



April 22, 2025

Good afternoon, Representative Hoskins and Committee Members,

My name is Takisha Jones, and I serve as the Supervisor of the Emergency Shelter Program, (ESP) administered by The Salvation Army – Great Lakes Division and overseen by Michigan Department of Health and Human Services (MDHHS). The ESP is a vital component of Michigan's efforts to combat homelessness. Operating statewide, the ESP provides safe, clean, and secure emergency lodging for households experiencing homelessness, with the goal to rapidly exit households into safe, positive destinations.

The ESP aligns with Michigan's Campaign to End Homelessness and MDHHS Housing and Homeless Services. Emergency shelter lodging is available for the amount of time a household needs as long as progress is being made towards permanent housing. Emergency Motel is available in areas without shelter facilities or service areas with shelter facilities at capacity. The goal is to rapidly exit households into a safe, positive destination.

The Emergency Shelter Program (ESP) is a vital piece to homeless services that are delivered to homeless individuals and families across the state. The demand for these services far exceeds the funding currently available. The ESP is severely underfunded, since FY21, the program has been flat funded at \$17,153,972 annually with the last allocation increase taking place in FY20. The grant allocation was increased from \$16,528,929 to \$17,153,972. While this funding allocation has remained stagnant, the need for services has grown immensely.

To address the ever-growing needs of subrecipients, the ESP's cost reimbursement model, was implemented from a per diem model in FY22, allowing subrecipients the ability to cover essential operational costs such as salaries, fringe benefits, rent, utilities, maintenance, food, and supplies by the grant. While this approach has improved spending flexibility, subrecipients continue to face significant operational costs that go beyond what the current grants can financially stretch.

Shelter Subrecipients across the state rely heavily on the ESP grant to aid in offsetting essential operational costs necessary to maintain a stable and supportive programmatic environment. This was evident in May 2025, when the Michigan Department of Health and Human Services in collaboration with the ESP conducted a statewide Request for Proposals (RFP), receiving over \$32 million in funding requests, nearly double the current allocation, \$17,153,972. This overwhelming response further highlighted the urgent need for increased resources to meet

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the demand across Michigan. Currently there are 91 ESP Subrecipients made up of 72 shelters and 19 motel subrecipients.

Allocation of more funds into the ESP is an investment in Michigan's communities. We are asking for an increase of 6.5 million dollars. This increase will;

1. Expand Shelter Capacity

- Open more beds in existing shelters or extend operational hours.
- Add seasonal or overflow shelter options during winter or crisis surges.

2. Enhance Staffing and Support Services

- Provide financial resources to support with hiring additional case managers, shelter staff, etc.
- Provide funding for increased training for staff to support with the ever-changing population of guests served in communities across the state
- Reduce burnout and turnover through better wages and support.

3. Extend Motel Placement Availability

- Provide financial resources to assist with increasing the number of emergency motel placements for areas without physical shelters.
- Provide financial resources to allow for longer stays as needed for individuals actively working toward housing goals.

4. Agency Operations

- Cover rising operational costs due to inflation.
- Support equitable service delivery in rural or under-resourced regions.

5. Reduce Length of Stay & Increase Housing Outcomes

- Provide financial resources to hire housing specific navigation staff or case managers to assist guest with addressing housing specific goals, that include partnerships with landlords, transitional housing programs and or re-entry planning to reduce recidivism rates.

This grant program not only provides emergency shelter but also reduces the strain on public systems such as healthcare, law enforcement, and emergency services by helping individuals and families transition to stability. By overseeing and guiding subrecipients in addressing the root causes of homelessness and supporting households with services that guide them into housing self-sufficiency. The ESP contributes to long-term solutions through our ongoing collaborations with community partners statewide and our programmatic hands-on approach.

The demand for ESP services has never been greater than seen during the FY25 Request for Proposals (RFP). With over \$32 million in requests for but only \$17 million in available funding, it is clear that the current allocation is insufficient.

In FY24, the ESP provided 1,081,416 total bed nights, with 435,678 nights funded through Temporary Assistance to Needy Families (TANF) and 645,738 through Non-TANF sources and in FY24, the Emergency Shelter Program (ESP) saw its longest average shelter stays at 57 days, but resulting in the highest positive destination rate at 29.36% and lowest recidivism rate at 25.3%, showing that longer stays contribute to more stable housing outcomes. Also 88% of served households were adults, nearly 20% of discharged clients were children aged 0–17, underscoring the need for family support services. Additionally, the majority of clients identified as Black, African American, or African, highlighting persistent racial disparities in homelessness.



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These outcomes stress the importance of sustained and increased funding to continue improving long-term stability for Michigan's most vulnerable populations. Increased funding that is flexible and not for a specific demographic for the ESP, isn't just about keeping shelters open, it's about ensuring we can deliver high-quality, equitable homeless services that will support communities served with long-term solutions housing stability supports. With adequate financial resources provided to the ESP, we can continue to meet the rising demand for those in crisis and help more Michigan residents exit homelessness permanently across the state.

Thank you for your time and consideration,

Takisha Jones

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