

FY2024 Needs & Gaps Analysis

Proposed by CoC Funding Committee May 8th, 2024

Approved by CoC Funding Committee (May 16th, 2024)

In preparation for the FY2024 Notice of Funding Opportunity (NOFO), the Hennepin County Collaborative Applicant and the HMIS Lead Agency have compiled preliminary data trends from 2023-2024. Main sources include the HUD Point in Time Count (preliminary findings), Housing Inventory Count, data from Built for Zero, and HMIS data to include the Coordinated Entry Monitoring report.

The CoC Governing board will approve a priority population and housing type for the purpose of any opportunity to capture bonus funds through the FY2024 NOFO application, or if reallocated funds are made available from any current CoC funded projects as part of the NOFO application process. A New Project Pre-Application will be released prioritizing the gaps in data trends over the past year.

Key changes in 2023-2024 Point in Time & Housing Inventory were co-provided by the Institute for Community Alliance (ICA) and Hennepin County team using data pulled from the Homeless Data Exchange (HDX).

Recommendation of support for 2024 NOFO:

Priority population(s)

- Families
- Single adults, specifically those staying in unsheltered location

Priority project type(s)

- Permanent Supportive Housing (priority 1)
- Rapid Rehousing (priority 2)

Population recommendation (household type): Based on the 2023 to 2024 PIT Counts, the recommendation is to prioritize families, and single adults staying in unsheltered locations in the FY2024 NOFO process.

Prioritize Projects Serving Families

- When comparing the preliminary 2024 count data* to 2023 there was a significant increase in families experiencing homelessness, increasing by ~142 households (a ~29% increase) and ~498 people (~30% increase). This is in addition to the increase in families experiencing homelessness in the 2023 count, where Hennepin saw a 223 household (746 person) increase in families experiencing homelessness compared to 2022.
- Family households now make-up ~56% of the entire population of people experiencing homelessness in Hennepin, an increase from 35% in 2022 and 51% in 2023. Specifically, families residing in emergency shelters on the night of the PIT count continued to increase in 2024, now including ~1925 people (a 31.6% increase from 2023) and ~534 households (a 29.9% increase). This is in addition to the increase in families residing in emergency shelters on the night of the PIT in 2023, where Hennepin saw an increase of 231 household (128%) and a 774-person (112%) increase.

- Wilder’s 2023 tri-annual study found similar results noting that families make up nearly half of Minnesota’s homeless population and that the proportion of families is slightly higher in the Twin Cities metro (48%) than it is in greater Minnesota (41%).

Prioritize Projects Serving Single Adults, Specifically Those Staying in Unsheltered Locations

- The total number of single adults experiencing homelessness in Hennepin County increased by ~4% in the 2024 PIT. Single adults in unsheltered locations increased by ~10% in the 2024 PIT
- Unsheltered homelessness continues to make up ~30% of single adult homelessness and is synonymous with the greatest health and safety risks.

** The above Point-In-Time Count preliminary data has been submitted to HUD and is now moving to data validation. Some corrections have already been identified, others warrant further discussion with HUD and further corrections may follow. In particular, there is a subset of data (~48 people) that is currently included in the unsheltered count that relates to people who were sleeping indoors at a community provider program. Discussion with HUD may see those records reclassified as sheltered.*

As such, these numbers should not be treated as final until confirmed with HUD. They are presented here as guidance only to be used for the prioritization recommendation and decision.

Youth Projects Will Not Be Prioritized

- Additional funding has recently been made available for youth-serving projects in Hennepin through the Youth Homelessness Demonstration Program (YHDP). Due to the smaller size of the youth population, and additional funding made available, CoC-funds will not be prioritized for youth serving projects, though family projects can serve households headed by young people aged 18 and above and single adult programs can similarly serve Transition Aged Youth aged 18 and above.

Project component type recommendation: prioritize permanent supportive Housing (PSH) projects first and RRH projects second.

PSH projects will be prioritized first:

- PSH has proven to be a cost-effective solution that can increase housing stability and improve health outcomes for chronically homeless and/or highly vulnerable people by linking subsidized housing with access to supportive services.
- We know that the most common reason given by people who opt out of PSH options and instead remain in sheltered and/or unsheltered settings is the increased burden of required resident contributions in housing support funded programs (currently the primary funding source for PSH in Hennepin). Increasing CoC funded PSH capacity will help increase the number and proportion of PSH units available that require only 30% of the resident’s income towards rent.
- 2,436 PSH housing beds were counted in the 2024 PIT, a decrease of 346 beds since the 2023 PIT. These PSH beds made up just 18.9% of the available housing inventory. On the night of the 2024 PIT, 83.3% of the PSH beds were utilized indicating a need to increase the availability of PSH inventory in Hennepin.

- Additionally, PSH programs that propose to create new units will be prioritized over PSH programs that utilize vouchers.

RRH projects will be prioritized second:

- 1,074 RRH units were counted in the 2024 HIC, a decrease of 48 units since the 2023 PIT, and make up just 8.3% of the total inventory in Hennepin.

Other factors for consideration:

- HUD's priority populations include ending Chronic and Unsheltered homelessness.
- The 2023 Wilder tri-annual homeless study found that older adults (age 55+) were the only age group that saw a 7% increase over the 2018 study count (increasing to 1,204 in the 2023 study compared to 1,129 in the 2018 study). Although older adults were found to be a growing group of people experiencing homelessness, they are still least likely to be homeless compared to their numbers in the overall population of Minnesota.

Other strategies and considerations as presented by the Hennepin County Funding Committee:

Project component type recommendations:

- The more project components types we can include, the better, to capture potential additional funding.
- Strategy to prioritize site-based PSH project types that practice Housing First principles, over scattered-site PSH projects as site-based projects may offer more guaranteed housing that people can be moved into quickly.

Population recommendations:

- In addition to prioritizing single adults staying in unsheltered location, and families, other program characteristics will be prioritized in the review process including:
 - Projects that provide "high support models of care". These projects may be broader in scope and better able to meet the range and complexity of needs presenting in the community of people being served by CoC-funded projects.

The "high support model of care" can best serve other populations that will be prioritized through CoC-funds including people considered "medically vulnerable", people experiencing substance use disorders, and people experiencing increased mental health needs.