

Background on Catholic Charities 2017 Homes for All Policy Proposal

The Group Residential Housing Program (GRH) is a state funded program that provides an income supplement to approximately 20,000 recipients each month to pay for rent and food. To receive GRH assistance, a person must meet certain eligibility requirements. These requirements include being aged, blind, or over age 18 and disabled according to the criteria used by the Social Security Administration, or certain criteria for Minnesota's General Assistance program. All of those supported by the program are at risk of institutional placement or homelessness. The amount of a GRH payment is based on a federal and state standard of what an individual would need, at a minimum, to live in the community.

Effective July 1, 2017, the base rate limit is \$893 per month. It is automatically adjusted each year based on changes made in the Federal Benefit Rate of the Supplemental Security Income program and changes in the value of food support for an individual, but is woefully insufficient. This rate is paid for residents in more than 6,280 authorized settings in Minnesota. About 4,381 of those are adult foster care homes and the rest include board and lodging facilities, supervised living facilities, boarding care homes, supportive housing and other assisted living facilities.

In FY2015, all funds spent on GRH activity equaled \$141.3 million, representing 0.9% of the overall Department of Human Services agency budget. Housing providers receive payments on behalf of eligible recipients to pay for rent, utilities, food, household supplies and other items needed to provide room and board to a recipient. County human services agencies process eligibility and payments for persons in the program. Counties also manage GRH contracts with housing and service providers.

Housing First Preferred Model

Monthly Base Rate Limit	\$893
Monthly Admin Fee	\$(35)
Rent	\$(750)
Balance	\$108 to cover utilities, provide a cell phone and a bus card

It is customary for GRH providers to deduct a \$35 per client, per month fee, to be applied to the cost of administering the program. The Housing First model illustrated above, reflects the most ideal circumstances for clients, however, the constrained rental market has made it incredibly difficult to find units at or around \$750 per month, leaving less than \$100 per month for essential living expenses. Staff report most often paying rents at or near \$800 per month and note year-to-year increases in monthly rent of \$50 or sometimes more—much greater than the \$2 increase made this year to the monthly base rate.

Homes for All

This year, Catholic Charities proposed the Homes for All Coalition's policy agenda include an increase in the monthly base rate limit. The initial estimate was \$100, in response to at least 2 years of rent increases of \$50+. We have since reconsidered, and wish for the coalition to consider an increase of \$50/month to the base rate.

Based on the approximately 20,000 program participants across the state, a \$50 per month increase would roughly cost \$12 million per year, plus any administrative costs that may be incurred due to the increase. While the likelihood of any sort of supplemental budget this year is extremely low, the goal is to use this year as an opportunity to raise the issue as an offensive defense measure.