Term Homeless for accessing Housing Support Supplemental Services and MN Housing unit mix
- We do not have set-aside beds, and we must keep 14 High Priority Homeless units using Housing Support for rental assistance for Long Term Homeless households so we can bill the Supplemental Service Rate to pay for support services. This is becoming more and more challenging to find these households that meet the Long-Term Homeless criteria.

Recommendation 3a: Reduce barriers to employment

Respondent Support for:

- Giving options for which background check system to use, to reduce employment barriers and allow people with backgrounds to work in a field where they can relate. This is seen as equitable and practical. Avoids being double billed due to slow systems that need to be run more than once.*

Respondent concerns/suggestions:

- All staff need background checks, and there should be a good set-aside process.

Recommendation 3b: Increase capacity to address tenant selection

Respondent support for:

- Limit look-back periods and accept pending expungements. This is a way to help people with older records re-enter the workforce and housing.*
- Recommend a look-back period of seven years, to match the court system.
- Provide mobile access, which is currently allowed by Net 2.0 and lowers costs.*

Respondent concerns/suggestions:

- The background study process is good. Instead of limiting the look-back period, look at it more holistically. For folks who may get disqualified, offer a stair-step model of supervision to give people more support, for example, through regular supervisory check-ins, during the reconsideration process, instead of an immediate disqualification.
- Set a fixed lookback period for criminal records (e.g., five years after sentence completion).
- Clarify whether the look-back period starts from conviction or sentence completion.
- Exclude arrest records without convictions from background checks.

Recommendation 4a: Establish site-based property management metrics

Respondent concerns/suggestions:

- Interest in collecting property-level metrics to improve oversight.*
- There is a need for clarity in definitions and how metrics will be used.*
- Track when supportive housing doesn't work to identify gaps.*
- Include staff training, turnover, and harm reduction practices.
- Mandate provider evaluations in statute to ensure accountability.
- Avoid creating busy work; data already exists in the Homeless Management Information System.
- Desire for clarity on desired outcomes.
- Clarify correlation between metrics and outcomes; avoid extra burden.
- Include provider capacity and performance data in MAXIS or other systems. Help case managers identify which providers are active and effective.

Recommendation 4b: Standardize data collection

Respondent support for:

- Standardizing data collection to reduce duplication and avoid re-traumatizing people.*
- Consistency across reporting and data collection would eliminate a lot of confusion for our program staff.

Respondent concerns/suggestions:

- Success metrics as listed are incomplete. The focus on employment versus meaningful recovery is not appropriate for people living with serious mental illness. Suggest revising them to reflect the Corporation for Supportive Housing's five essential outcomes that every supportive housing program should target: Stay housed; are satisfied with services and housing; are increasing their income and/or employment (note: this includes enrolling in and keeping benefits); are improving their overall wellness; and have social and community connections.
- Ensure consistency across reporting and data collection to eliminate confusion for program staff.

- Broaden the employment outcome. We encourage all types of meaningful life activities. Cooperation for Supportive Housing has a good tool for tenant outcomes

Recommendation 4c: Strengthen participant feedback mechanisms

Respondent support for:

- This improves how participant feedback is collected and used.*

Respondent concerns/suggestions:

- Prioritize feedback from people with current or recent lived experience.
- DHS needs better visibility into whether clients are being served.
- Use anonymous, simple, and non-digital options for collecting feedback.
- Feedback should be collected by a neutral third party to avoid bias.
- Feedback mechanisms should not increase workload for providers.
- Create a state-level feedback hotline or ombudsperson for clients: Clients often don't know who to contact when providers fail to deliver services.
- Create a state-level feedback hotline or ombudsperson for clients

Recommendation 4d: Coordinate joint monitoring

Respondent concerns/suggestions

- Align monitoring across programs to improve efficiency and oversight.*
- Align monitoring and reporting to reduce burden and allow staff to focus on service delivery.*
- Recommendation is too downstream; supportive housing should serve those who don't qualify for other programs.

Recommendation 5a (Priority Recommendation): Preserve and direct Housing Stabilization Services funds

Respondent support for:

- Strong support for maintaining Housing Stabilization Services funding and using it for sustainable housing solutions.*
- There is an urgent need to include recommendations due to funding risks.

Respondent concerns/suggestions:

- Skepticism about the practicality of preserving HSS funding due to recent program closure.
- Emphasis on strong oversight, especially from tribal perspectives.*
- Support depends on how and where the funding is redirected.
- Ensure funding includes smaller or newer providers, not just large legacy agencies.
- Evaluate service gaps to inform long-term solutions post-Housing Stabilization Services.
- Scrap current recommendation and design a simplified program before requesting funding.
- Suggestion to allocate part of the funding to Housing with Supports for Adults with Serious Mental Illness (HSASMI).

Recommendation 5b: Redesign Medicaid benefit

Respondent concerns/suggestions:

- There is support for redesigning the Housing Stabilization Services (HSS) program, provided it includes stronger integrity controls, avoids harming existing programs, and doesn't create additional barriers for individuals.*
- Relaunch Medicaid benefits as part of Housing Stabilization Services redesign, with emphasis on integrity and collaboration.
- There is concern that the relaunch feels premature
- Remove the Housing Stabilization Services redesign recommendation and instead invest in current DHS and MN Housing strategies.

Recommendation 6a (Priority Recommendation): Make changes to the Housing Support program**Respondent support for:**

- Simplifying billing processes and reducing administrative burden.*
- General support for monthly billing, with some concerns about feasibility.*

Respondent concerns/suggestions:

- Allow navigation services to begin before housing placement.
- Encourage employment while protecting benefits.
- Support for more time to apply for Social Security for people with mental illness*
- Allow changing counties to ease provider workload.
- Waive the requirement of the State Medical Review Team (SMRT) or remove it entirely.
- Remove the requirement to pursue child support.
- Clarify whether counties or providers receive admin fees; current fees are insufficient.

Recommendation 7a: Establish a stewardship body for Coordinated Entry**Respondent support for:**

- Support for creating a statewide body to coordinate entry, with provider inclusion.

Respondent concerns/suggestions:

- There is concern about state overreach, effectiveness, and understanding why previous state-level oversight efforts ended.
- Suggest removing the recommendation due to lack of alignment with supportive housing goals and concern if this is a worthwhile investment.
- Ensure any stewardship body aligns with federal requirements.
- Be explicit about goals and ensure coordinated entry does not negatively impact Permanent Supportive Housing providers.
- Make sure it aligns with and follows the federal statute.

Recommendation 8a: Amend Qualified Action Plans for Low-Income Housing Tax Credits**Respondent support for:**

- General support for continuing work on Qualified Allocation Plan amendments via an advisory team.

- Supportive housing-related recommendations that were included in last year's Final Report of the Task Force on Long-Term Sustainability of Affordable Housing should be prioritized.

Respondent concerns/suggestions:

- Clarify what Qualified Action Plan amendments mean and ensure housing provider input is included.
- Recognize and respond to significant reductions in federal funding affecting supportive housing.

Feedback on Recommendations Incorporated into other recommendations

Respondent support for:

- Exploring models to capitalize reserves, and more service reserves being available.*

Respondent concerns/suggestions:

- Be more specific and clear.
- Ensure the process for using the funds is actually accessible for people who administer funds or receive services.
- Clarify what this entails that will really help.
- Fidelity standards for Permanent Supportive Housing should be tied to projects. Our preference is that service providers are separate from property owners/managers. The challenge of flexible services is the need for flexible funding.
- Despite HSASMI's success, the funding doesn't meet the growing need for supportive housing.
- Consolidate Recommendations 2, 3, 4, 13 into a new Recommendation #2. All relate to aligning funding streams. Below is suggested language and format as a suggestion for Recommendation #2. Simplify and Align Funding. A sustainable supportive housing system requires coordination across capital, operating, and service funding streams. Minnesota Housing and the Department of Human Services will take joint action to simplify and align funding, reporting, and oversight processes to strengthen accountability, reduce administrative burden, and improve long-term system stability. The following related recommendations are mutually reinforcing components of this broader goal:
 - *Current recommendation #2 Adequate Reserve Capitalization*
 - *Current recommendation #3 Aligned Funding Timelines and Flexibility*
 - *Current recommendation #4 Consolidated Interagency RFP*
 - *Current recommendation #13 Joint Monitoring and Reporting*

Broad feedback for recommendations overall

The following summary presents broad feedback from the working group, not tied to specific recommendations.

- **The system is fragmented and confusing. Paperwork must be reduced and roadblocks removed.** Providers and clients struggle to navigate disconnected programs, definitions, and eligibility criteria. People find it impossible to access services due to paperwork. Roadblocks get in the way of getting money out and helping prevent homelessness. Reduce time spent analyzing and interpreting legislative language.*

- **Oversight and accountability are essential.** Lack of oversight contributed to program misuse and collapse. Both fluidity and proactive monitoring are needed, not punitive audits. Rules and guidelines are important, but flexibility is needed in how to spend money.*
- **DHS and MN Housing must work together** to develop a streamlined system that removes duplication, streamlines processes, and clarifies outcomes.
- **Housing alone is not enough.** Stable housing must be paired with intensive, ongoing support services, especially for people with serious mental illness.
- **Acknowledge the uniqueness of contracting with tribes.** DHS is more responsive to Tribes than MN Housing. It is important that agencies do not dictate how Tribes spend their money. This was not always the case, and had to be resolved so that Tribes could pay for staffing.
- **Highlight the stark disparities facing Native Americans.** A narrative exists that Tribes and Tribal residents are fine because they have casinos or they receive per capita payments. Native Americans in MN are 30 times more likely to experience homelessness. This disparity is different from that faced by other populations; they can't be compared, and it must be acknowledged. Native Americans are named in treaties and historic documents because land has been taken away. Funding must be looked at differently. Sole-source contracts are a start.
- **Take into account providers that provide billable Medicaid waiver services to ensure individuals have the levels of service they need.** Overall, these recommendations seem to be focused more on building and capital needs and don't reflect service providers that operate like Touchstone, ASI and others.
- **Consider unintended impacts of systems changes.** Streamlining access for individuals could cause an increase in applications or participants in the system, or more providers; potential bottleneck, not actually speeding things up without adequate resources and workflows. Stay aware of the broad-system-overlapping view as well as the involvement of individuals, providers, and funders/administrators.
- **Emphasize significant reductions in federal funding.** Providing supportive housing is more challenging now; therefore, we must protect the existing funding sources that we have control over. The report should highlight how dramatically the landscape has changed at both the state and federal levels since the working group began.
- **Consider anosognosia in housing policy:** Anosognosia is a condition in which a person is unable to recognize that they have a mental illness. Because of this, some people may not seek or accept services, even when support is clearly needed. Housing and service systems must be designed to account for this lack of insight.

Suggested New Recommendations

- **Include families and others in decision-making.** Caregivers and community members who provide essential support should be systematically included in planning. Collecting individual stories is important to understand the impact of policies. To truly create equitable access, the process should be simplified, coordinated across agencies, and supported with culturally responsive services. It's also important to ensure that people with lived experience are meaningfully involved in shaping and reviewing these recommendations. Their perspectives can help identify real barriers and solutions that may not be visible in policy discussions alone.

- **Create a centralized, real-time dashboard of housing availability and provider capacity.** This would reduce the burden on clients and case managers trying to locate open beds or services.
- **Develop a downloadable guide to supportive housing for families and individuals.** Include eligibility, timelines, and contact info. Make it accessible outside of professional networks. It is nearly impossible for families to understand and navigate the complicated and fragmented housing system.
- **Allow clients to remain with the same provider across service phases.** Avoid gaps between consultation and transition services.
- **Consider pathways or exit strategies from permanent housing.** The homeless response stops at Permanent Supportive Housing and doesn't see the wider range of housing options. To broaden the perspective and address backups, consider pathways out of Permanent Supportive Housing so those units can be opened for others who need them. Can Minnesota Housing be the next step for rental assistance?
- **Review the current Housing Support room and board rate** to see if it realistically covers necessary housing expenses, specifically for scattered-site units. Property management is finding creative ways to increase costs, such as passing along utility costs outside of the rent amount.
- **Support abstinence-based living in a transitional format until stabilization can occur.** Three months after treatment is not long enough to create sustainability. Support is needed on the improvement side of things.
- **Ensure people with serious mental illness don't have to experience homelessness to have priority in supportive housing.** People living with brain disorders such as dementia or Parkinson's disease do not need to become homeless to qualify for safe and decent housing with services.
- **Increase funding for Housing with Supports for Adults with Serious Mental Illness (HSASMI).** Minnesota has a severe shortage of supportive housing for people with serious mental illness. While HSASMI has been effective in reducing homelessness, current funding does not meet the growing demand. In 2024, the state received 28 proposals requesting a combined \$7.6 million per year. Available funding was enough to support only eight new grantees, totaling \$2.18 million per year. HSASMI base funding is \$4.55 million annually and currently supports 16 grantees statewide.
- **Allow for self-certification of homelessness when third-party verification is not immediately available,** with staff verification within 30 days. The current verification process is overly burdensome and often delays clients' access, especially those without easy access to documentation. This would ensure faster entry while maintaining compliance.
- **Require property partners to provide multiple communication channels** (phone, in-person, translated notices) to ensure all residents receive timely updates and can respond effectively. Communication protocols are inconsistent, often disadvantaging residents who struggle with technology or language barriers.
- **Revise prioritization policy.** The prioritization criteria currently rely heavily on vulnerability assessments that may not capture racial, cultural, or family-specific inequities. Incorporate an equity lens into prioritization scoring, including cultural considerations and systemic barriers (e.g., discrimination history, language access needs).

- **Applications could be streamlined so clients fill out one document.** Mille Lacs offers a model. They have streamlined their assistance to a single application, with everything from the Homeless Management Information System, the Family Homelessness Prevention and Assistance Program, and Local Homeless Prevention Aid, and they see which program they're eligible for.
- **Providers need training and restorative audits.** They are often under-resourced, overburdened, and many lack business acumen, administrative support, including for equitable practices.

Feedback related to the report writing process

- **Clarify the language** so the recommendations are easier for legislators to understand, including writing out acronyms.*
- **Have a clear definition of who the services are exactly designed to serve.** There needs to be fluidity because anybody could need supportive housing.
- **Select a couple of key recommendations to push forward, while fleshing out others.** Many of the recommendations are very meaningful and have the potential to impact the system in very positive ways, IF they go beyond the "explore" phase with some timeliness.
- **Clarify the working group's final decision-making process in writing.** For example, "consensus" means broad agreement, though not necessarily unanimity. It reflects the will of the group as a whole—generally 60% or more of members indicating support. In cases where a handful of group members oppose a recommendation, they are entitled to submit a dissenting statement for inclusion in the final report to explain the reasons for their opposition.