

940242

TRANSITIONAL HOUSING PROGRAM

**Report to the Legislature
State Fiscal Year 1993**

**MINNESOTA DEPARTMENT OF JOBS AND TRAINING
COMMUNITY BASED SERVICES DIVISION
March, 1994**

**IN ACCORDANCE WITH
MINNESOTA STATUTES CHAPTER 268.38**

TRANSITIONAL HOUSING PROGRAM GRANTEES
State Fiscal Year 1993

Program	Location	Funding Level
Alexandra House	Circle Pines	\$6,000
Anoka County Community Action Program	Blaine	\$6,000
Ascension Place	Minneapolis	\$10,000
Bi-County Action Programs	Bemidji	\$7,255
Catholic Charities (Mpls.St. Paul)	Minneapolis	\$16,000
Catholic Charities (St. Cloud)	St. Cloud	\$16,000
Central Community Housing Trust	Minneapolis	\$8,000
City of Red Wing	Red Wing	\$6,000
Community Action Council	Apple Valley	\$10,000
Cornerstone Advocacy Service	Bloomington	\$18,885
East Metro Women's Council	White Bear Lake	\$10,000
Elim Transitional Housing	Minneapolis	\$18,500
Emma Norton Residence	St. Paul	\$10,000
Evergreen House	Bemidji	\$7,000
Family and Children's Service	Minneapolis	\$6,000
Fond du Lac RBC	Cloquet	\$8,000
Juel Fairbanks Chemical Dependency	St. Paul	\$6,000
Church of St. Stephen - Kateri	Minneapolis	\$8,000
Koochiching-Itaska Action Council	Grand Rapids	\$5,000
La Oportunidad	St. Paul	\$5,000
Life House	Duluth	\$8,000
Lutheran Social Service	Minneapolis	\$8,800
Minnesota Aids Project	Minneapolis	\$8,000
Human Services Associates	St. Paul	\$10,000
Mother Cabrini House	Minneapolis	\$10,000
Northfield Community Action Center	Northfield	\$6,000
Perspectives, Inc.	St. Louis Park	\$10,000
Home of the Good Shepherd - Rose Center	St. Paul	\$6,400
Salvation Army	Brainerd	\$6,000
Salvation Army	Duluth	\$14,400
Salvation Army	Minneapolis	\$8,000
Salvation Army	Rochester	\$8,000
Sarah Family Programs	St. Paul	\$8,000
Scott-Carver-Dakota Community Action	Shakopee	\$5,000
Simpson Transitional Housing	Minneapolis	\$21,086
YWCA of St. Paul	St. Paul	\$19,250
The Shelter at Our Saviour's	Minneapolis	\$6,000
Transitional Housing for Veterans	Minneapolis	\$5,000
Tri-Valley Opportunity Council	Crookston	\$8,000
Mankato Area Affordable Housing	Mankato	\$10,800
Western Community Action	Marshall	\$6,400
Women's Community Housing	Minneapolis	\$5,000
Women's Shelter	Rochester	\$10,000
Women's Transitional Housing Coalition	Duluth	\$19,224
YWCA of Fargo-Moorhead	Moorhead	\$5,000
	Total	\$420,000

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STATUTORY AUTHORITY

The purpose of this report is to fulfill the reporting requirements as stated in Minnesota Statutes Chapter 268.38, which pertains to the Minnesota Transitional Housing Program administered by the Minnesota Department of Jobs and Training. The report includes the following required information:

- (A) The number of programs funded;
- (B) The results of the evaluation of those programs;
- (C) The evaluation of data collected on the programs funded and additional data available to the commissioner to further identify the need for transitional housing and available resources; and
- (D) Recommendations for future action to be taken by the Legislature.

The information in this report is based on the total number of households who were reported to have graduated or exited from the transitional housing programs.

LEGISLATIVE HISTORY

In May 1984, the Minnesota Legislature established the Temporary Housing Demonstration Program to assist homeless individuals in the progression towards securing stabilized housing. In 1989, the Legislature changed the name to the Minnesota Transitional Housing Program (MTHP).

Transitional housing is currently defined under state law as housing designed for independent living and provided to a homeless person or family at a rental rate of at least 25 percent of the family income for a period of up to twenty-four months. The Minnesota Department of Jobs and Training assists transitional housing programs in meeting operational costs such as rent, utilities, supportive services, transportation, and program administration.

DESCRIPTION OF TRANSITIONAL HOUSING

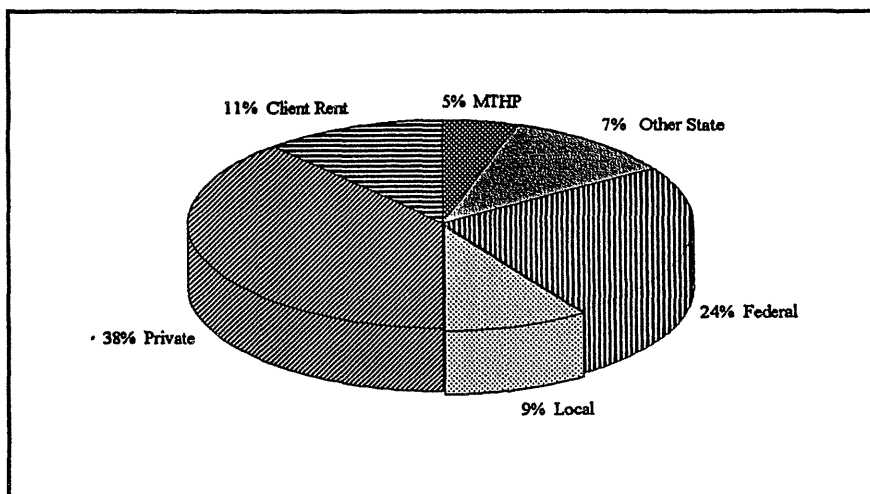
Transitional housing provides housing and supportive services for homeless persons to enable them to move to independent living in stable, permanent housing.

Transitional housing programs work with participants in developing self-sufficiency plans through which life skills are taught and developed and needed services and resources are accessed. Transitional housing program staff act in a coordinating capacity by connecting participants to existing resources. The self sufficiency plans vary widely according to the individual participants needs. While some programs assist homeless individuals with specific issues, others serve individuals with diverse needs.

The housing component can take a number of configurations, but it generally involves the use of congregate or scattered site facilities. Congregate facilities make use of facilities such as rectories or apartment buildings, while scattered site programs may own housing or choose to utilize market rental housing or HUD owned properties. Scattered site programs strive to enable participants to continue living in the housing after they have completed the program, preserving established community ties and school enrollment.

PROGRAM FUNDING

Funding for transitional housing programs come from a number of state, local, federal and private resources including the Minnesota Transitional Housing Program.



FUNDING BY YEAR

Table 1

Fiscal Year	Appropriation Level	Supplemental Funding (DJT-CSBG)	Total Funding	Number of Agencies Funded	Average Grant Amount
1985	\$250,000	\$28,425	\$278,425	9	\$30,936
1986	\$170,000	\$0	\$170,000	10	\$17,000
1987	\$170,000	\$52,000	\$222,000	13	\$17,076
1988	\$170,000	\$47,000	\$217,000	16	\$13,502
1989	\$170,000	\$12,500	\$182,500	21	\$ 8,690
1990	\$220,000*	\$10,000	\$230,000	27	\$ 8,518
1991	\$220,000*	\$0	\$220,000	27	\$ 8,148
1992	\$420,000	\$0	\$420,000	39	\$10,769
1993	\$420,000	\$0	\$420,000	43	\$ 9,767

* Includes \$50,000 transfer from the Minnesota Housing Finance Special Needs Program.

GEOGRAPHIC DISTRIBUTION OF FUNDS**Table 2**

	Number of Programs Funded	Total Program Funding Received	Percent of Program Funding Received	Percent of State' Shelter Capacity*
Minnneapolis	14	\$138,386	32.9%	21.4%
St. Paul	7	\$64,650	15.4%	10.1%
Duluth	3	\$41,624	9.9%	5.5%
Suburban Hennepin	2	\$28,885	6.9%	9.2%
Rochester	2	\$18,000	4.3%	3.1%
St. Cloud	1	\$16,000	3.8%	2.2%
Dakota County	2	\$15,000	3.6%	3.9%
Bemidji	2	\$14,255	3.4%	3.4%
Anoka County	2	\$12,000	2.9%	1.7%
Mankato	1	\$10,800	2.6%	1.2%
White Bear Lake	1	\$10,000	2.4%	2.4%
Cloquet	1	\$8,000	1.9%	0.8%
Crookston	1	\$8,000	1.9%	1.1%
Marshall	1	\$6,400	1.5%	0.9%
Brainerd	1	\$6,000	1.4%	1.2%
Red Wing	1	\$6,000	1.4%	1.2%
Northfield	1	\$6,000	1.4%	0.2%
Grand Rapids	1	\$5,000	1.2%	0.2%
Moorhead	1	\$5,000	1.2%	0.7%
Total	43	\$420,000	100.0%	

*Taken From August 1993 Quarterly Shelter Survey

(A) NUMBER OF PROGRAMS FUNDED

The MnDJT was first granted an appropriation of \$250,000 in fiscal year 1985. **Table 1** indicates the award levels for the subsequent years and also shows the supplemental funding which the Transitional Housing Program has received in certain years from Community Services Block Grant Discretionary funding. In FY 1993, 55 programs requested funding totalling \$1,096,493. Forty-three programs received funding averaging \$9,767 per program.

There were 71 transitional housing programs located throughout the state in SFY 1993, and currently in SFY 1994, there are 81 programs in operation. The capacity of all programs operating in the state in SFY 1993 was 1,604 individuals, with the capacity of the forty-three MTHP grantees being 1,131 persons [Table 2].

(B) RESULTS OF THE EVALUATION OF THE PROGRAMS

The MnDJT has conducted an extensive evaluation of data available on transitional housing in Minnesota. The evaluation was hindered by the lack of follow-up data on the status of past transitional housing participants. Scarce resources have limited the the efforts to conduct a systematic follow-up evaluation.

The findings of the completed evaluation are summarized below:

Transitional housing is effective in assisting homeless persons in gaining independent housing, increasing their sources of income, and in decreasing their reliance on public assistance programs

-At least 47% moved into an independent living situation upon graduation (PrivateHousing -22%, and Section 8/public housing -25%)

-37% of the individuals receiving General Assistance upon entering the program were no longer receiving these funds upon exit

-The number of persons employed full-time increased 88% from entrance to exit

The capacity of transitional housing programs in Minnesota is not adequate to meet the demand

-253 requests for service were denied on a sample night in August of 1993. Several times as many persons are turned away from these programs over the course of an entire year.

-Although the total demand for services is difficult to estimate, if it is assumed that five percent of Minnesota's estimated 69,000 annual shelter users would be eligible for transitional housing, 3,451 spaces would need to be made available per night. The current capacity of all transitional housing programs in Minnesota is 1604.

Transitional housing is less expensive than providing emergency shelter

-The average cost of providing transitional housing in Minnesota is \$6,768 per person per year, while the average cost of providing emergency shelter in Minnesota is \$10,767 per person per year. For those shelter users who could benefit from transitional housing, it is a more cost effective alternative in human and economic terms than is shelter.

Transitional Housing Program funds are distributed to a wide variety of programs and geographic areas in the state

-Funds are distributed equitably among existing transitional housing providers.

Transitional housing programs are not equally accessible in all parts of the state

For instance, Minneapolis serves approximately 45.7% of the entire states shelter population on a given night, it contains only 29% of the transitional housing capacity.

-Although all transitional housing programs are available to persons of all races, only 43% of transitional housing participants are non-white, compared with 64% of overnight shelter population who are non-white.

-Capacity for single persons, especially males, which make up 77% of the states overnight shelter population, is also in short supply.

(C) EVALUATION OF THE DATA COLLECTED ON THE PROGRAMS FUNDED

Section 268.38, Subdivision 8, Program Information, states:

In order to collect uniform data to better measure the nature and extent of the need for transitional housing, grant recipients shall collect and make available to the Commissioner the following information:

- the number of requests received for transitional housing including the number of persons requiring assistance;
- the number of persons for whom services are provided;
- reasons for seeking assistance;
- length of stay;
- reasons for leaving the transitional housing program;
- the demand for support services;
- follow-up information on the status of persons assisted;
- source of income on entering the program, prior residence, race and sex of persons assisted.

The following findings result from data collected from the programs funded by the MnDJT for State Fiscal Year 1993. Data is collected monthly from each grantee who provides detailed information on individuals served in their program.

Number of Requests and Number of Persons Served

In FY 1993, over 8,296 requests for assistance were made to Transitional Housing Program grantees. The Transitional Housing Program grantees provided services to 1,164 households during SFY 1993. Of these households, 667 families, 1,269 individuals, graduated/left the program during the fiscal year.

Client Characteristics

Nineteen percent (19%) of the individuals served were men, 42% were women, and 39% were children. Of the households, 75% were headed by women, 21% were headed by men, and 4% were two adult member households. The racial composition of the households served was: 57% percent Caucasian; 21% Afro-American; 10% Native American; 10% Hispanic; and 2% Asian.

Status and Service Needs of Clients Upon Entering the Program

Previous Area of Residence: The majority of households, 65%, enter programs in the same city or area as they were living in before entering transitional housing. Eighteen percent (18%) of the households in transitional housing programs were from within Minnesota but another geographic area of the state and 16% had previously resided outside of Minnesota [Table 3].

Previous Housing Status: Thirty (30%) of the clients entered the programs after temporarily staying with friends or relatives; 18% came from emergency shelters; 19% had previously been renting; and 20% had been in a half-way house or treatment for mental illness, chemical dependency or developmental disabilities. Two percent (2%) reported that their previous housing status was in a vehicle, outside, or another non-permanent place of shelter [Table 4].

Reasons for Seeking Transitional Housing: Clients gave a variety of reasons for seeking transitional housing services. Twenty-five percent (25%) reported chemical dependency problems; 25% left spouse or child abuse situations; 18% had left other family/friend/roommate friction; 12% had relocated in the area; 6% had lost their jobs; and another 14% indicated mental health problems [Table 5].

A number of transitional housing programs focus their services for people with special needs so the frequency of responses such as chemical dependency, mental health, and abuse issues may be affected by the number of grantees that deal specifically with these issues.

Income Upon Entrance: The main income source for transitional housing residents upon entering the programs was public assistance benefits. Thirty-two (32%) were receiving Aid for Families with Dependent Children (AFDC) and 27% were receiving General Assistance (GA). Twenty-one percent (21%) of the households were working either full-time or part-time when they entered the transitional housing programs: 12% were employed part-time and 9% were employed full-time [Table 6].

Services Needed Upon Entrance: Transitional housing clients reported a number of support services that they needed when they entered transitional housing. The top ten service needs in order of rank were: counseling, Section 8, employment, food, education, financial assistance, social services, sobriety support, furniture, and job training [Table 7].

Status of Clients Upon Exiting the Program

Length of Stay: The maximum length of stay allowed by the Transitional Housing Program statute is 24 months, however, many programs limit stays to a shorter period of time. The average length of stay for all programs statewide was 165 days. The variation in the average length of stay among programs ranged from 19 for one program to 575 days for another program.

Reasons for Leaving: The main reason clients left the transitional housing programs was because they had found Section 8/public housing (25%). Other reasons included: 22% found private housing, 21% were asked to leave; 14% went to live with a friend or relative; 10% had stayed as long as the policy allowed; 5% went into treatment or institutional care; and 12% left for other or unknown reasons [Table 8].

Income Upon Exiting: The number of households receiving public assistance at the time of exiting the programs was down by 17%. The number of households working full-time doubled and the number of households working part-time increased 42% from the time of entrance into transitional housing and the time of exiting the program [Table 6].

Services Accessed: Transitional housing clients had been able to access a number of services while in the programs. The services accessed are listed in order of rank in [Table 7]. The services included: counseling, food shelves, financial assistance, social services, medical assistance, clothing, sobriety support, employment, education, moving assistance, Section 8 assistance, and furniture.

Of the services that clients indicated they needed, those that the transitional housing programs had the most difficulty in helping clients access were: employment, job training, Section 8 assistance, education, child care, deposit insurance, and utility assistance.

The transitional housing programs must generally address the basic needs of clients before beginning to address job training, education, and employment. The lower access rate for Section 8 assistance may be explained by the long waiting lists that exist for the certificates and the difficulty in accessing employment may be due in part to the shortage of available jobs with adequate incomes. Child care may be difficult to access due partly to the limited availability of programs that provide these services.

(D) Recommendations for Future Action to be Taken by the Legislature

The number of transitional housing programs in Minnesota is steadily increasing. In 1985 when the first transitional housing programs were established in Minnesota there were nine programs. As of March 1994, there were 81 programs in operation and another 16 in the planning stages.

The authorizing statute for the THP, 268.38, has not been significantly changed since the program was established as a demonstration in 1985. The Department of Jobs and Training recommends the following changes to the statute:

Recommendation #1

Provide MnDJT with funds for State level administration and evaluation

The Department currently receives no funding for administration of the THP. The number of transitional housing programs funded under the THP has increased from 9 in 1985 to 43 in 1993. The administrative workload has also increased as a result.

Recommendation #2

Reassess statute requirements in light of the current status of the program

The requirement that each individual transitional housing program conduct follow-up on each program participant has been found to be burdensome given the scarcity of resources to operate programs. A systematic sampling would be a more efficient use of resources.

Recommendation #3

Allow follow up support services under the program

Transitional housing program funds should be allowed to provide minimal support services for up to six months for households graduating from the program to help ensure the stability of the household in the community. This activity could help reduce the incidence of the household becoming homeless before they were able to fully attain independence.

Previous Area of Residence**Table 3**

	Number of Families	Percent of Families
Same City of Area as Program	431	64.6%
Outside of City/Area but within	119	17.8%
Outside of Minnesota	105	15.7%
Unknown	12	1.8%
Total	667	

Previous Housing Status

	Number of Families	Percent of Families
Temporarily staying with friend	159	23.8%
Emergency shelter	120	18.0%
Rental	115	17.2%
MI/CD/MR halfway house	67	10.0%
MI/CD/MR treatment house	66	9.9%
Permanently staying with friend	40	6.0%
Incarcerated	21	3.1%
Transitional housing	19	2.8%
Unknown	18	2.7%
Owner occupant	15	2.2%
No permanent address	14	2.1%
Section 8	9	1.3%
Hospitalized	3	0.4%
Vehicle	1	0.1%
Foster home	0	0.0%

Reasons for Seeking Transitional Housing**Table 5**

	Number of Families	Percent of Families
Chemical dependency problems	170	17.8%
Fleeing abuse	167	17.5%
Mental health problems	96	10.0%
Relocated in area	82	8.6%
Family friction	75	7.8%
Friend/Roommate friction	44	4.6%
Lost job	41	4.3%
Eviction - non-payment	34	3.6%
Overcrowding	33	3.5%
Eviction - other	31	3.2%
Told to leave home	25	2.6%
Leaving correctional facility	24	2.5%
Ran away from home	24	2.5%
Substandard housing	20	2.1%
Rent increase	16	1.7%
Other	15	1.6%
Unknown	15	1.6%
Stranded in area	13	1.4%
Leaving state hospital	11	1.2%
Lost benefits	8	0.8%
Couldn't locate affordable hous	6	0.6%
Disaster	6	0.6%

Types of Income at Entrance and Exit**Table 6**

	Upon Entering	Upon Exiting	Upon Entering	Upon Exiting
Full time employment	62	117	6.9%	14.3%
General Assistance	180	112	20.1%	13.7%
AFDC	215	217	24.0%	26.5%
Food Stamps	129	105	14.4%	12.8%
Part time employment	75	78	8.4%	9.5%
Supplemental Security Income	34	34	3.8%	4.1%
Social Security	31	31	3.5%	3.8%
Saving	14	21	1.6%	2.6%
Loans or assistance	21	19	2.3%	2.3%
Disability payments	17	18	1.9%	2.2%
Mn Supplemental Assistance	14	17	1.6%	2.1%
Child Support	9	15	1.0%	1.8%
Student Grant	8	14	0.9%	1.7%
Veterans benefits	3	8	0.3%	1.0%
WIC	25	5	2.8%	0.6%
Unemployment Compensation	11	4	1.2%	0.5%
Pension	2	2	0.2%	0.2%
Sheltered Workshop	1	2	0.1%	0.2%
Unknown	45	1	5.0%	0.1%
Alimony	1	0	0.1%	0.0%

Support Services Needed and Accessed**Table 7**

	Needed	Accessed	Percent Needed	Percent Accessed
Counseling	350	358	10.1%	10.3%
Food Shelf	260	285	7.5%	8.2%
Financial Assistance	231	276	6.7%	8.0%
Social Services Agency	204	222	5.9%	6.4%
Medical Assistance	164	212	4.7%	6.1%
Clothing	166	204	4.8%	5.9%
Sobriety Support	191	204	5.5%	5.9%
Employment	275	197	7.9%	5.7%
Education	234	194	6.7%	5.6%
Moving Assistance	169	192	4.9%	5.5%
Section 8	276	189	8.0%	5.5%
Furniture	179	186	5.2%	5.4%
Other	99	137	2.9%	4.0%
Deposit Insurance	131	125	3.8%	3.6%
Child Care	134	119	3.9%	3.4%
Job Training	173	115	5.0%	3.3%
Legal Assistance	97	99	2.8%	2.9%
Utility Assistance	100	97	2.9%	2.8%
Head Start	31	34	0.9%	1.0%
Unknown	7	18	0.2%	0.5%

Reasons for Leaving**Table 8**

	Number of Households	Percent of Households
Section 8/Public Housing	169	25.3%
Private housing	147	22.0%
Were asked to leave	141	21.1%
Went to live with friends or relatives	94	14.1%
Unknown/Other	76	11.4%
Stayed as long as policy allowed	66	9.9%
Treatment	25	3.7%
Institutional care	10	1.5%
Dissatisfied with program	3	0.4%