

Housing the Homeless
North Dakota's 10-Year Plan to
End Long Term Homelessness

2010 Progress Report and
Recommendations

Dear Governor Hoeven:

It is my pleasure to deliver to you an update to “Housing the Homeless: North Dakota’s 10-Year Plan to End Long Term Homelessness” on behalf of the North Dakota Interagency Council on Homelessness.

The Interagency Council, which you created in 2004, has been working in our capacities as state agencies, city governments, non-profit organizations and key stakeholders to embrace and accomplish the goals that were identified in the 10-year plan. We have enjoyed success of some components and challenges in others.

Long-term homelessness continues to be a harsh reality for approximately 277 people in North Dakota, according to the Point-in-Time Survey conducted earlier this year by the North Dakota Coalition for Homeless People. While we have been working to mitigate the causes of homelessness and assist those who are currently homeless, unfortunately there is still much work to be done to end long-term homelessness in our state.

In this report, you will find a review of accomplishments and challenges for our local communities and state agencies as we work to realize the strategies and goals outlined in the statewide plan.

You directed the Interagency Council to bring together key agencies and organizations to collaborate on creative ways to solve this problem. We appreciate the efforts that have been made by each of our members and the coalition of dedicated men and women who work with North Dakota’s homeless population first-hand everyday. It is not an easy problem to solve but by working together, we can accomplish our goals.

The Interagency Council has identified a set of recommendations that we are offering as part of this report. These recommendations would provide much needed tools and resources in the fight against homelessness. Estimates of the fiscal impact these recommendations would have for the state were provided where available and appropriate. We ask you to seriously consider these proposals.

We extend our most sincere gratitude for the support you have given the council and the local organizations that are working to ensure that every person has a safe, decent and affordable place to call home.

Sincerely,

Michael A. Anderson, chair
North Dakota Interagency Council on Homelessness

Restatement of Strategies

The purpose of the 10-year plan was to assist communities and tribal nations throughout North Dakota and facilitate the goal of ending long-term homelessness at the local level. Five strategies were identified by the Interagency Council to this end. Below are the strategies and goals as they were initially laid out in the plan.

Strategy #1: Develop Permanent Supportive Housing

- Develop non-federal sources of “soft money”
- Create additional permanent supportive housing units
- Create partnerships between developers and service providers

Strategy #2: Improve the Ability to Pay Rent

- Eliminate barriers to employment
- Identify new sources for rent subsidies
- Improve access to mainstream supports (entitlement programs)

Strategy #3: Expand Supportive Services to Wrap Around Housing

- Connect supportive services to housing
- Don't transition into homelessness or uncertainty

Strategy #4: Strengthen Prevention and Outreach Programs

- Emphasize protocols to close front door into homelessness

Strategy #5: Collect and Disseminate Data Relating to Long-term Homelessness

- Collect information on homeless population and services provided
- Market and measure progress

Accomplishments

The Interagency Council on Homelessness is made up of state agencies, municipal governments, non-profit organizations, the Governor's office and other key stakeholder groups. These various state agencies and private organizations have been and will continue to be involved in providing technical assistance and connecting local communities to the resources that are available to address homelessness.

Perhaps an often overlooked accomplishment in North Dakota is the fact that our state was the first to have 10 year plans that represent each region of the state, as well as the first plans in the nation on tribal lands. This alone is a significant accomplishment, in addition to all the work that is occurring at the local level.

During creation of the 10-year plan, it was determined that making better use of current resources would be a guiding principle; however, the development of new resources from both public and private sectors would also be encouraged and supported.

“The state’s role in the success of ending long-term homelessness will be to support the implementation of local plans, and foster innovative, cost effective, tested practices that are being implemented in communities across the nation,” the 10-year plan states.

Communities from each of the eight planning regions of the state developed their own 10-year comprehensive plans to end homelessness. These communities, while at different stages of implementation, have been working to accomplish the goals they set forth.

The local plans have established benchmarks by which they measure the progress of the plan. This report endeavors not to give a comprehensive overview of these individual plans and their accomplishments, but rather to highlight some of the successes that have been seen.

Strategy # 1- Develop Permanent Supportive Housing

As was stated in the 10-year plan, “The overall role of the State of North Dakota is to provide incentives and support to local jurisdictions to develop permanent supportive housing options to individuals and families and successfully house them for the long term.”

The idea of permanent supportive housing (PSH) adopts the “Housing First” model in which a homeless individual is placed into a stable housing situation as a platform for delivering needed supportive services.

The Interagency Council and local coalitions have determined this strategy to be vitally important to ending long-term homelessness in the state. All of the local plans identified creating PSH as an essential goal.

The goal identified in the 10-year plan was the creation of 50 new units per year to reach the overall goal of 461 new units of PSH by 2018.

According to the North Dakota Statewide Continuum of Care information with the U.S. Department of Housing and Urban Development (HUD), there are currently 552 year-round beds in the inventory list of permanent supportive housing in North Dakota including 72 beds under development (beds that are fully funded, but were not available for occupancy as of Jan. 31, 2010). These numbers include Shelter Plus Care and Veterans Administration Supportive Housing vouchers.

Turtle Mountain Housing is developing 24 units of PSH in Belcourt utilizing funding through the Neighborhood Stabilization Program (NSP). NSP is a federal program authorized under the Housing and Economic Recovery Act of 2008. Forty-two units of PSH were created in Fargo at Cooper House utilizing Low Income Housing Tax Credits. The YWCA Minot had six beds at the Florence Anderson Center of Hope that were developed in 2010.

Additional units of supportive housing are being developed in communities across the state. Minot Vocational Adjustment Workshop is adding eight units in Belcourt. Prairie

Harvest Mental Health in Grand Forks will add nine units. The Abused Adult Resource Center will add seven units and Pride Inc. and CommunityWorks North Dakota will add seven units in Bismarck. While these are not necessarily permanent supportive housing units targeted to the homeless as contemplated in the state plan, they do serve special needs populations which could face the risk of homelessness without these units.

The North Dakota Interagency Council on Homelessness and the NDCHP is working with the South Dakota Housing Development Authority to sponsor a joint Supportive Housing Training. The training, offered by the Corporation for Supportive Housing, would draw together local community leaders, homeless coalitions and developers to give them the knowledge and skills to develop permanent supportive housing in their own communities. The five-day workshop will focus on all aspects of developing supportive housing projects including financing the development, coordination of supportive services and property management.

Strategy # 2- Improve the Ability to Pay Rent

North Dakota currently enjoys the lowest unemployment rate in the nation and has been adding new jobs, but the long-term homeless often have employability issues due to a prevalence of mental illness and substance abuse issues. It is not necessarily a matter of job availability, but rather whether an individual can get and keep a job due to these circumstances. By assisting the long-term homeless with their employment needs, the goal is to improve their ability to pay rent through regular income.

In North Dakota, 41 percent of the long-term homeless are employed, according to the 2010 NDCHP Point-in-Time Survey. Appropriate services, training and case management are essential to the long-term homeless being successful in ongoing employment.

Job Service North Dakota, through the Workforce Investment Act (WIA), has assisted unemployed homeless individuals and runaway youth in accessing training and skill development programs and directing them to appropriate employment opportunities. Services including job search assistance, job relocation assistance, identification of skills and workforce skill development are provided to qualifying individuals.

Since Jan.1, 2008, there have been 78 homeless/runaway individuals who have participated in the WIA program in North Dakota with 30 still active. The Fargo/Wahpeton/Jamestown/Valley City Customer Service Area has had the largest number of participants at 26 followed by the Bismarck/Dickinson/Beulah area at 20, Grand Forks/Grafton/Devils Lake/Rolla area at 17, and the Minot/Williston area at 15.

Twenty-eight of the 48 homeless/runaway individuals who have left the program were employed in the first three months after exiting, 12 were not employed, and eight were recent exits where it cannot yet be determined if they had employment after leaving the program.

Vouchers to care for the immediate needs of those experiencing homelessness are important tools for the local homeless coalitions. A priority for homeless individuals has been used to avoid prolonged homelessness in communities with waiting lists for housing vouchers and public housing. Grand Forks has used four Shelter Plus Care vouchers in conjunction with permanent supportive housing. Fargo has utilized Veterans Administration Supportive Housing vouchers to assist homeless veterans and their families.

The federally-funded HOME Program administered by the Department of Commerce Division of Community Services (DOC-DCS) has been used, in part, for rental and security deposit assistance. In 2010, the HOME program awarded \$152,000 for tenant-based rental assistance (TBRA) with \$110,500 for security deposit assistance and \$41,500 for rental assistance. TBRA accounts for about 5.6 percent of the approximately \$2.7 million in HOME activity funds. In 2009, a similar amount was used for TBRA. Fargo, an entitlement city which receives its own allocation of HOME funds, has also targeted a portion of their HOME Program funds to TBRA.

The North Dakota Department of Human Services (DHS) matches the U.S. Department of Health and Human Services' Project for Assistance in Transition from Homelessness (PATH) grant. The program provides one-time rental assistance to prevent eviction; security deposit assistance; or providing representative payee services to those who are suffering from serious mental illness or a co-occurring serious mental illness and substance abuse disorder and who are homeless or at imminent risk of becoming homeless. Each of the state's eight regional Human Services Centers divide up the \$300,000 PATH grant funds each year.

The North Dakota Housing Finance Agency (NDHFA) has awarded Low Income Housing Tax Credits and NSP funds to add 62 units of housing targeted specifically to the homeless in the state since 2007. NDHFA has worked with developers, community leaders, non-profit organizations and strategic partners to develop safe, decent and affordable housing options which would reduce the incidences of homelessness. Since 2007, 663 units of housing targeted to households at or below 60 percent of the area median income have been developed using NDHFA programs.

Local communities have also found creative ways to assist the long-term homeless in their communities – everything from cash and food assistance to money management classes to referral information provided to local schools.

Strategy # 3- Expand Supportive Services to Wrap Around Housing

No homeless mitigation program can be successful without supportive services but the issue is paying for those services long term. Housing services for the homeless need to have a supportive services component. DHS provides case management services to the homeless through the regional Human Service Centers. As part of the intensive case management activities, PATH Coordinators go directly to homeless shelters, and other locations in communities to assist homeless individuals with obtaining services including housing. The program assisted 748 individuals last fiscal year.

Coordinating the delivery of supportive services for the homeless was a priority that all of the local plans identified. This initiative has been one area where communities have had success. The Turtle Mountain Housing Authority established a Homeless Coordinating Council as one way of collaborating within and between agencies to better serve those in need. Williston and Dickinson have also reported increased coordination among service providers.

As more PSH is developed, there is a continuing need to expand access to the network of service providers in the state.

Strategy # 4- Strengthen Prevention and Outreach Programs

Prevention and outreach to the homeless has been accomplished at a local level through various programs including the Homeless Prevention and Rapid Re-housing Program (HPRP). Case management has been key to making this program a success. The one-time funding for this program which was provided through the American Recovery and Reinvestment Act of 2009 must be completely expended by July 13, 2012.

The DOC-DCS awards Emergency Shelter Grant funds directly to emergency/homeless shelters throughout the state to provide funds for activities such as rehabilitation, operational expenses and essential services. In 2010, North Dakota was awarded \$277,120. These funds, along with \$100,000 of state funds, are distributed to 24 emergency shelter agencies across the state. The average \$16,000 per agency is typically used to meet the operating expenses for these agencies and not for adding additional units or capital improvements.

Project Homeless Connect events have been held throughout the state connecting homeless individuals with organizations and agencies that can help. The events have been a crucial outreach effort of the local communities. Grand Forks, Minot, Fargo and Bismarck-Mandan have all utilized this strategy and Dickinson is in the planning stages.

The local homeless coalitions are striving to reach out to the homeless in their communities to assist them with needed services. There is also a public education component that they have taken on to get the community and local leaders to buy in to the work they are trying to accomplish.

Strategy # 5- Collect & Disseminate Data Relating to Long-term Homelessness

The Homeless Management Information System, managed by the NDCHP, is a database used to collect and store aggregate data regarding the characteristics of homeless individuals and families as well as services they are receiving. Because of the state's high data quality, North Dakota was invited to participate in HUD's "Homeless Pulse Project" which is a quarterly tracking of homelessness in the United States.

NDCHP's annual Point-in-Time Survey has been a vital tool in getting an accurate estimate of all aspects of homelessness in the state.

NDHFA's annual housing conference has traditionally provided a platform to discuss homelessness issues and give participants updates on various programs. In 2010, a session focusing on HPRP was held in addition to a discussion on addressing tribal homelessness. During the 2009 conference, a documentary on homelessness in Fargo was presented.

Challenges

While many efforts have been made to end long-term homelessness, there are still challenges that are faced. The priority the local communities are giving to tackling those obstacles is equally as important as the accomplishments to date.

Challenges faced by local homeless coalitions in North Dakota run the gamut. Among them include a continuing need for affordable housing, limited financial resources, a shortage of available supportive services, a need for greater community buy-in and increased numbers of people experiencing homelessness.

Affordable housing

Housing that is safe, decent and affordable for families in North Dakota is important for the growth and prosperity of our communities. Housing options that are affordable for lower-income families are limited in many communities in the state. Any community member could be at risk of being homeless without housing that is reasonably affordable.

As NDHFA's "State of Affordable Housing in North Dakota" report shows, some of the lower-income occupations struggle to afford rent payments.

Unemployment and an inability to pay rent are major causes of homelessness, according to the NDCHP Point-in-Time Survey. Thirty-two percent of the long-term homeless reported unemployment as the reason for their homelessness. An inability to afford rent was cited by 39 percent as the chief cause.

In many energy-impacted communities, housing costs have increased dramatically and some affordable housing inventory has been lost to market rates. In these communities, dealing with the immediate issues of a lack of housing of any kind has shifted the focus away from addressing long-term homelessness.

Emergency support

A number of communities across the state have not yet developed permanent supportive housing and emergency and transitional shelters for individuals and families. Without these facilities, it is difficult to remediate existing occurrences of homelessness.

Financial resources

Local homeless coalitions, city governments, non-profit organizations and state agencies which deal with homelessness on a regular basis have limited budgets. The financial resources to provide services are often far outstripped by the need for those services. The supportive services and case management which are key to reducing the recurrence of

homelessness are expensive and it often takes a combination of local, state and federal resources to adequately address the causes of homelessness.

Available supportive services

Substance abuse, medical problems and mental illness are all major reasons for long-term homelessness, according to the Point-in-Time Survey. Programs to address these root causes are often overtaxed and bringing these needed services to the homeless can be a challenge.

Community buy-in

Public misconceptions about the homeless and reasons for homelessness are things the local coalitions struggle with every day. There is often a sense of denial in many communities about the extent of homelessness or even that there is an issue in the community. Many people have a preconceived notion that homelessness is only an urban problem and that rural communities are isolated from it. However, it is something that reaches every corner of the state. Educating the public about homelessness is important to getting them invested in fixing and preventing the problem.

Increased numbers of people experiencing homelessness

Williston, Devils Lake, Bismarck and Dickinson all saw the number of long-term homeless increase in 2010 over 2009, according to the Point-in-Time Survey. Bismarck had the largest increase where the number of long-term homeless more than doubled. Statewide there were 50 more people who were long-term homeless in 2010 than in 2009.

Because of the state's strong economy and job growth and the subsequent positive publicity of these conditions, more people have come to North Dakota. This has been a contributing factor in an increase in homelessness in the state and particularly in the energy-impacted areas. This influx of job seekers and the lack of available housing are shifting focus toward the immediate needs of the community and away from the long-term goals that were outlined in their plans.

Recommendations

The Interagency Council has identified several recommendations to address the ongoing challenges of long-term homelessness. The fiscal impacts of these recommendations have been estimated but the actual need of the programs may differ.

Develop permanent supportive housing

- A state funding source for the development of new permanent supportive housing should be established. Because of the prevalence of extremely low incomes and a corresponding difficulty in paying rent among the long-term homeless utilizing permanent supportive housing, there is little expectation of collecting rents sufficient enough to service debt. More funding in the form of grants and soft money is necessary for creation of new units. The ICH estimated in 2008 a gap for developing permanent supportive housing units of \$30,000 per unit. Based on

the goal of developing 50 units per year, this translates into an estimated need for additional funding of \$1,500,000 annually.

Improve the ability to pay rent

- A statewide landlord indemnification fund should be established to mitigate risk from renting housing units to individuals transitioning from institutional settings and those who may have difficulty obtaining housing due to bad credit, a criminal record, unemployment or a poor rental history. The ICH is estimating the size of this fund at \$150,000 annually based on experiences of property management programs within North Dakota.
- A non-traditional rental assistance program targeted to permanent supportive housing units should be established. There are currently long waiting lists for traditional rental assistance resources justifying an alternative program. The ICH estimates this cost to average \$150 per unit per month. The cost for an additional 100 permanent supportive housing units for the biennium is estimated at \$90,000 the first year of the biennium and \$180,000 for the second year – a total biennium cost of \$270,000.
- A funding priority for the use of HOME funds for tenant-based rental assistance should be targeted to precariously-housed households.

Expand supportive services that wrap around housing

- The network of existing supportive services for the homeless should be enhanced to maximize the effective delivery through permanent supportive housing. The ICH utilized the Integrated Dual Disorder Treatment (IDDT) program to estimate the cost of wrapping additional supportive services around the proposed additional 50 permanent supportive housing units per year. DHS estimates the cost would be approximately \$500,000 per year.
- The state matching funds for the Department of Human Services' PATH grant should be increased to expand the assistance to those who are homeless or at risk of becoming homeless and suffer from a serious mental illness or have a co-occurring mental illness and substance abuse problem.

Strengthen prevention and outreach programs

- A state program should be established to replicate HPRP which focuses on case management to prevent homelessness and solve short- and medium-term barriers to obtaining and maintaining stable housing. In North Dakota, \$2,505,158 was awarded to 15 sub-recipients under the program.
- Offender skills training programs provided through the Department of Corrections and Rehabilitation should be enhanced so, that once released, ex-offenders have a trade skill to fall back on – making them more employable which allows them to afford suitable housing and reduce recidivism.

- The Department of Corrections and Rehabilitation Transition from Prison to Community Initiative should be enhanced to require finding housing so that ex-offenders are not transitioned into homelessness or situations that are not conducive to successful re-entry into the community.
- A state funding source to provide resources for the development and rehabilitation of affordable housing should be established. By increasing the inventory of housing options affordable to lower-income households, instances of homelessness could be reduced. The North Dakota Housing Finance Agency is aware of a proposal for the 2011 legislative session from a group seeking the creation of an Affordable Housing Fund and appropriation of \$4 million per biennium.

Collect and disseminate data relating to long-term homelessness

- A state-sponsored, North Dakota-specific cost/benefit analysis of the Housing First model using data from permanent supportive housing facilities should be conducted. Two studies from outside North Dakota cited in the 10-year plan and the preliminary findings of a recent local study demonstrate significant cost savings in providing permanent supportive housing for the homeless. To adequately discuss the feasibility of programs to end homelessness, a statewide analysis is warranted. The ICH estimates this cost/benefit analysis would be a one-time cost of \$25,000.