

House Appropriations Subcommittee on Human Services April 21, 2025

Supportive housing combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy and dignity.



- ✓ Housing stability
- ✓ Increased income
- ✓ Improved physical & mental health
- ✓ Decreased reliance on emergency services
- ✓ Decreased homelessness











Types of Services Provided to Residents in Supportive Housing

- Housing search & landlord negotiation
- New tenant orientation/move-in assistance
- Transportation
- Nutritional services
- Medication management support
- Skill-building in cooking, cleaning, self-care
- Financial management and budgeting
- Support increasing income
- Referrals to other services & programs





2023 MI Homelessness Data

- 33,226 total homeless
 - 46% Black or African American (despite being 14% of MI's overall population)
- 4,758 chronically homeless

Social Impact & Cost-offsets in Supportive Housing

- 30% decrease in jail stays
- 40% decrease in ER visits
- \$6,875 cost-offset per person

*Data from Denver social impact bond study conducted by Urban Institute

4,500 served in existing Supportive Housing programs



Impact of Previous State Appropriations

FY23 Budget - \$6M

4 SH providers received funding

- 470 SH residents served
- 98% housing stability rate
- 82% maintained or increased income

FY24 Supplemental Budget - \$20M

Approximately 22 SH providers receiving funding*

- Estimated to serve over 2000 more SH residents
- Capacity building investments will lead to even more residents being housed in SH
- Investments in SOAR (SSI/SSDI Outreach, Access, and Recovery) will help people increase income & contribute more toward rent



^{*} applicants requested over \$40M; awaiting final award announcement from MDHHS



FY26 Appropriation Request

Based on ongoing need, pursuing \$25M appropriation for FY26

- Expected to serve 3,125 total SH residents
- Annual funding need expected to decreased as Medicaid reimbursement increases



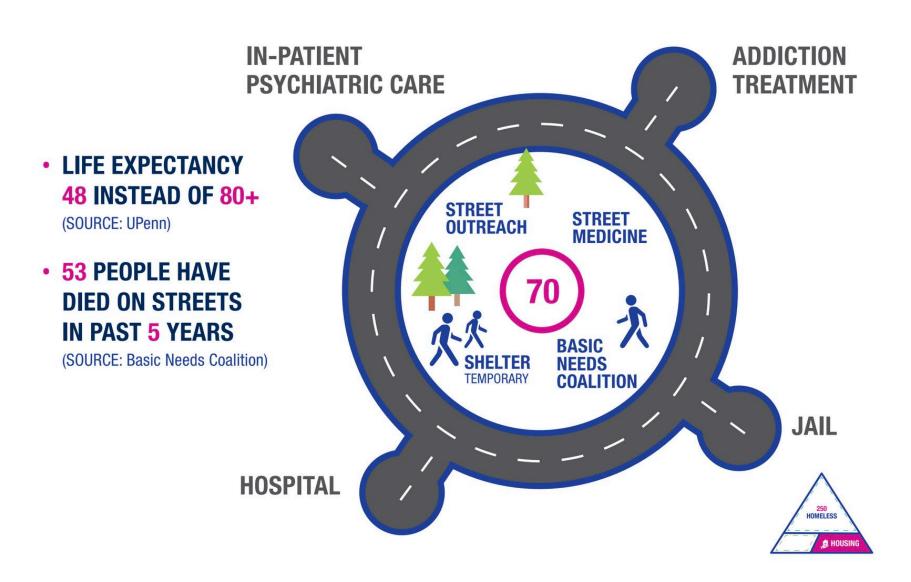
Northwest Michigan Supportive Housing



- Service area: Antrim, Benzie, Grand Traverse, Kalkaska, and Leelanau counties
- Services: Permanent supportive housing (case management and rental subsidies)
- Funding sources: HUD, MSHDA, MDHHS, Grand Traverse County, City of Traverse City

CHALLENGE

CHRONIC HOMELESSNESS



SOLUTION

CHRONIC HOMELESSNESS

TODAY \$2,450,000 /YR

Costs to maintain 70 people in homelessness



MUNSON \$1.26M /YR



\$945,000 /YR

Costs for those same
70 people
in housing with supports



- VOUCHERS
- SUBSIDIES







Northwest Michigan Supportive Housing

- <u>Supportive services</u>: life skills training, housing stability, budgeting, family reunification, landlord/tenant rights, access to healthcare, mental health, income
- 57% of clients gained or increased their income
- 96% retention rate



