

Housing the Homeless

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

Prepared by the
North Dakota Interagency Council on Homelessness

October 31, 2018

Office of Governor Doug Burgum
State of North Dakota
600 East Boulevard Avenue
Bismarck, ND 58505

RE: Final Report—North Dakota 10-Year Plan to End Long Term Homelessness

Dear Governor Burgum,

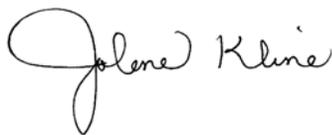
A lot has changed in North Dakota since 2008 when the *North Dakota 10-year Plan to End Long-Term Homelessness* was drafted. The entire state has experienced a catalyst of economic prosperity as people from around the world came to find their fortune, some with nothing more than a few personal belongings and a desire for a better life. As the population and demographics of the state shifted, it remains the North Dakota Interagency Council on Homelessness's belief that every North Dakotan should have the opportunity to succeed in life, and have a safe and stable environment to call home.

The 10-year plan formalized collaborative efforts between seven state agencies, one statewide homeless coalition, and the communities of Bismarck, Fargo and Grand Forks, developing goals and strategies to end chronic homelessness. Creating permanent supportive housing was the primary focus with a secondary focus on providing outreach and prevention services. As improved data provided insight into the multi-faceted challenges vulnerable populations' experience, outreach, prevention and support services became just as critical as housing.

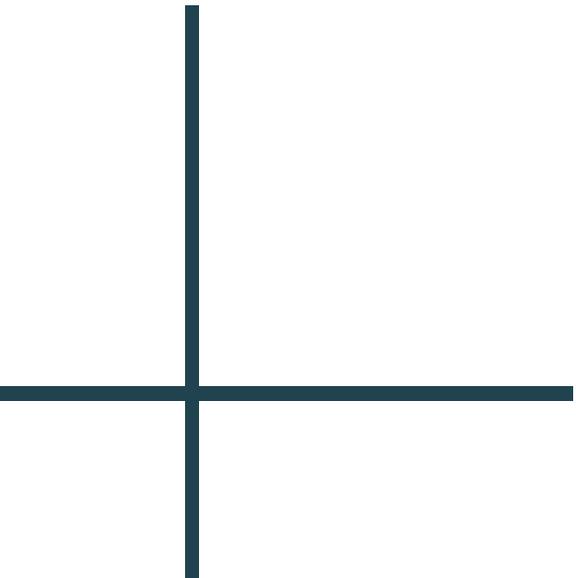
Great strides have been made. However, the efforts to end homelessness continue. Generational poverty must be actively combatted, and youth need stability in order for them to succeed in school and be given the best possibility to grow into self-sufficiency. The chronically homeless need access to more rapid housing projects and customized support services. The safety net also needs to be cast wider for justice-involved individuals, and those facing mental and behavioral health issues. And, we cannot forget about how we can help our senior population age in place and provide resources for families experiencing frequent, short-term homelessness.

The Interagency Council on Homelessness's report highlights the work that was completed over the past decade, it profiles the state most vulnerable populations, and it outlines our recommendations to continue to prevent, reduce and end homelessness.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jolene Kline". The signature is written in black ink and is positioned above the typed name and title.

Jolene Kline, Chair
North Dakota Interagency Council on Homelessness

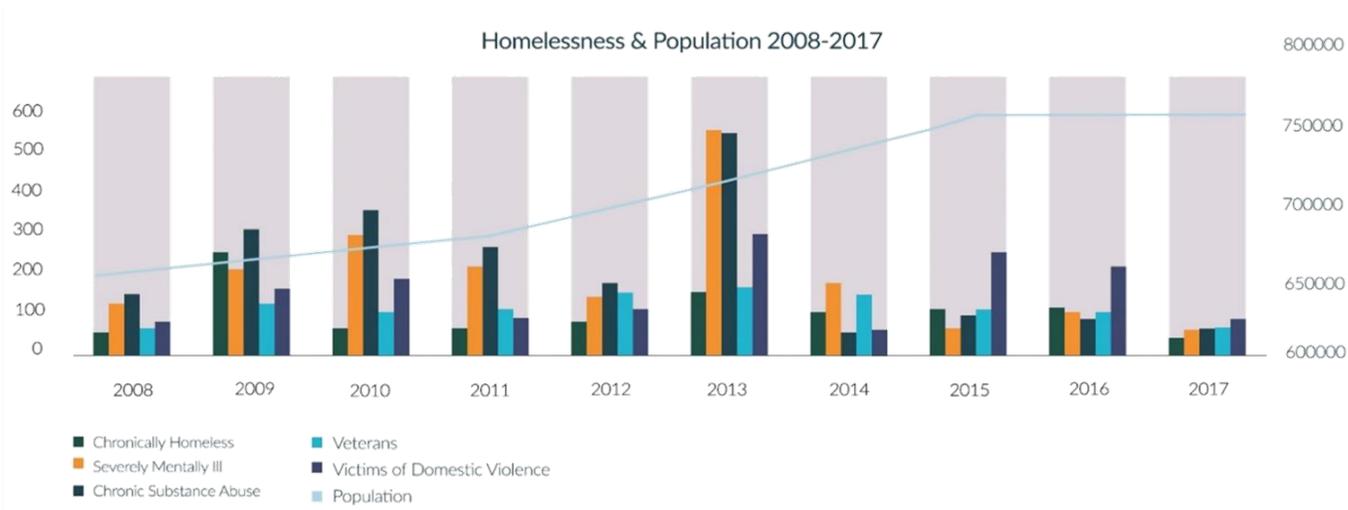


Executive Summary

Executive Summary

North Dakota's vulnerable populations require person-centered approaches to address their unique needs based on their current living situation, physical and mental health, and financial stability. In 2008, when the *North Dakota 10-Year Plan to End Long Term Homelessness* was implemented, North Dakota's primary focus was on permanent supportive housing for the chronically homeless. Although housing stability is the foundation of ending homelessness, over the past decade supportive services have become just as essential to prevent and reduce both short-term and chronic homelessness.

Counting the state's homeless populations is extremely difficult due to multiple definitions of homelessness, the mobility of the population, rural isolation, and the cyclical nature of homelessness for many individuals and families. In addition, people experiencing homelessness are often reluctant to identify themselves as such, therefore, many do not seek assistance. The U.S. Department of Housing and Urban Development (HUD) requires local service providers to conduct a Point In Time (PIT) Count every January to track sheltered and unsheltered men, women and children. North Dakota's 2017 PIT count totaled 1,089 homeless men, women and children, of which 45 were chronically homeless.



According to the U.S. Interagency Council on Homelessness, chronically homeless persons cost taxpayers as much as \$30,000 to \$50,000 per year. The cost is calculated based on services utilized such as hospitals, shelters, jail, psychiatric centers, and alcohol and drug treatment. Using the base national average of \$30,000, North Dakota taxpayers spent approximately \$1,350,000 million in 2017 on the state's chronically homeless population. Permanent supportive housing is estimated to lower that cost by 40 percent. Currently, two 'Housing First' facilities, where chronically homeless individuals are rapidly housed, exist in Fargo and Grand Forks. Although proven highly successful in conserving community resources, these projects are difficult to construct as conventional financing is not an option. Developers must leverage numerous federal, state and local financing programs, and solicit donations and private sector partnerships to structure the zero-debt financing the projects require. Low- and extremely low-income individuals can receive rental assistance which helps ensure rental income, unfortunately, only about one in four people who qualify for housing assistance actually receive it due to limited availability.

The North Dakota Interagency Council on Homelessness (NDICH) studied vulnerable populations based on their current housing situation, mental and physical wellbeing, family disposition, and justice involvement. Each of these populations can have safety nets in place that would effectively prevent or shorten their experience with homelessness if resources are effectively implemented.

- **Chronically Homeless**—individuals and families residing in a place not meant for human habitation, in an emergency shelter, and who have been homeless and residing in such a place for at least one year or on at least four separate occasions in the last three years. North Dakota averages 138 documented chronically homeless individuals every year. The greatest concentration of community resources is spent on this population with most self-diagnosed as severely mentally ill or having chronic substance abuse problems.
 - State and federal funding is critical for financing permanent supportive housing.
 - Person-centered services are needed to stabilize these individuals and reintegrate them back into the community.
- **Justice Involved**—persons with mental illness and substance abuse problems are overrepresented in our jails and prisons as compared to the general population. Deinstitutionalization, along with a failure to develop easily accessible and useful outpatient alternatives for treatment, has led to correctional facilities housing the highest concentrations of people with mental health and substance abuse concerns in the country.
 - Incarcerated individuals do not get the depth of mental health and addiction recovery services needed to become stable and sober after their release.
 - Difficulty finding affordable housing and employment, especially for felons such as sex offenders.
- **Native Americans**—the magnitude of Native Americans experiencing homelessness on and off of the reservations is more than likely higher than the 21 percent currently reported. Reservations have the highest concentrations of extreme poverty in the state, and approximately half of all Native American children living in North Dakota are impoverished, more than five times the rate of other races. Over-crowding and inadequate housing conditions put stress on quality of life, as the majority of Native Americans will not force members in their household out if they do not have another housing option.
 - Approximately 78 percent of Native Americans live off of reservations to pursue educational and financial stability, however, many of these individuals lack support networks.
 - Historical trauma and assimilation of culture impacts the effectiveness of behavioral health treatment.
- **Youth**—in 2017, according to the PIT count, there were 178 documented homeless children ages 0 to 18 years. School-age children, ages 5 to 18 years old, experiencing homelessness was reported much higher by the North Dakota Department of Public Instruction with 2,166 students documented as either sheltered, doubled-up with other families, living in a hotel/motel, unsheltered, or unaccompanied by an adult during the 2015-2016 school year. A major contributor to the financial stability and well-being of children is secure parental employment, unfortunately, many working families with children struggle to make ends meet. The poverty threshold considered sufficient for a family of four with two children to afford basic necessities was \$24,036. In North Dakota, 21,716 children were living in families whose income was below this threshold.

- Support services in rural and urban areas can help stabilize families and youth lessening the need for relocation and out-patient treatment.
- State and federal funding critical for single-parent housing, providing life-skills support, daycare, after-school care, and career or educational advancement.
- **Foster Youth**—in a survey of youth that aged out of the state’s foster care system, 40 percent will experience homelessness by the time they are 21 years old. Of those experiencing homelessness, one out of every three has been incarcerated. North Dakota has the third highest youth incarceration per capita in the nation. Although the majority of foster youth obtain a GED or high school diploma and are employed, they face many challenges transitioning into adulthood without a strong support network.
 - Explore barriers to short- and long-term housing for unaccompanied, emancipated, and youth aging out of the foster care system.
 - Support services that are trauma, age and developmentally appropriate to mitigate emotional and behavioral deterrents.
- **Frail Elderly and Disabled**— North Dakota ranks seventh in the nation in the highest proportion of individuals age 85 years and older. Based on the aging population, extended life expectancy, and likelihood of having a disability, it is anticipated that one out of two North Dakotans will need long-term care services such as nursing facilities, basic care, assisted living, swing bed or home- and community-based care in their lifetime. Disabilities includes ambulatory, visual, cognitive and hearing loss. Persons with a disability are more than twice as likely to be living in poverty as individuals without a disability.
 - Explore more options for rural and urban community-based alternatives for persons with disabilities and behavioral health issues.
 - Support grant programs for home modifications allowing people to age in place.

These vulnerable populations are the most housing insecure and cost-burdened, where 30 percent or more of their income is allocated to housing. Employed individuals earning minimum wage need to work 70 hours a week on average to afford a one-bedroom, market-rate apartment in North Dakota, and seniors living on the state’s average social security payment alone can afford \$400 per month in rent.

Moving Forward

The following recommendations are broad-based and will require dedication and investments from numerous state agencies to ensure vulnerable populations are receiving adequate services to accommodate their unique needs and to reintegrate them back into North Dakota’s communities. Some of the recommendations are within the 2018 North Dakota Behavioral Health System Study and the State of North Dakota’s Information Technology Department’s Citizen Experience Initiative.

Breaking the Cycle of Generational Poverty

To end the cycle of generational poverty, children and their parents both need to be housing stable. Screening mechanisms need to be in place for service providers, primary care providers and school counselors to be able to identify problematic family dynamics and refer them to a case manager based on their current situation and complexity of need.

- Create more wrap-around service based housing programs for single parents with children.
- Expand outpatient and community-based services that are flexible such as peer support, community health workers, in-home and school-based clinical services and substance use disorder treatment services to address the behavioral health needs of children, youth and their families.
- Expand targeted, proactive in-home supports for families with children and youth at risk of foster care placement and justice involvement.
- Develop a streamlined process for homeless liaisons located in school districts across the state to be able to refer a case manager to assist families in accessing housing in both urban and rural communities.

Children that are not housing stable, are within the foster care system, do not graduate from high school, or have mental health or substance issues have a much higher probability of needing public assistance as an adult. Early detection and prevention are the best methods to help youth navigate difficult living situations.

- Explore barriers to create emergency shelters, low barrier housing, host homes and other short- and long-term housing options for youth and young adults who are unsheltered, fleeing an unsafe situation, or experiencing a housing crisis.
- Coordinate entry processes and support services that are trauma, age and developmentally appropriate.
- Review state and federal policies and processes impacting unaccompanied youth as well as youth aging out of the foster care system to determine any barriers that can be eliminated.

Lessening the Cost

Some individuals have complex medical and emotional needs, which prohibits their ability to live on their own without a social network assisting them. These individuals are classified as the chronically homeless and create the biggest financial burden on local medical, law enforcement and service providers.

- Finance more Housing First facilities creating more homes to stabilize the chronically homeless and provide funding for support and operations expenses.
- Explore the cost and benefit of funding "harm reduction" shelters, where residents can consume substances or come into a shelter under the influence of drugs and alcohol.
- Create consistent funding for state housing and service programs such as Housing Incentive Fund and the North Dakota Homeless Grant.

Government Efficiencies

The key to enhancing government efficiencies is to establish a systematic approach of clearly defined and repeatable steps where outcomes can be evaluated to generate consistent, optimum results. State agencies and local service providers are well connected and reach out to one another for assistance for the individuals and families they are helping, but most agencies expressed the need for more collaborative efforts to leverage resources and to be more responsive.

- The NDICH should be expanded to represent more stakeholders within government agencies, service providers and individuals and families that have experienced homelessness.
- Identify barriers preventing state agencies from accessing and leveraging HUD's Homeless Management Information System (HMIS).
- Map the entry points for vulnerable populations and how they transition throughout state agencies and local service providers.
- Identify local, state and federal policies and regulations that hinder vulnerable populations and prioritize actions for change.

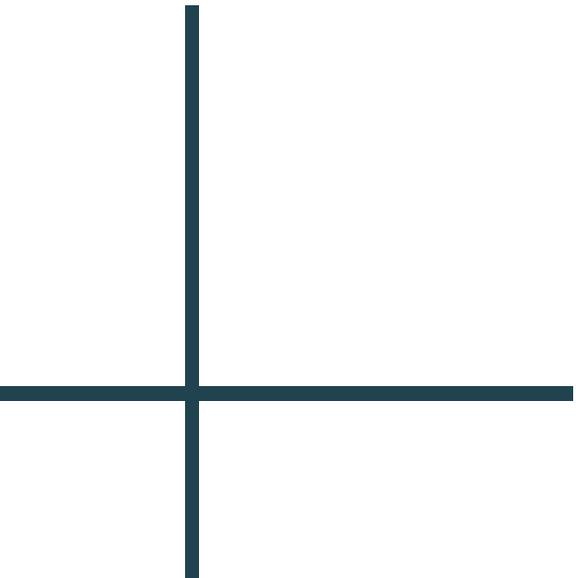
Covering the cost of public assistance is challenging for federal and state government and at the local community level. However, there are ways for the state to access additional federal funding through Medicaid to provide direct support to individuals and families.

- Pursue 1915(i) Medicaid state plan amendments to expand community-based services for vulnerable populations.
- Review long-term care facilities placement policies and explore options for community-based alternatives for persons with disabilities and behavioral health issues.

Client-Focused Delivery System

In order to expedite information gathering and to ensure current and accurate information is available, the state needs a consistent, end-to-end experience across all channels and departments where information can be obtained for any service, on any device and at any time. State agencies and local service providers expressed challenges they have noticed in their specific area and feedback from clients. Below are some of the ideas that were recommended:

- Housing Inventory - create an affordable housing inventory for each community/region
- Housing Forms - create a single form used by all regional housing authorities
- Database - create profiles for each client within a centralized database, so individuals or families applying for state or local benefits do not have to re-enter information
- Privacy Laws - review state privacy laws to ensure clients are protected, but at the same time do not hinder state agencies from accessing the information they need to be able to help a client that is transitioning services from one state agency to another.
- Consent Form - create a consent form signed by the client to release information to all state agencies and case managers
- User Profile - create an app or web portal where clients can enter their information that is stored and they can return at any time to complete.
- Online Chat - through an app or web portal, create an online chat function for clients to ask questions and be directed to the correct state agency or local service
- Services Portal - structure website into user categories and group information based on the client scenario, such as homeless or risk of becoming; searching for housing, employment or daycare, needing social services, youth, tribal, etc.



North Dakota's Plan to End Homelessness

North Dakota's Plan to End Homelessness

In 2004, President George W. Bush established a U.S. Interagency Council on Homelessness (USICH) to develop and implement a comprehensive, national approach to end chronic homelessness in America. That same year, President Bush and USICH issued an unprecedented collaborative effort between the U.S. Department of Housing and Urban Development (HUD), U.S. Department of Human and Health Services (HHS) and the U.S. Department of Veteran Affairs (VA) to make both permanent housing and supportive services funding available in a coordinated effort.¹ This was the initial investment towards developing a comprehensive national strategy to end chronic homelessness in 10 years.

At the state level, Gov. John Hoeven created the Governor's Interagency Council on Homelessness (NDICH) which consists of seven state agencies and one statewide homeless coalition, and the communities of Bismarck, Fargo and Grand Forks.² The intent of NDICH was to coordinate government policies, identify best practices, analyze individual and family needs, educate stakeholders, and solicit input from the faith and advocacy communities, businesses and the general public to prevent and end homelessness in North Dakota.³ In 2008, NDICH finalized *North Dakota's 10-Year Plan to End Long Term Homelessness*.⁴ A consortium of hundreds of individuals from state agencies, tribal nations, community and state stakeholders, and planning organizations participated in community forums, research studies and planning sessions.

Emphasis was placed on creating permanent housing and supportive services for the men, women, and children who would experience long-term homelessness during the next 10 years. North Dakota's goal was to assist local communities in providing housing, rent subsidies and supportive services, with a benchmark of creating 50 new permanent supportive housing (PSH) units each year to eliminate homelessness across the state. In order to reach this goal, five strategies were developed:

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
- Prevent individuals from transitioning into homelessness or uncertainty

¹ U.S. Interagency Council on Homelessness Historical Overview. Retrieved from www.usich.gov/resources/uploads/asset_library/USICH_History_2016.pdf

² North Dakota Interagency Council on Homelessness. Retrieved from <https://www.governor.nd.gov/boards/BoardDetails.aspx?boardid=124>

³ Exec. Order No. 2004-09 (2004). Establishing the Governor's Interagency Council on Homelessness.

⁴ North Dakota's 10-Year Plan to End Long Term Homelessness. 2008. Retrieved from www.ndhfa.org/Publications/Reports/Partner%20Publications/ndich_finalplan.pdf

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 populations and services provided
- Market and measure progress

NDICH agencies assigned to specific goals within each strategy:

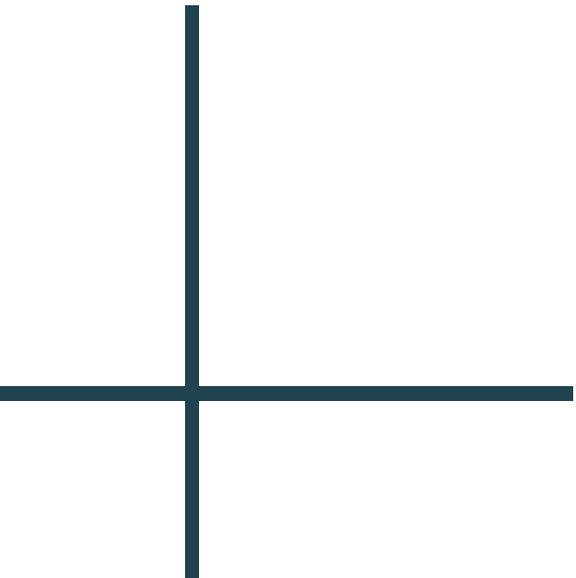
Job Service of North Dakota	JSND
North Dakota Department of Corrections & Rehabilitation	NDDOCR
North Dakota Department of Commerce	NDDOC
North Dakota Department of Human Services	NDDHS
North Dakota Housing Finance Agency	NDHFA
North Dakota Indian Affairs Commission	NDIAC
North Dakota Department of Public Instruction	NDDPI
North Dakota Coalition for Homeless People (private organization)	NDCHP

Progress reports were created in 2010 and 2013 and can be viewed on the NDHFA website.⁵ The 2018 report captures the accomplishments over the past decade, lessons learned about the complexities of homelessness, challenges faced by the most vulnerable populations, and recommendations moving forward.

⁵ NDICH homelessness reports 2008, 2010 and 2013. Retrieved from www.ndhfa.org/Publications/Resources.html



Accomplishments 2008-2018



Accomplishments 2008-2018

Seven state agencies were assigned to specific goals and strategies in the 10-year plan, but the majority of the accomplishments were achieved through partnerships between the agencies and local service providers consisting of faith-based and non-profit organizations working directly with the homeless and vulnerable individuals and families. The following are highlights of accomplishments achieved through this collaborative initiative.

Strategy 1: Develop Permanent Supportive Housing

Units

In 2008, the original goal was the creation of 50 new permanent supportive housing (PSH) units per year to reach the goal of 461 new PSH units by 2018. Across the state, NDICH members, service providers, and the private sector were involved in the construction or rehabilitation of 1,855 rental units for extremely low-, low-, and moderate-income individuals and families. Twenty-four percent of the units were PSH and 10 percent were allocated specifically for homeless individuals. Table 1 breaks down the type of units constructed or rehabilitated since 2008 by region. Figure 26 on pg. 35 is a map of the eight regions.

Housing Units Constructed or Rehabilitated With State Agency Involvement

	Permanent Supportive Housing Units	Homeless Units	Elderly Units	ADA Units
Region I	37	0	143	15
Region II	52	17	67	34
Region III	12	6	25	9
Region IV	50	42	7	17
Region V	133	60	344	106
Region VI	15	0	130	15
Region VII	96	46	69	36
Region VIII	53	13	211	45
State Total	448	184	996	277

Table 1. Housing units constructed or rehabilitated with state agency involvement, 2008-2017.

Source: NDHFA

PSH encompasses the 'Housing First' model of rapid placement of homeless individuals into independent and stable housing, and serves as a platform from which they can pursue goals and improve their quality of life. This approach is guided by the belief that people need basic necessities like food and a place to live before attending anything less critical, such as getting a job, budgeting properly, or addressing to mental and behavioral health issues.⁶

Two Housing First, PSH projects were completed and are leased-up. In 2010, the Cooper House in Fargo was the first Housing First complex in the state and was made available exclusively to individuals who were documented as chronically homeless. The 42-unit PSH project was recognized by the National Association of Housing and Redevelopment Officers with a best practices award. The Cooper House become the template

⁶ National Alliance to End Homelessness: Housing First. Retrieved from <https://endhomelessness.org/resource/housing-first/>

for LaGrave on First located in Grand Forks, which also provides 42-units, and opened its doors in 2018. At the time of this report, construction started on the Edwinton Place, a 40-unit complex in Bismarck.

Another proven model deployed is PSH housing for single parents and their children with the intent of transforming families from poverty to prosperity two generations at a time. The Jeremiah Program in Fargo prepares determined single mothers to excel in the workforce, readies their children to succeed in school and reduces generational dependence on public assistance. The Jeremiah Program apartments opened its doors in 2018 to serve 20 low-income families. In West Fargo, ground was broken for Grace Gardens which will provide shelter for 30 women and children seeking refuge from domestic violence. Grace Gardens will assist women to become stable and independent, while providing a safe and nurturing space for the children to attend daycare and after school programs.

Funding PSH

It is virtually impossible for developers to build units that are affordable to low- or extremely low-income individuals with only conventional financing. Lenders loan money for housing development based on the anticipated property income, and when rents are set to affordable levels, there is a huge gap between the money needed to build and the money lenders and investors provide. Most affordable housing financing deals involve a mortgage, tax credits and two or three other sources of money, however, it is not uncommon for developers to rely on upward of 10 financing sources as they try to fill the gap. Low- and extremely low-income individuals can receive rental assistance which helps ensure rental income, unfortunately, only about one in four people who qualify for housing assistance actually receives it.⁷

Funding PSH involves creative financing strategies and invested partners providing federal, state, local and private sector resources. Federal funding administered by NDHFA and NDDOC includes National Housing Trust Fund, Low Income Housing Tax Credits, Neighborhood Stabilization Program, HOME Investment Partnerships Program, Community Development Block Grant, and Emergency Solutions Grants. State funding sources include the North Dakota Homeless Grant and the Housing Incentive Fund (HIF).

HIF is a North Dakota based tax incentive providing critical gap financing for the construction, rehabilitation and preservation of multi-family housing targeted to essential service workers and low- to moderate-income households. HIF has been an instrumental tool in financing housing for individuals with disabilities, who are elderly, and those experiencing homelessness.

In 2011, the North Dakota State Legislature created HIF as a financing tool for taxpayers to receive a state income tax credit and help thousands of people who might otherwise have been priced out of the state's housing market during the peak of energy development. Individuals or corporate contributors received a dollar-for-dollar credit against their state income liability for the year they contributed. Contributions could be targeted to a specific project, community or region when applicable.

Over the course of six years, NDHFA allocated more than \$89.6 million in HIF funding to 77 projects to construct or rehab 2,380 units in 26 urban and rural communities across the state.

⁷ How affordable housing gets built (2016). www.urban.org/urban-wire/how-affordable-housing-gets-built



Figure 1. NDHFA Housing Incentive Fund projects awarded each year comparing HIF award amount and total project costs.

Source: NDHFA

Strategy 2: Improve Ability to Pay Rent

Eliminate Barriers

In addition to PSH, landlords must be willing to rent to individuals and families that have a history of justice involvement and financial instability. NDDHS administers the Money Follows the Person (MFP) program, which includes a housing initiative and regional supportive housing meetings to bring housing and service providers together to create successful transitions for vulnerable populations. MFP housing staff created regionally based landlord and service provider training focusing on fair housing, discrimination and service animals. The training also included presentations on current housing developments and programs that are successfully addressing challenges with tenants, community perception, and short- and long-term effectiveness to implement best practices in each region.

In 2018, NDDHS allocated \$150,000 of MFP rebalancing dollars to Opening Doors: Landlord Risk Mitigation Fund which is a statewide program emulating a similar program successfully initiated by the Fargo-Moorhead Homeless Coalition. Opening Doors will provide insurance to landlords who lease to vulnerable populations and includes coverage for excessive damages or lost revenue. NDHFA implemented and is administering the program.

Vulnerable populations who are able to work cannot pay rent without securing reliable and sustainable employment. The NDDOCR authorized the Work Release While Incarcerated program at the Missouri River Correctional Center in Bismarck, ND. The program generated over \$250,000 in compensation for inmates to secure funding for future housing and supplied the area with much needed labor in construction and food services.

JSND is leading numerous state- and region-based employment initiatives prioritizing individuals who are low-income, receive public assistance, are basic-skill deficient, incarcerated, or a veteran. On-the-job training, classroom training, trade adjustment assistance and building work experience are critical to assisting

individuals to become more self-sufficient and increase their earning potential. Some of the programs incorporate case managers to create a holistic approach for people to become successful. JSND staff also provide outreach to homeless shelters and correctional facilities on a monthly to quarterly basis if agencies are not able to bring their clients to JSND facilities.

In addition to helping individuals, JSND administers the Federal Bonding Program and the Work Opportunity Tax Credit. Both programs are an employer incentive guaranteeing the job honesty of a harder to employ individual by offering a safety net for employer reimbursement of up to \$5,000 to hire ex-offenders, recovering substance abusers, and persons with poor credit or lack of work history.

Seeking and maintaining employment can be challenging, especially without reliable transportation. Many local service providers have funds to assist individuals with public transportation costs, however, public transportation is more accessible in urban areas than in rural areas. The NDDOT administers state and federal funding for transit services in rural, small urban and urban areas for individuals who are low-income, elderly or have disabilities to access employment, medical and educational facilities, and any other locations as needed. Figure 3 outlines the NDDOT’s public transit provider service areas.

Public Transit Provider Service Areas



Figure 2. NDDOT Public Transit Provider Service Areas
Source: NDDOT

Rent Subsidies

Regional housing authorities and local service providers have access to funding or housing vouchers issued federally or through state agencies such as NDDOC and NDDHS. The vouchers are intended to assist very low-income, elderly and/or disabled individuals to be able to afford decent, safe and sanitary housing.

NDDOC's Emergency Solutions Grant for emergency shelter and homelessness prevention allows funding to be used for short- and medium-term rental assistance and services to stabilize and rapidly re-house individuals and families. The federal funds are consistently around \$450,000 for this program and are distributed annually to more than 20 agencies across the state.

In 2013, the North Dakota legislature appropriated \$2 million for the North Dakota Homeless Grant to be administered by NDDOC. The grant was designed after the federal Emergency Solutions Grant, but allowed for more flexibility to address the needs of homeless individuals and provide more rental assistance targeted to PSH. The grant also funds shelter operations, stabilization services, and rapid re-housing. The following biennium, the grant was appropriated \$1.5 million and reduced to \$300,000 during the 2017-2019 biennium.

HOME Investment in Partnerships program is another federal program administered by NDDOC that has provided subsidies to 666 households, totaling \$1.1 million. Tenants can receive security deposit assistance, which contributed \$1.2 million to 4,828 households over the past decade.

The U.S. Department of Health and Human Services awarded NDDHS for the Project for Assistance in Transition from Homelessness (PATH) grant. The program provides case management; one-time rental assistance to prevent eviction; security deposit assistance; and representative payee services. Recipients are those who are suffering from mental illness or co-occurring serious mental illness and substance abuse disorders and who are homeless or at imminent risk of becoming homeless. As a preventative measure, the program assists with one to three month's rent. Each of the state's eight regional Human Services Centers share the \$300,000 PATH grant funds each year.

Strategy 3: Expand Supportive Services to Wrap Around Housing

Providing supportive wrap-around services is just as important as creating short- and long-term housing options for those in need. Services must address each person's and families' unique needs based on their current and historic housing and personal situations. Free Through Recovery, created in 2017, is a two-year, state-funded \$7.5 million initiative administered by NDDOCR. The program pays for addiction counseling and behavioral health services delivered through social service, mental health, religious and cultural organizations throughout the state. The initial focus is on individuals on probation with a higher risk of recidivism. The program will require extensive local partnerships to meet urban and rural community needs creating on-going and consistent wrap-around services.

NDDOCR also has re-entry teams in Bismarck, Fargo, Grand Forks and Devils Lake consisting of community stakeholders that provide wrap around case management and supervision of offenders who are re-entering society. NDDHS, JSND, housing authorities, judges, tribal entities, local law enforcement and others are also involved. Among the outcomes tracked are housing status and this effort has improved housing stability for offenders and has been particularly successful in the Devils Lake area.

Finding employment is critical to becoming self-sustainable. JSND and NDDOCR host *Second Chance Job Fairs* in Bismarck, Grand Forks and Fargo for employers considered "felon friendly" to be able to interview individuals. In addition to job fairs, JSND actively provides workforce updates like job openings, recruitment efforts, and hiring events in communities across the state.

The Fargo area has successfully implemented a medical respite program to provide acute and post-acute medical care for homeless persons who are too ill or frail to recover from a physical illness or injury on the streets but are not ill enough to be in a hospital. Medical Respite is short-term residential care that allows the homeless individuals the opportunity to rest in a safe environment while accessing medical care and other supportive services. More than 20 community partners are providing funding for medical supplies, equipment, nursing services, case management, housing and living supplies for both men and women. Individuals can receive rapid housing and case management for six months after securing permanent housing if they agree to the program rules, are medically and behaviorally stable, and will comply with scheduled follow-up appointments. The average cost of Medical Respite care is \$25 per day and the cost of acute care is \$4,500 per day. Since 2016, the program has saved the Fargo region almost \$3 million in acute care costs.

Navigating the process for support programs such as social security, SNAP benefits, Medicaid and Medicare can be challenging to understand the forms and program requirements in addition to the logistical barriers of accessing all of the agencies. NDDHS has designated PATH coordinators to assist helping individuals transitioning out of homelessness to apply for programs to promote recovery and wellness.

MFP is administered by NDDHS and is an \$8.9 million grant from the Centers for Medicare and Medicaid Services to help approximately 110 Medicaid clients who are older adults or people with developmental disabilities transition from nursing homes or institutions and reintegrate them into the community. A full year of case management is provided in addition to \$3,000 for one-time transition costs.⁸

MFP staff also created two pocket resource guides for six areas in the state providing contact information for supportive services and affordable housing providers. More than 25,000 guides have been disseminated across the state. Another publication created through the Supportive Housing Collaborative is *The Housing Resource Guide*,⁹ which was created in partnership between state and federal agencies to bridge information and communication gaps for agencies, individuals and families needing to address the unique needs of persons with disabilities, who are elderly, and are experiencing economic hardship.

Strategy 4: Strengthen Prevention & Outreach Programs

State agencies assigned roles in the plan have worked together through programs such as MFP, Free Through Recovery, Opening Doors and PATH to assist those at risk of long-term homelessness to be able to find housing and successfully reintegrate back into the community. Another example of partnerships is Project Homeless Connect, which was an annual event in communities across the state. The Fargo-Moorhead Homeless Coalition transformed the event into a more on-going, holistic approach through a new endeavor, CARES (coordinated assessment referral and evaluation system). The regional system is a partnership between the Western Central Minnesota Continuum of Care (CoC), North Dakota CoC, Fargo-Moorhead Homeless Coalition, and White Earth Nation located in Minnesota. CARES streamlines access to services and makes the system client-centered.

Focusing on school-aged youth, NDDPI oversees approximately 150 district homeless liaisons to identify students experiencing homelessness, ensure their educational rights and provide a referral for the families or unaccompanied minors. Addressing the needs of homeless youth is a collaborative effort with state agencies and local service providers to determine a process for referring families to case managers.

⁸ N.D. Money Follows the Person Grant. Retrieved from www.nd.gov/dhs/info/pubs/mfp/overview.html

⁹ North Dakota Supportive Housing Collaborative: Housing Resource Guide. Retrieved from www.ndhfa.org/RentalAssistance/HousingResourceGuide0817.pdf

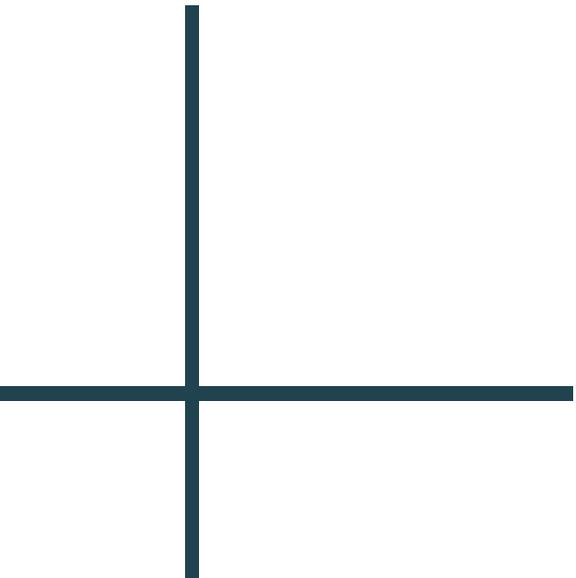
Project Service Connect has become an annual event in communities across the state. Homeless/Hunger Awareness Week activities have also been initiated. In most of the larger cities in North Dakota and the faith community has taken on an expanded outreach and emergency mission during winter months. These church sheltering operations have been crucial in providing a warm place to sleep for homeless individuals when weather conditions are life threatening.

Strategy 5: Collect & Disseminate Data Relating to Long-Term Homelessness

NDCHP organizes statewide collaborative meetings to share information pertaining to best practices, federal, state and tribal regulations, and serves as a connector between state and federal agencies and the local service providers. NDCHP also organizes the annual HUD Point in Time Count (PIT) with assistance from NDDOC to ensure homeless data counts for urban and rural areas.

Each state agency in addition to NDCHP works closely with the local media to promote program successes and to keep the public informed about the current homeless situation across North Dakota. In times of urgent response, such as severe winter weather, it is essential for the service providers to be able to communicate their needs and provide accurate information about homeless populations.

NDHFA sponsored a Statewide Housing Needs Assessment in 2012 and 2016 conducted by North Dakota State University's Center for Social Research to analyze population and housing trends. The 2016 housing assessment dove into the special needs of the state's subpopulations, which had not been analyzed before. Once the assessments were completed, NDHFA held regional forums with NDSU research staff to discuss the data and what the future looked like for each region. Economic developers, community leaders, legislators, service providers and the general public were engaged through the assessment process.



What We Learned

What We Learned

Counting homeless populations is extremely difficult due to multiple definitions of homelessness, the mobility of the population, rural isolation, and the cyclical nature of homelessness for many individuals and families. In addition, homeless people are often reluctant to identify themselves as homeless, and many of them remain invisible even to the most diligent social workers. There is no uniform method for counting the homeless, instead indirect estimation, single-contact census, and capture-recapture studies are used to quantify this population.¹⁰

Local service providers use HUD’s PIT methodology to conduct the annual PIT count for the state. The PIT focuses on counting sheltered and unsheltered homeless people. HUD requires communities receiving federal funds from the McKinney-Vento Homeless Assistance Grants program to conduct an annual count of all sheltered people in the last week of January. Electronic administrative records are used to enumerate people living in emergency shelters and transitional housing. Unsheltered counts are required every other year, although most communities conduct an unsheltered count annually. During the PIT counts, communities are required to identify whether a person is an individual, a member of a family unit, or an unaccompanied youth under the age of 18 or age 18 to 24. In addition, communities must identify if a person is chronically homeless, indicating long-time or repeated homelessness and the presence of a disability.¹¹

In North Dakota, the homeless PIT count numbers have fluctuated as have the subpopulations. Figure 3 is a breakdown of the North Dakota’s homeless subpopulations compared to the state’s overall population growth. The subpopulations depict the complex issues surrounding homelessness that extends beyond not being able to afford housing. Local service providers and state agencies were unprepared for the magnitude of homelessness experienced across the state. When the 2008 plan was drafted, energy development catapulted North Dakota’s economic development opportunities into the national spotlight attracting tens of

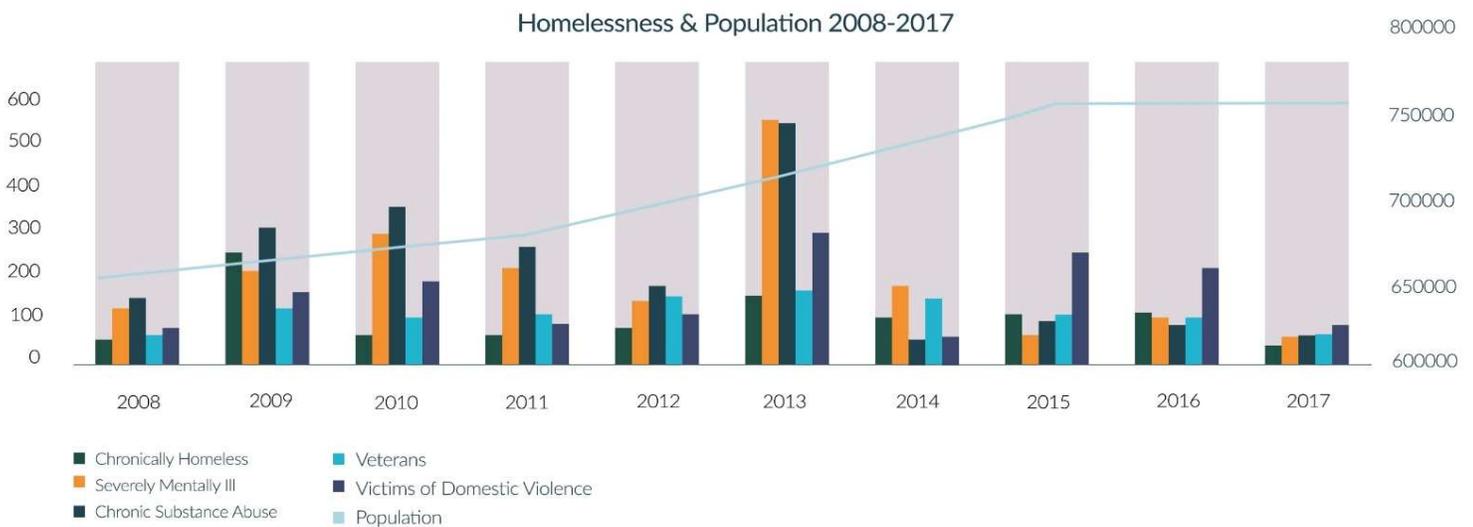


Figure 3. North Dakota's Homeless PIT Count and Population from 2008-2017
 Source: North Dakota Homeless Coalition and U.S. Census Bureau

¹⁰ The Methodology of Counting the Homeless. Retrieved from www.ncbi.nlm.nih.gov/books/NBK218229/

¹¹ What is a Point-In-Time Count? Retrieved from <https://endhomelessness.org/resource/what-is-a-point-in-time-count/>

thousands of people to the state, some without living arrangements. A statewide housing shortage forced people into homelessness even if they could afford to pay rent or purchase housing due to the limited housing stock available. People were doubling up, living in vehicles, and sleeping in churches. Some employers provided traditional housing options in addition to recreational vehicles or man camps. Along with the population influx and housing shortages, service providers were responding to increased domestic violence, human trafficking, substance abuse and incarcerations, which can be the cause as to why individuals experience homelessness.

Discrepancies between definitions of homelessness is evident based on NDDPI’s school-aged youth homeless counts, which includes housing insecure and doubling-up. In 2016, NDDPI reported 2,166 children ages 5-18 either living in shelters, doubled-up, in a hotel/motel, unsheltered or unaccompanied by an adult. NDDPI’s 2015-16 homeless student count is two times more than the state’s PIT count; however, NDDPI tallies the count over the school year and has more consistent access to this vulnerable population resulting in more thorough identification and reporting.

**North Dakota Department of Instruction Data
Homeless Youth Ages 5-18**

School Year	Number of Students Identified as in Transition	Sheltered	Doubled Up	Hotel/Motel	Unsheltered	Unaccompanied
2012-2013	2,122	239	975	189	719	
2013-2014	2,395	236	1,096	256	807	171
2014-2015	2,715	196	1,397	246	876	150
2015-2016	2,230	151	1,440	151	371	193
2016-2017	2,166	228	1,186	107	179	223

Table 2. NDDPI Homeless District Liaisons Student Counts
Source: NDDPI

How Much Does Homelessness Cost

According to the U.S. Interagency Council on Homelessness, chronically homeless persons cost taxpayers as much as \$30,000 to \$50,000 per year. The cost is calculated based on public services utilized such as hospitals, shelters, jail, psychiatric centers, alcohol and drug treatment, and living on the street. PSH is estimated to lower that cost by 40 percent.¹²

The Cooper House, North Dakota’s first Housing First project, opened in 2010 and a benefit-cost-analysis was conducted after 12 months of operation. Preliminary assumptions determined that the 66 tenants who lived in the Cooper House cost the public \$552,895 the previous year. After being rapidly rehoused the public expense dropped to \$348,755 a savings of \$204,140 or 41.5 percent.¹³ The savings were realized in the following cost centers: healthcare and medical, law enforcement and legal, detox, administration, and emergency shelters.

¹² Ending Chronic Homelessness in 2017. Retrieved from www.usich.gov/resources/uploads/asset_library/Ending_Chronic_Homelessness_in_2017.pdf

¹³ Cooper House Impact Report. Retrieved from http://fargohousing.org/files/pdf/Cooper%20House/Impact%20Reports/Cooper_House_Impact_Report_June_2013.pdf

In Fargo, healthcare facilities, housing providers, and case managers collaborated to create a medical respite program in response to the healthcare gap for homeless individuals. Respite care provides recuperative services for those who many not meet criteria for hospitalization, but are too sick or vulnerable to be discharged on the streets. National trends have documented lower mortality rates as well as a reduction in the inpatient length of stay, emergency department visits, outpatient clinic visits and readmissions to the hospital for homeless individuals who are discharged to medical respite compared to those that are discharged to the streets. In 2016, an analysis of the Fargo Medical Respite program demonstrated a savings of \$2,658,150 in acute care costs in less than two years. The Fargo program is a hybrid of a traditional respite program, where patients are recommended to stay for approximately 45 days allowing medical staff to treat the individual and develop a plan to transfer them to housing with support services in place. The MFP Housing Program also gives each participant a small stipend to help them set up their new home as they transition into permanent housing.

Although there is data showing the successful implementation of housing and medical intervention for homeless individuals, much of the national data focuses on large metropolitan areas and does not represent the smaller urban centers and rural communities of North Dakota.

Vulnerable Populations

Progress has been made over the past 10 years to end homelessness, however, certain populations are still at a higher-risk of experiencing both short- and long-term homelessness. Housing, case management and healthcare needs to be customized to each of these groups to ensure the greatest level of stability and long-term success.

Chronically Homeless

Chronically homeless is defined as an individual or family that is homeless and resides in a place not meant for human habitation, in an emergency shelter, and has been homeless and residing in such a place for at least one year or on at least four separate occasions in the last three years. Chronically homeless families include the head of household with a diagnosable substance use disorder, serious mental illness, developmental disability, post-traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability.¹⁴

The median number of chronically homeless individuals in North Dakota over the past decade has been 75.5. The lowest count occurred in 2017 at 45, but averaged 138 annually from 2013-2016. The HUD PIT count is the only active means to document all chronically homeless individuals across the state, and it is conducted in January making it difficult to locate and document the unsheltered homeless.

North Dakota's chronically homeless population has more than likely experienced trauma in their childhood and have on-going mental health issues and substance abuse. For example, in 2017 of the 1,089 homeless and 45 chronically homeless individuals, 69 reported themselves as severely mentally ill, and 70 diagnosed themselves as having chronic substance abuse. The numbers for each category would probably be higher if they were medically diagnosed or if a case manager was able to document their condition instead of relying on self-reporting.

¹⁴ HUD Defining "Chronically Homeless," 2015. Retrieved from www.hudexchange.info/resources/documents/Defining-Chronically-Homeless-Final-Rule.pdf

Housing the chronically homeless is challenging, and there is no one size fits all solution. Across the state, numerous partnerships have formed between federal and state agencies and local service providers to find housing models that best serve each community. Housing First is a rapid housing approach; homeless shelters are a temporary solution; and “harm reduction” shelters have been discussed in numerous circumstances as an alternative to dry shelters that are more prevalent and accepted by the general public. However, these housing models benefit urban areas and not rural communities. Rural-based homeless individuals and families are more “hidden” as they occupy tents, campers, abandoned houses, barns and ice fishing houses. Homeless individuals and families in rural areas have a more difficult time accessing services provided in urban communities.

Justice Involved

Persons with mental illness and substance use problems are overrepresented in jails and prisons as compared to the general population. Across the United States, deinstitutionalization, along with a failure to develop easily accessible and useful outpatient alternatives for treatment, has led to correctional facilities housing the highest concentrations of people with mental health and substance abuse concerns in the country. National data has shown that nearly 70 percent of adults entering jails and more than 50 percent in state prisons have a substance use disorder. Additionally, the number of mentally ill inmates in America's jails and prisons is reported to have quadrupled over the past 20 years. Research suggests that up to 50 percent of jail and prison inmates may have a mental health concern in addition to substance use disorders. Estimates of severe and persistent mental illnesses among incarcerated adults range from 15 to 25 percent, as compared to 5 to 8 percent in the general population.¹⁵

Data for North Dakota prison facilities in 2015 shows that over 70 percent of individuals entering prison have an active substance use disorder diagnosis. Beyond that, 41 percent of male inmates have a mental health diagnosis in addition to substance use disorders, and around six percent meet criteria for a severe and persistent mental illness. About 50 percent of female inmates have a mental health diagnosis in addition to substance use disorders, with 14 percent diagnosed with a severe and persistent mental illness.¹⁶

Individuals with behavioral health issues and criminal justice involvement have increased hardship in finding housing as many landlords are allowed to choose whether or not they lease to those with criminal records. If these individuals were treated for their behavioral health issues and not incarcerated as a form of treatment, they would have one less barrier to obtaining housing.

¹⁵ Improving Access to Care for Justice-Involved Persons with Behavioral Health Needs. 2016. Retrieved from <https://docr.nd.gov/sites/www/files/documents/media/Charter.pdf>. p.4.

¹⁶ Improving Access to Care for Justice-Involved Persons with Behavioral Health Needs. 2016. Retrieved from <https://docr.nd.gov/sites/www/files/documents/media/Charter.pdf>. p.4.

Characteristics of Justice-Involved Persons Utilizing HSC Services, SFY 2013-17

Characteristic	N	%
Gender		
Female	764	33.9%
Male	1,491	66.1%
Age		
Age 0 to 11	28	1.2%
Age 12 to 17	230	10.2%
Age 18 to 24	422	18.6%
Age 25 to 44	1,116	49.2%
Age 45 to 64	428	18.9%
Age 65 or Older	42	1.9%
Race/Ethnicity		
Latino/Hispanic	77	3.7%
American Indian or Alaskan Native	335	16.5%
Black or African American	89	4.4%
White	1,563	76.8%
Other Race	47	2.3%

Table 3. Characteristics of Justice-Involved Persons Utilizing HSC Services, SFY 2013-17

Source: HSC event and demographics data extracted January 2018 from the ROAP system; n=2,271

Significantly more robust, wrap around services available to individuals within the community is critical, as individuals with justice involvement experience multiple barriers to accessing services. A common theme was that, in general, community-based treatment providers are resistant to serving individuals with criminal justice histories. Unfortunately, it is common for individuals to “burn bridges” with community treatment providers, which further limits their options. Another scenario described a “caste system” in both inpatient and community-based services, in which people who are justice involved face greater difficulty accessing services, receive lower-quality treatment, and are generally considered “less deserving” than those with no justice involvement.¹⁷

Another frequently cited challenge was access to housing. Felony convictions bar individuals from accessing HUD-funded and other publicly funded affordable housing options, and many private landlords are unwilling to consider renting to this population, especially if an individual is a registered sex offender. The instability of finding housing puts individuals at a higher probability of participating in activities that led to their incarceration. Justice involved individuals are not protected under the Fair Housing Act; therefore, landlords can reject their housing applications.

Even when individuals are able to find housing, they may have difficulty supporting themselves financially. Many have lingering justice involved issues as well as chemical dependency that needs to be addressed before being work-ready. As they address their behavioral and mental issues, seeking full-time employment may not be an immediate option as they need time and case management to adjust to life back in the community.

Another significant barrier to successful reintegration to the community concerns Medicaid eligibility. North Dakota is one of 19 states in which an individual's Medicaid benefits are terminated—rather than merely suspended—as soon as the person is incarcerated. This means that instead of activating coverage upon the

¹⁷ 2018 North Dakota Behavior Health Study. 2018. p 83.

person's release, the person must reapply, impeding their successful transition back into the community. Since individuals are not eligible until they are officially released, prison staff assist individuals on what they need to do to get re-enrolled, but the individual themselves has to enroll again within 30 days of release.¹⁸

Behavioral Health

In 2016, almost 100,000 North Dakotans aged 18 and older met the criteria for a mental illness diagnosis, and an additional 23,454 people had a serious mental illness. The remaining 83 percent who have not received a diagnosis are nonetheless an important population for consideration, as this population includes young adults who may have behavioral health needs in the future, individuals from hard-to-reach populations who may be struggling with undiagnosed behavioral health challenges, and others for whom low-cost, proactive prevention strategies could prevent mental health conditions from occurring.¹⁹

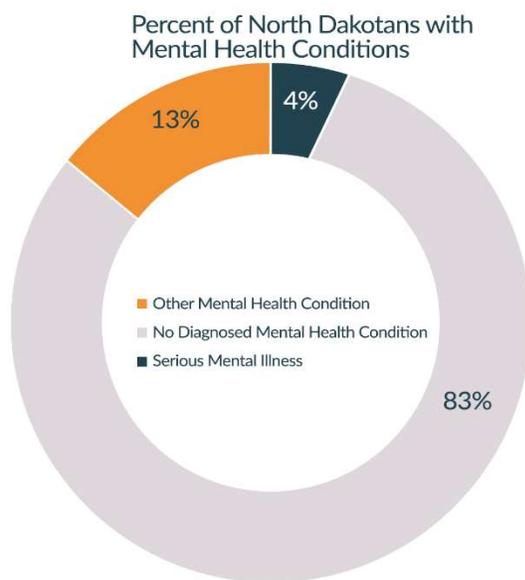


Figure 4. Percent of North Dakotans With and Without a Mental Health Diagnosis

Sources: SAMHSA, Center for Behavioral Health Statistics and Quality, National Survey on Drug Use and Health, 2015 and 2016, and U.S. Census Bureau, Population Division Release Date: June 2017

Among children and youth, the prevalence of mental health conditions is similar to national estimates. An estimated 12 to 25 percent of North Dakotan students have an emotional or behavioral disorder. In 2016, the annual average proportion of adolescents aged 12 to 17 with a major depressive episode in the past year was 11 percent, slightly lower than the corresponding national yearly average percentage of 12.8 percent.²⁰

Table 4 presents numbers and characteristics of individuals who reported living in a homeless shelter or who received a health center service related to homelessness.²¹ Table 4 likely underestimate the number of individuals with behavioral health needs who are homeless as the information only focused on recipients of some outpatient treatment.

¹⁸ 2018 North Dakota Behavior Health Study. 2018. p 86.

¹⁹ 2018 North Dakota Behavior Health Study. p 19.

²⁰ 2018 North Dakota Behavior Health Study. p 20.

²¹ 2018 North Dakota Behavior Health Study. p 26.

Characteristic	N	%
Gender		
Female	695	40.3%
Male	1,030	59.7%
Age		
Age 0 to 11	15	0.9%
Age 12 to 17	10	0.6%
Age 18 to 24	154	8.9%
Age 25 to 44	825	47.8%
Age 45 to 64	672	38.9%
Age 65 or Older	50	2.9%
Race/Ethnicity		
Latino/Hispanic	64	4.0%
American Indian or Alaskan Native	281	18.2%
Black or African American	10	6.6%
White	1,121	72.6%
Other Race	40	2.6%

Table 4. Demographic Characteristics of People Who Are Homeless and Utilizing HSC Services, SFY 2013-2017
Source: HSC event and demographics data extracted January 2018 from the ROAP system; n=1,735

Access to safe, adequate, and affordable housing is a critical element in supporting individuals with behavioral health needs to live independently in their communities. Unmet housing needs are obstacles to recovery and reduce the effectiveness of behavioral health treatment especially in rural areas. Most PSH units are based in Fargo and Bismarck, and other higher-population locations within the state and individuals will more than likely be relocated to these communities to be housed as part of their discharge plan from a mental health or substance use treatment facility. The lack of PSH in rural areas further complicates the accessibility for individuals seeking help outside of urban areas.

Within the Fargo-Moorhead area, three out of four homeless adults have serious health conditions, including mental and physical health problems, substance abuse disorder or evidence of a traumatic brain injury.²² Based on an independent 2015 PIT survey commissioned by the Fargo-Moorhead Coalition for Homeless Persons, more than half of those surveyed were told by a doctor or nurse within the last two years that they had a serious mental illness, another 40 percent stated they had chronic physical health problems, and 30 percent considered themselves chemically dependent. These behavioral, mental and physical health issues impacted the respondents' ability to work, perform daily activities, manage finances and make sound decisions. Undiagnosed and untreated brain injuries may be an underlying cause of these issues.²³

²² Homelessness in Fargo, North Dakota and Moorhead Minnesota. 2016. Retrieved from <http://mnhomeless.org/minnesota-homeless-study/reports-and-fact-sheets/2015/2015-homeless-fargo-moorhead-9-16.pdf>

²³ Homelessness in Fargo, North Dakota and Moorhead Minnesota. 2016. Retrieved from <http://mnhomeless.org/minnesota-homeless-study/reports-and-fact-sheets/2015/2015-homeless-fargo-moorhead-9-16.pdf>

Native Americans

Native American's are the largest racial group other than whites in North Dakota, and in 2017 Native Americans totaled 21 percent of the state's total homeless population.²⁴ The amount of Native Americans experiencing homelessness is likely greater than then numbers reported due to the magnitude of homelessness both on and off of Reservations.

Individuals Below the Poverty Level by Race 1999-2016

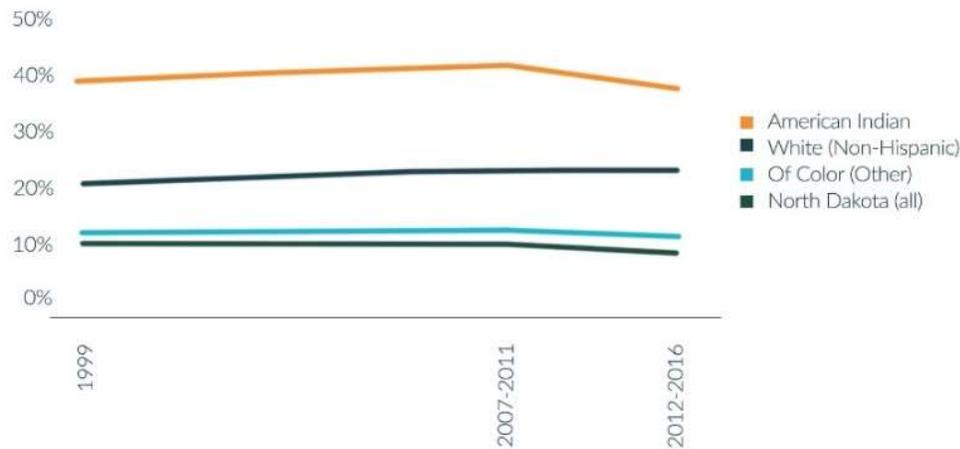


Figure 5. Individuals Below the Poverty Level by Race, North Dakota, 2012-2016
Sources: U.S. Census Bureau, Decennial Census and American Community Survey

The foundation of Native American culture emphasizes taking in family members and other tribal members who need a place to stay results in long-term doubling up of households. Therefore, the number of Native American's that would be considered homeless is more than likely higher than reported in the PIT count. Over-crowding and inadequate housing conditions put stress on quality of life, as the majority of Native Americans will not force members in their household out without another housing option.

Native American's face the highest percentage of poverty across all races in North Dakota, but the severity of poverty varies amongst the state's four Reservations.

²⁴ 2017 Point-In-Time Count ND. Retrieved from <https://static1.squarespace.com/static/5570a318e4b02d3071ca7d2b/t/59934812db29d6ca444d0cde/1502824471561/PIT+Count+2017+%281%29.pdf>

Individuals Below the Poverty Level by Native American Reservation Area, 2012-2016

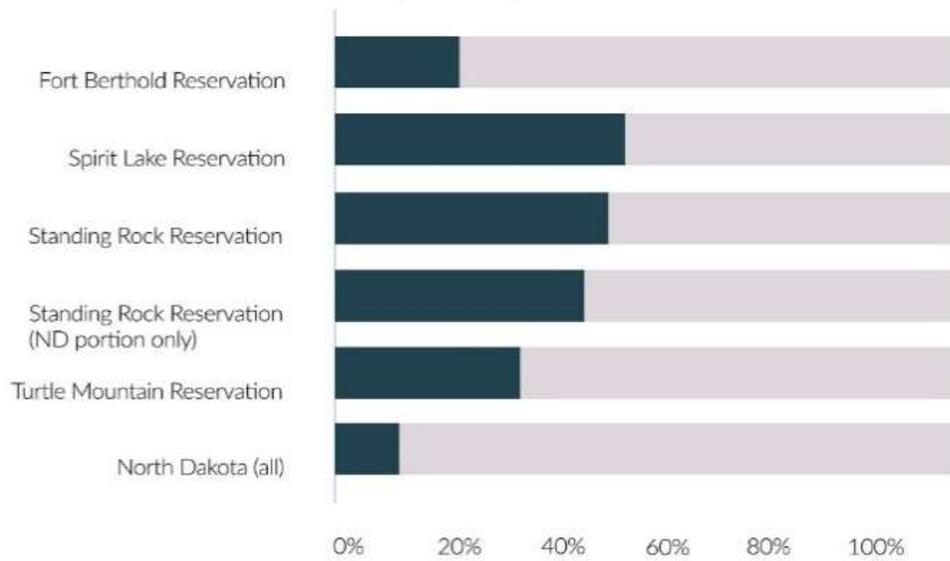


Figure 6. Individuals below the Poverty Level by Native American Reservation Area, North Dakota, 2012-2016
Sources: U.S. Census Bureau, American Community Survey

The poverty rate on the Fort Berthold Reservation is lowest due to the energy development that occurred on the reservation and surrounding area during the last decade. Other reservations do not have the same level of economic development opportunities which is exemplified by the percentage of cost-burdened households.

Share of Native American Households Paying 30% or More of Their Income for Housing, 2012-2016

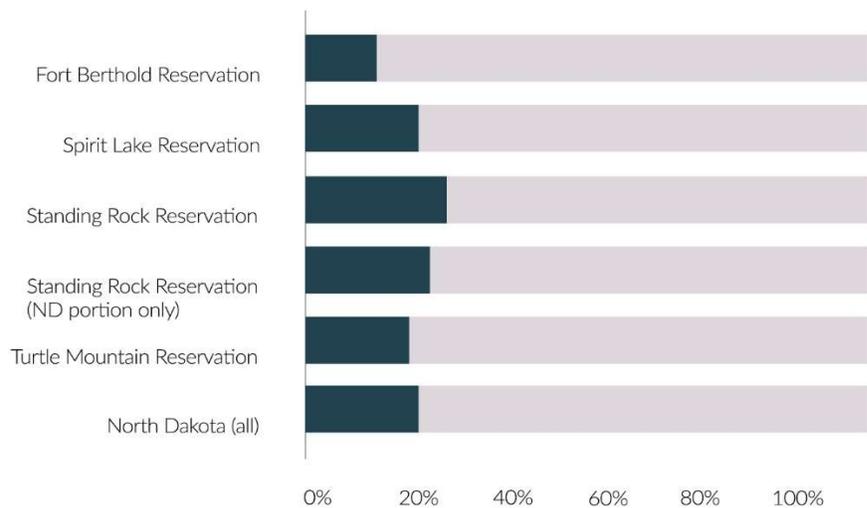


Figure 7. Share of Households Paying 30 percent or More of Their Income for Housing
Sources: U.S. Census Bureau, American Community Survey

Median Household Income by Native American Reservation Area, 2012-2016

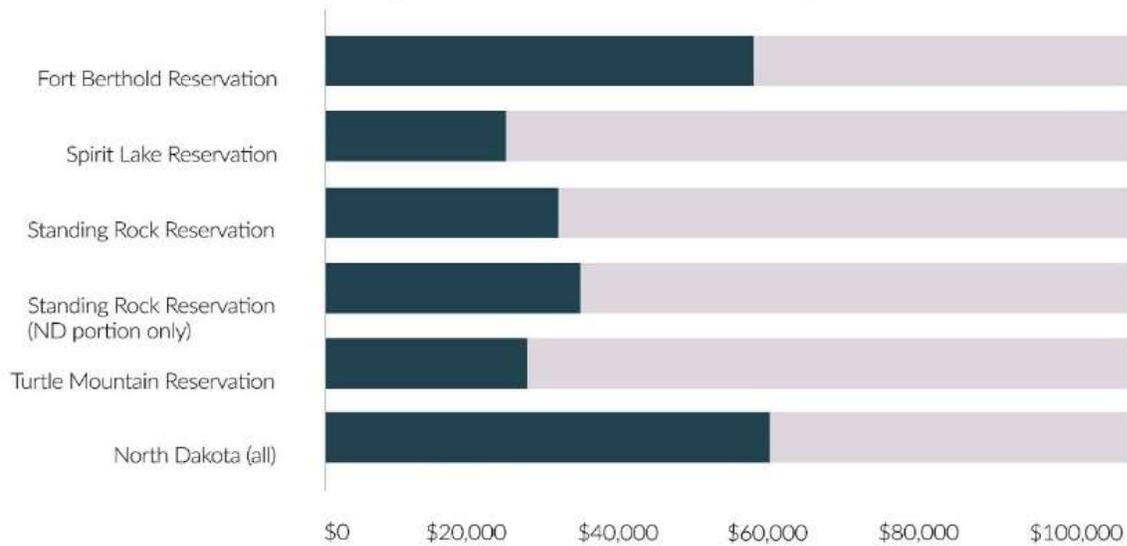


Figure 8. Median Household Income by Native American Reservation Area, North Dakota, 2012-2016
Sources U.S. Census Bureau, American Community Survey

Although there have been increased housing developments on the reservations, affordable housing options for homeownership and rental units is difficult to obtain. Construction of housing developments are usually smaller in total units and infrequent due to funding availability and fluctuating community needs; therefore, it is more challenging to access competitively priced building supplies and contractors willing to complete the project in a timely manner.

More than 40 percent of Native Americans are homeowners; however, mortgage lending on tribal land is an underserved market with unique challenges such as trust land, fractioned land ownership, and limited access to financial institutions. While tribal trust land status is no longer considered a major barrier since the implementation of Section 184 of the Indian Home Loan Guarantee Program, the volume of mortgage lending on tribal trust land is still quite small. Rental property managers on the Reservation deal with the same issues as properties off of the Reservation when renting to vulnerable populations: higher percentage of damaged the units, on-going criminal activity, and the tenants not paying rent on time.²⁵

It is estimated that 78 percent of Native Americans live off of the Reservation, and poverty remains one of the most challenging aspects of urban Indian life. Whether or not Native Americans have financial stability off of the reservation, they have either experienced poverty themselves or know a family member who is living in poverty. Housing and homelessness remain at the top list of challenges they face.²⁶ The outmigration of youth and young families moving to more urbanized areas away from the reservations seeking higher educational and economic opportunities continues to increase. However, many Native Americans transition on and off the Reservation as they struggle to find support networks, fit in culturally, or they are not able to achieve financial stability.

²⁵ Mortgage Lending on Tribal Land. 20017. Retrieved from <https://www.huduser.gov/portal/sites/default/files/pdf/NAHSG-Lending.pdf>

²⁶ Most Native Americans live in cities, not reservations. 2017. Retrieved from www.theguardian.com/us-news/2017/sep/04/native-americans-stories-california

YOUTH

In 2017, there were 178 documented homeless children ages 0 to 18 years old living in an emergency shelter, transitional living facility, or unsheltered according to the HUD PIT count.²⁷ School-age children, ages 5 to 18 years old, experiencing homelessness was reported much higher by NDDPI with 2,166 students documented as either sheltered, doubled-up with other families, living in a hotel/motel, unsheltered, or unaccompanied by an adult during the 2015-2016 school year.

Limitations in data collection and self-reporting may have resulted in a lower total number of homeless children or those at risk of homelessness across the state, as the U.S. Census estimated nearly 50,000 North Dakotan children are living in families with an income below 200 percent of the federal poverty level. Half of all Native American children living in North Dakota were impoverished in 2015, more than five times the rate for white children at nine percent.²⁸

Further complicating the wellbeing of children is the state's rise above the national average for child maltreatment, which encompasses both abuse and neglect. In 2015, 1,760 North Dakota children were victims of maltreatment; specifically for every 1,000 children ages 0 to 17 in the state, 10.4 were abused or neglected. Of these victims, 77 percent were neglected, 32 percent were psychologically abused, 12 percent were physically abused, and four percent were sexually abused.²⁹ Physical, sexual and mental abuse during childhood are the leading causes for long-term homelessness as adults.

Juvenile delinquency has potentially high stakes for both individuals and society as a whole. Delinquency is linked to higher crime rates in adulthood and other adverse outcomes such as homelessness. One estimate suggests that between 50 and 75 percent of adolescents who have spent time in juvenile detention centers are incarcerated later in life. A total of 3,471 North Dakota juveniles ages 10 through 17 were referred to court at least once for delinquent or unruly behavior in 2016.³⁰ Following a national downward trend, the number of North Dakota juveniles referred to court has decreased an average of five percent annually since 2003.³¹

Local service providers have expressed their concern about assisting youth with opioid addiction and the difficulties in getting this population help and housing to keep them off of the streets. Youth with trust issues towards adults is extremely difficult to convince to seek help.

A major contributor to the financial stability and well-being of children is secure parental employment; however, many working families with children struggle to make ends meet. In 2015, the poverty threshold considered insufficient for a family of four with two children to afford basic necessities, was \$24,036. In North Dakota, 21,716 children were living in families whose income was not meeting this threshold. Younger children, ages 0 to 4 in the state had a higher poverty rate than older children ages 5 to 17, 16 percent compared to 13 percent respectively. In eight North Dakota counties, at least one in five children was living in poverty. Children living on Native American reservations tend to have the highest child poverty rates in North

²⁷ Point-in-Time Count ND-500 North Dakota Statewide CoC. Retrieved from www.ndhomelesscoalition.org/new-page-2/

²⁸ U.S. Census Bureau. 2012-2016 American Community Survey 5-Year Estimates, <https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF>

²⁹ Centers for Disease Control and Prevention (CDC).2016. Retrieved from www.cdc.gov/ace/ and www.ndkidscount.org.

³⁰ Child Trends (2015). Juvenile Detention. Retrieved from www.childtrends.org/indicators/juvenile-detention.

³¹ Child Trends (2015). Juvenile Detention. Retrieved from www.childtrends.org/indicators/juvenile-detention.

Dakota. Data from 2015 indicate that about half of all children in Rolette and Benson counties were impoverished, 49 percent and 48 percent respectively.³²

The Temporary Assistance to Needy Families Program (TANF), designed to help families in need to achieve self-sufficiency, assisted 4,649 North Dakota children ages 0 through 19 in 2016, down five percent from 4,887 in 2015.³³ The Supplemental Nutrition Assistance Program (SNAP) provided food to 37,758 North Dakota children ages 0 through 18 in 2016, 21 percent of children statewide. In North Dakota public schools, 37,928 children were eligible for free or reduced-price lunches in 2016, 33 percent of total school enrollment. In five of North Dakota's 53 counties, Sioux, Rolette, Benson, Sheridan and Mountrail, at least half of students were eligible for free or reduced-price lunches in 2016.³⁴

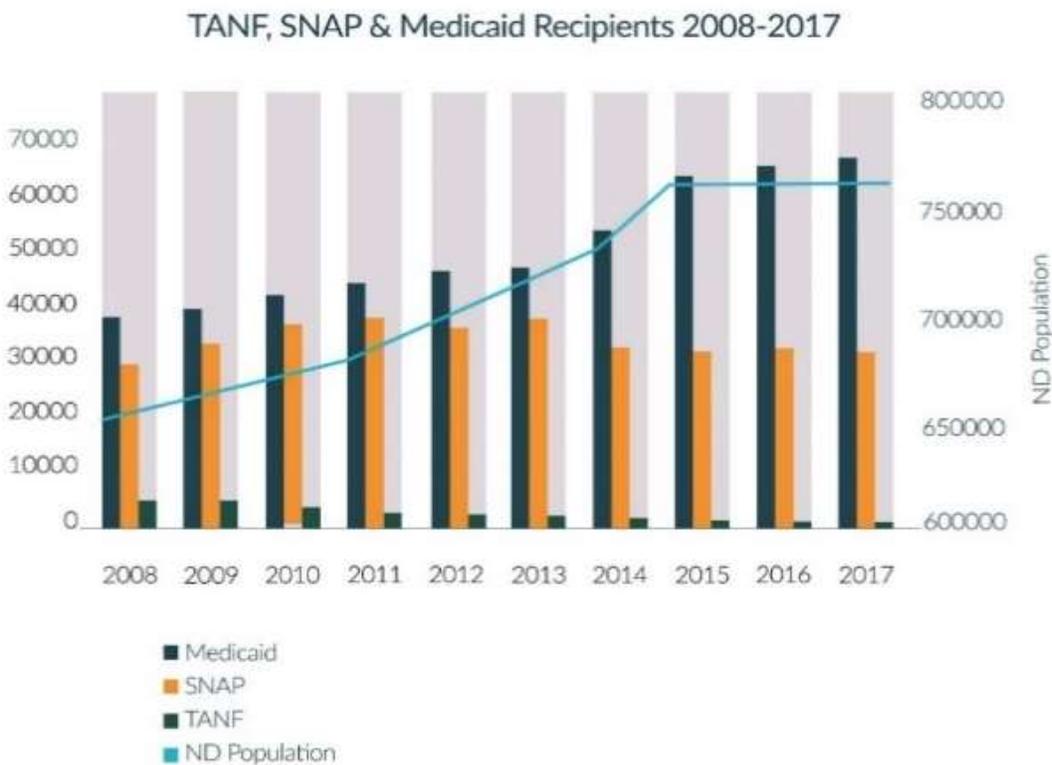


Figure 9. TANF, SNAP and Medicaid Recipients 2008-2017
Source: NDDHS

However, taking care of young children while holding down a job can be challenging. This is especially true for single parents who may have as many child-related demands on their time as married parents, but half as many adults in the household to meet them. To allow parents to work or attain the education necessary to become employed and self-sufficient, 6,610 children benefited from the North Dakota Child Care Assistance program in 2016, 5 percent of all children ages 0 through 13 statewide.³⁵

³² U.S. Census Bureau. 2017 Poverty Thresholds for 2015 by Size of Family and Number of Related Children Under 18 Years. Retrieved from www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html.

³³ 2017 North Dakota Kids Count Fact Book. Retrieved from www.ndkidscount.org/publications/factbook/complectefactbook/NDKCFactBook_2017.pdf. p.12.

³⁴ 2017 North Dakota Kids Count Fact Book. Retrieved from www.ndkidscount.org/publications/factbook/complectefactbook/NDKCFactBook_2017.pdf. p.12.

³⁵ 2017 North Dakota Kids Count Fact Book. Retrieved from www.ndkidscount.org/publications/factbook/complectefactbook/NDKCFactBook_2017.pdf. p.12.

Child Care Assistance Program (CCAP) Recipients 2008-2017

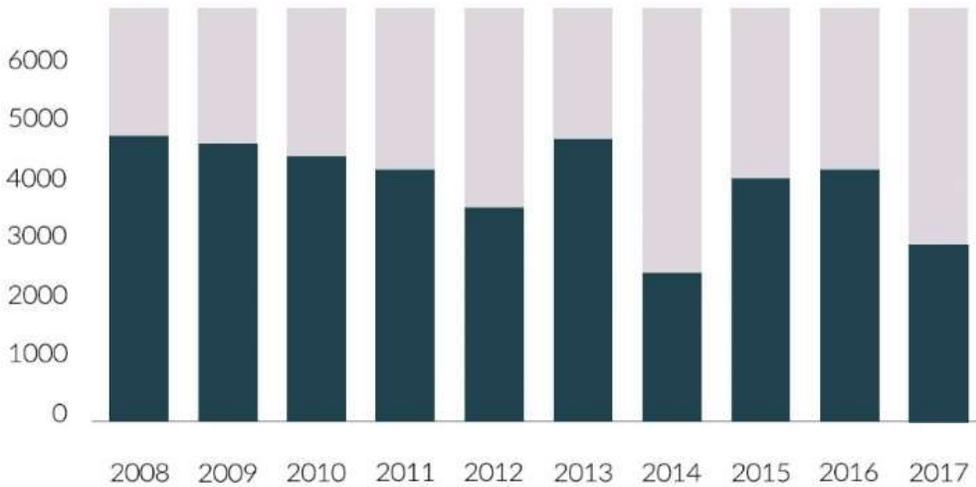


Figure 10. Child Care Assistance Program (CCAP) Recipients 2008-2017

Source: NDDHS

High-quality child care nurtures, stimulates and supports children as they build the confidence and critical thinking capacities they need to thrive in school and life.³⁶ In North Dakota, single parents pay 34.2 percent of their income for infant-center care. Married parents of two children living at the poverty line pay 66.9 percent of their household income for center-based child care. The cost of infant care in North Dakota is more than the annual cost of college tuition at a four-year college. The average price of center-based child care for an infant costs nearly a year of mortgage in North Dakota.³⁷

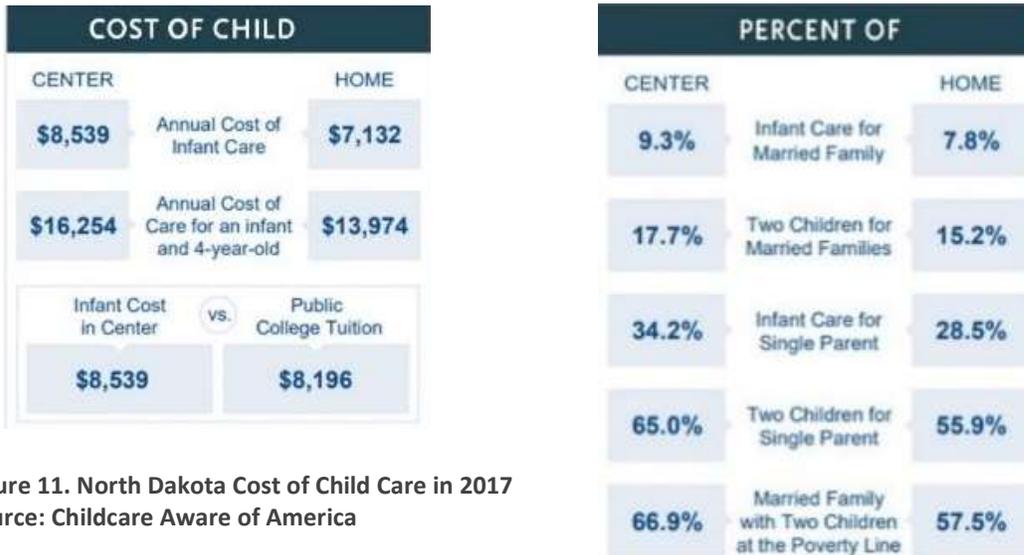


Figure 11. North Dakota Cost of Child Care in 2017

Source: Childcare Aware of America

³⁶ The Annie E. Casey Foundation (2006). Family, Friend, and Neighbor Care. Retrieved from www.aecf.org/

³⁷ ChildCare Aware of America. North Dakota. Retrieved from <https://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/>

Foster Youth

In 2017, 2,048 youth were placed in foster care with the median annual increase over the past decade at six percent.³⁸ Often youth in the foster care system have lived through multiple traumas and disruptive events such as abuse and/or neglect, multiple foster home placements, lack of continuity in education, and an array of lost relationships such as friends, families, and/or siblings by the time they begin their transition into adulthood. Their life experiences can create additional problems resulting in mental illness and substance abuse, and an increased likelihood of incarceration and homelessness.

On average, 130 foster care youth turn 18 years old each year in North Dakota. At this point, youth can either age-out of the system or enroll in the 18+ Continued Care Program, which allows youth to remain in foster care until they turn 21 years old as long as they are enrolled in higher education. Of those turning 18, approximately 37 percent utilize the 18+ program annually.³²

North Dakota Youth in Foster Care

	Calendar Year									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Number of Youth in Foster Care	1482	1615	1701	1678	1812	1990	2109	2264	2329	2408
Number of Youth Turning 18 in Foster Care	92	116	166	131	127	141	131	141	147	108
Number of Youth Using the 18+ Program	NA	NA	NA	NA	42	48	57	53	53	45

Table 5. North Dakota Youth in Foster Care, Turning 18, 18+ Program, North Dakota, 2008-2017

Source: FRAME Demographics Report, North Dakota 18+ Continued Care Cases Data Sheet

In 2015, NDDHS – Children and Family Services Division completed the National Youth in Transition Data Base (NYTD) Cohort Survey, which surveyed current and former foster youth at ages 17, 19 and 21 to measure outcomes for youth following their discharge from foster care. By engaging these individuals at three different ages, the state can better understand the experiences of foster youth following their release from the program. The survey compares North Dakota to the national average in homelessness, substance abuse, incarceration, giving birth to or fathering a child, employment, public assistance, and education. The following five outcomes are outlined in the survey report.³⁹

Outcome 1: Experiences with Homelessness

Leaving foster care unprepared to live on their own, puts youth at risk of becoming homeless soon after discharge. At each age level surveyed, North Dakota foster youth experience homelessness more than the national average. These youth have more than likely been homeless before age 17 and will more than likely remain homeless for an extended period than youth not in foster care.

³⁸ North Dakota Department of Human Services-Children and Family Services Division.

³⁹ National Youth in Transition Data Base. North Dakota Department of Human Services-Children and Family Services Division.

Foster Youth Homelessness - North Dakota vs. National

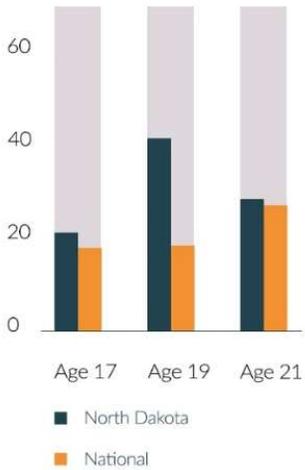


Figure 12. North Dakota Homeless Foster Youth vs. National Average
 Source: FRAME Demographics Report, North Dakota 18+ Continued Care Cases Data Sheet

Outcome 2: High-Risk Behaviors

North Dakota youth percentages are higher than the national average for substance abuse, incarceration and giving birth or fathering a child. These three scenarios hinder successful transition into adulthood among youth in foster care.

At age 17, almost half of the survey respondents had at some point during their lifetimes been referred for substance abuse assessment or counseling, and 20 percent of age 19 respondents and 14 percent of the age 21 survey respondents reported having had a referral to substance abuse assessment or counseling within the past two years. Youth incarceration rates in North Dakota are the third highest per capita in the nation. The data indicate that one out of every three homeless young adults surveyed has been in either foster care or correctional care as a juvenile. Youth emancipating from the Youth Correctional Center pose a particular challenge. Former foster youth continue to find themselves homeless at a significantly higher rate than their peers.

% Referred for Substance Abuse Assessment or Counseling

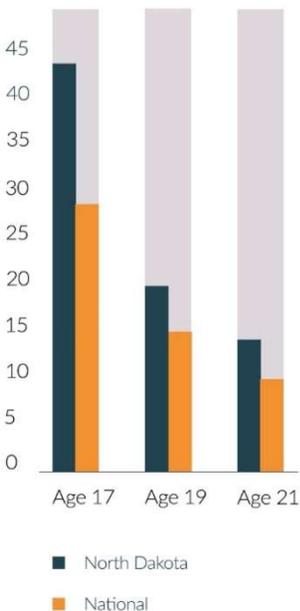


Figure 13. North Dakota Foster Youth vs. National Average for Substance Abuse and Counseling
 Source: FRAME Demographics Report, North Dakota 18+ Continued Care Cases Data Sheet

% Incarceration

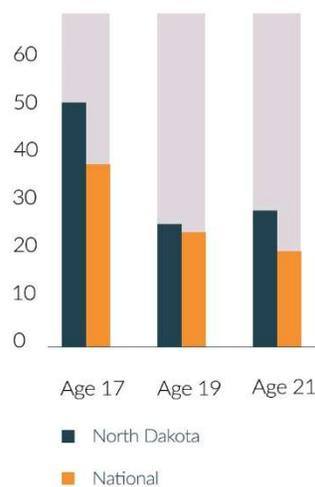


Figure 14. North Dakota Foster Youth Incarceration vs. National Average
 Source: FRAME Demographics Report, North Dakota 18+ Continued Care Cases Data Sheet

Outcome 3: Access to Health Insurance

Access to health care can help ensure that youth receive the prevention and treatment services they need to remain healthy and manage behavioral health issues or substance abuse. Youth in title IV-E foster care are categorically eligible to receive Medicaid. Additionally, some provisions under the Patient Protection and Affordable Care Act increased access to health care for youth formerly in foster care, including the extension of Medicaid coverage to young people up to age 26 in certain circumstances.

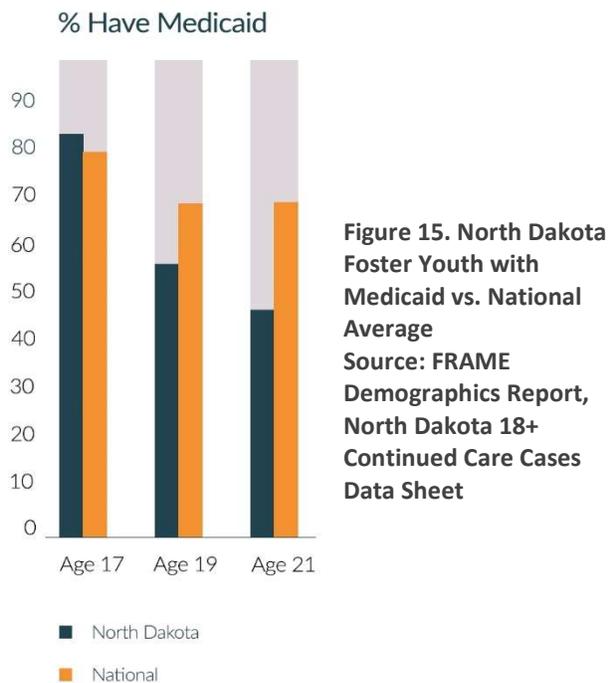


Figure 15. North Dakota Foster Youth with Medicaid vs. National Average
Source: FRAME Demographics Report, North Dakota 18+ Continued Care Cases Data Sheet

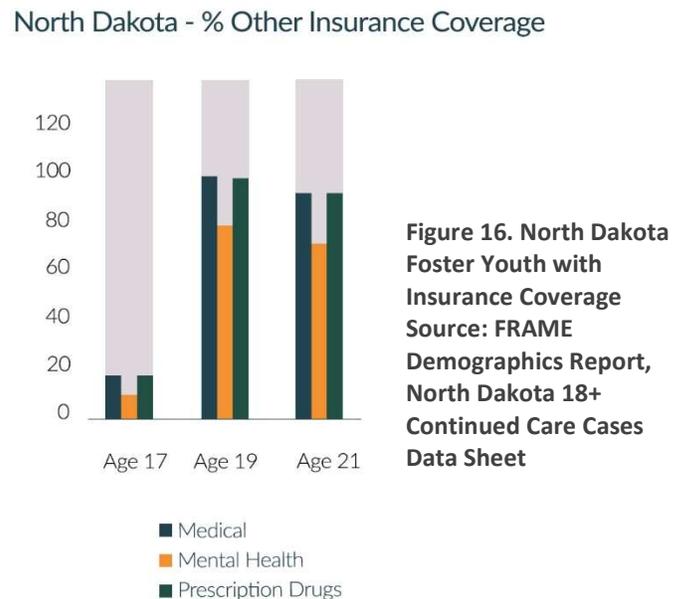


Figure 16. North Dakota Foster Youth with Insurance Coverage
Source: FRAME Demographics Report, North Dakota 18+ Continued Care Cases Data Sheet

Outcome 4: Financial Self-Sufficiency

As youth age and make decisions about whether or not to remain in or return to foster care, financial stability becomes a crucial indicator of their readiness for independence. Over 18 percent of age 17 respondents reported working either full- or part-time; at age 19, 43 percent were working full- or part-time, and at age 21, 61 percent were working full- or part-time. By age 21, 24 percent of North Dakota respondents reported receiving public assistance compared to 38 percent nationally. Fewer respondents reported receiving educational, financial assistance than those responding on the national level.

Outcome 5: Educational Attainment

Achieving a high school diploma or General Equivalency Degree (GED) can be considered a minimal requirement for self-sufficiency and can assist in establishing a solid educational foundation that will prepare youth for future educational pursuits. Respondents were asked to report their current enrollment status in an educational program, and the highest educational certification received. Ninety-seven percent of age 17 survey respondents had not yet received any educational certification, but 91 percent of them indicated they were currently enrolled in and attending some type of educational program. By age 19, 65 percent of survey respondents had received a high school diploma or GED, and by age 21 the percentage had increased to 67 percent.

Frail Elderly

The number of elderly households is projected to increase substantially as a result of the baby boom cohorts aging forward into the next age category. Such households on limited or fixed incomes can be vulnerable to becoming burdened by housing costs. Nearly half of all North Dakota renter-occupied households ages 65 and older were cost-burdened in 2014, and 17 percent of owner-occupied households ages 65 and older were cost-burdened.⁴⁰ Increased healthcare costs put additional pressures on housing-burdened households forcing many elderly individuals to abstain from medical treatments and medications resulting in declined health, eventually forcing them out of their homes and into assisted living and nursing home facilities.

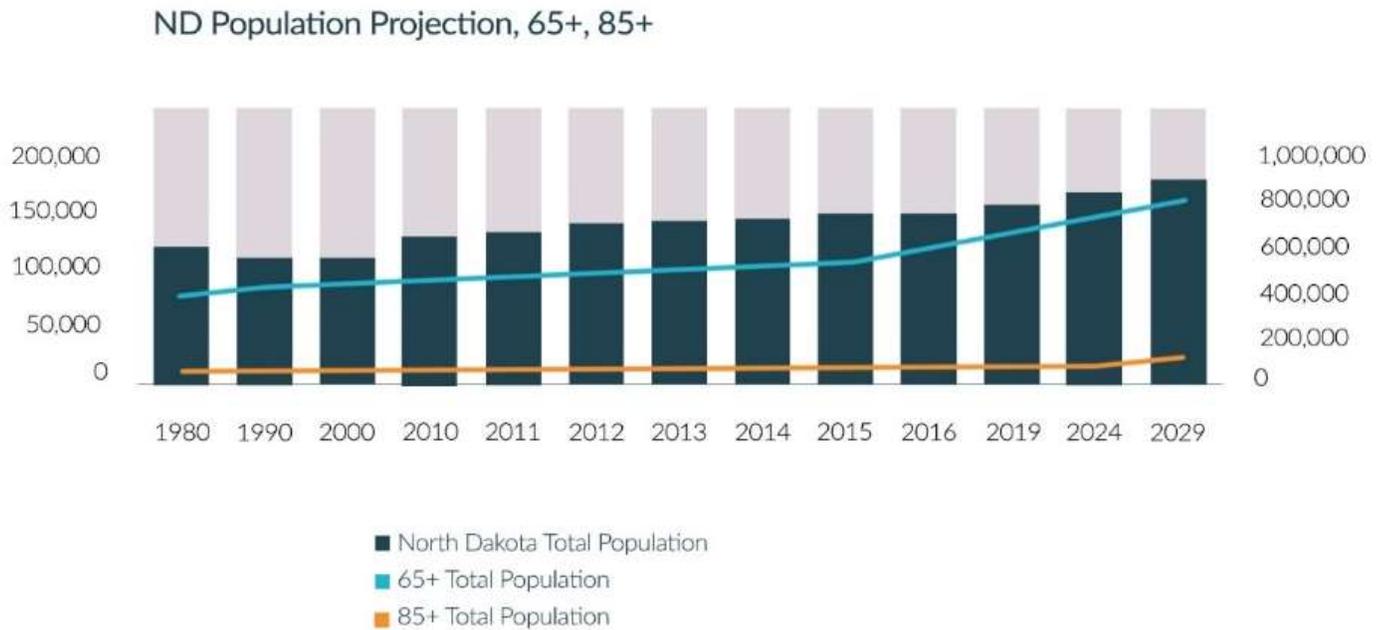


Figure 17. North Dakota Population Projections for the total state, 65+ and 85+, 2029

Source: U.S. Census Bureau, Decennial Census and Population Estimates, Center for Social Research at NDSU

⁴⁰ 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 13.

Median Household Income by Detailed Age Group, 65+ Head of Household, 2016

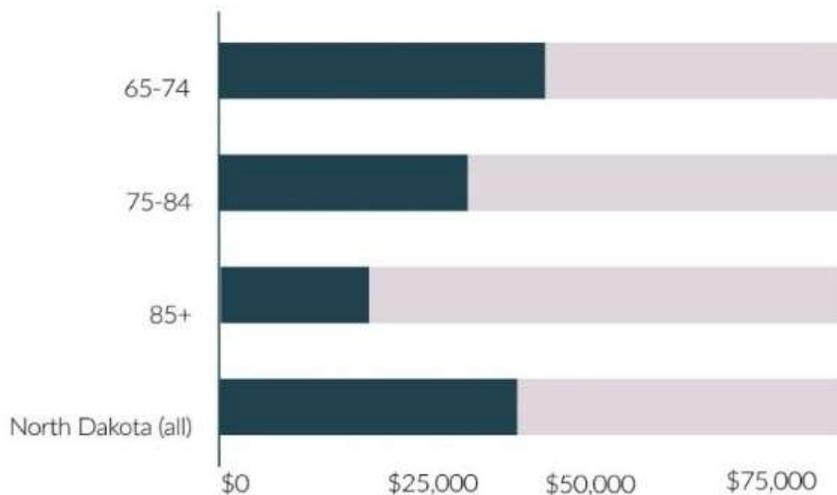


Figure 18. Median Household Income by Detailed Age Group, 65+ Head of Household

Source: Integrated Public Use Microdata Series from the U.S. Census Bureau, American Community Survey

North Dakota ranks seventh in the nation in the highest proportion of individuals age 85 years and older. Based on the aging population and extended life expectancy, it is anticipated that one out of two North Dakotans will need long-term care services such as nursing facilities, basic care, assisted living, swing beds or home- and community-based care in their lifetime. In 2017, there were more than 16,000 individuals in basic care, assisted living or skilled nursing facility. The state has the oldest nursing home residents with 47 percent aged 85-95 years, which is the highest in the nation and is the second highest in the nation with 9.2 percent over the age of 95.⁴¹

Table 6 below is an overview of the level of care North Dakotans receive outside of their home. Elderly households that are able to retrofit their homes to address mobility challenges are the least cost-burden solution for the individual and the state.

⁴¹ North Dakota Long Term Care Facts & Figures. 2017. Retrieved from www.ndltca.org/image/cache/NDLTCA_Facts_and_Figures_2017.pdf

North Dakota Long Term Care 2017

	Moving In From			Moving Out To				Cost Average Per Month	Licensed Facilities	Licensed Units	Occupancy Rate
	Home	Nursing Facility	Other	Nursing Facility	Death	Home	Other				
Assisted Living	85%	7%	8%	51%	17%	9%	23%				
Reason	Assistance with daily care, social isolation, limited community services, need for supervision			Advancing medical need and growing cognition issues necessitate the move to a higher level of care.				\$2,341*	75	2,924	95%
Basic Care	Moving In From			Moving Out To				Cost Average Per Month	Licensed Facilities	Licensed Units	Occupancy Rate
	Home	Nursing Facility	Other	Nursing Facility	Death	Home	Other				
	54%	12%	34%	60%	8%	13%	19%				
Reason	Needs assistance and supervision, confusion			Medical needs, physical limitations and growing cognitive issues are why over half are admitted into a skilled nursing facility				\$3,668**	62	1,818	82%
Nursing Facility	Moving In From			Moving Out To				Cost Average Per Month	Licensed Facilities	Licensed Units	Occupancy Rate
	Home	Nursing Facility	Other	Nursing Facility	Death	Home	Other				
	54%	12%	34%	na	na	49%	na				
Reason	Assistance with daily care, need for supervision, falls, dementia, and complex medical needs							\$7,871	80	6,141	94%

* Cost ranged from \$923 to \$4,380 per month. Cost for services average \$1,017, with a range of \$13 to \$4,000 per month

** Cost ranged from \$2,300 to \$5,100 per month

Table 6. North Dakota Long Term Care 2017
Source: North Dakota Long Term Care Association

Disabled

In North Dakota, 11 percent of the total population, or 72,674 people reported having a disability including ambulatory, visual, cognitive, and hearing to needing assistance with self-care and independent living. The employment rate for persons with a disability is much lower than for those without a disability. The disparity in employment between individuals with a disability and those without is illustrated by the difference in mean annual earnings. In 2014, mean annual earnings for the non-institutionalized population ages 16 and older with a disability in North Dakota was \$22,377 compared to \$31,754 for persons without a disability. Considering the lower rates of employment and lower mean annual earnings among individuals with a disability in North Dakota, the higher prevalence of poverty among those with a disability is not unexpected. Individuals with a disability were more than twice as likely to be living in poverty as individuals without a disability. Twenty-four percent of persons with a disability lived in poverty compared to 10 percent of persons without a disability.⁴²

⁴² 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 16-8.

Poverty Rates by Disability Status, 2014

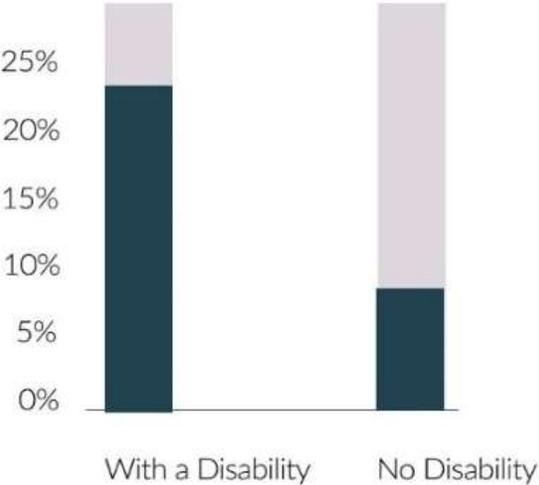


Figure 19: Poverty Rates by Disability Status in North Dakota, 2014
Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Estimates

Persons less than 65 years old with disabilities are projected to increase by 6,108 by 2029, a 15 percent increase. The number of individuals with a disability ages 65 and older is projected to increase by 17,092, a 52 percent increase by 2029. Disability rates were assumed to remain the same until 2029, 6.7 percent for the 0 to 64 age category and 34.4 percent for the 65 and older age group. However, future trends on the proportion of the population with a disability should be monitored. In recent years, the number of people with a disability increased faster than the increase in the number of people without a disability.⁴³

⁴³ 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 16-8.

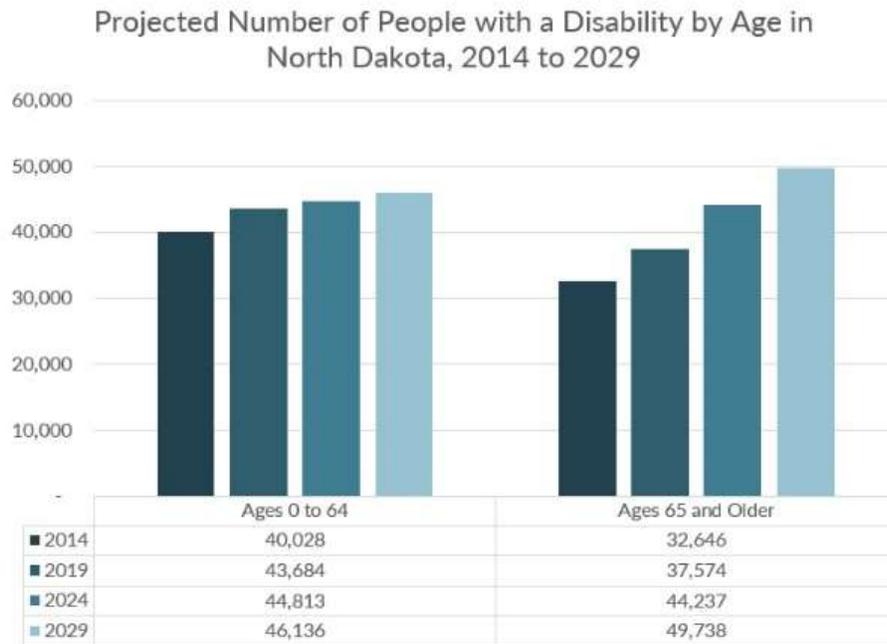


Figure 20: Projected Number of People with a Disability by Age in North Dakota, 2014-2029

Source: U.S. Census Bureau and the Center for Social Research at NDSU

The North Dakota State Hospital provides inpatient and residential care for substance abuse and severe mental illness. Individuals served by the State Hospital often have multiple needs and diagnoses—they may struggle with both mental illness and substance abuse, have developmental or cognitive disabilities, traumatic brain injuries, or other conditions that render them unable to care for themselves. Most patients treated at the State Hospital were discharged to their residence. Nearly all other patients were discharged to some other type of group-living or institution. Of all the discharges from 2010 to 2014, 60 percent were discharged to a personal residence, 14 percent were discharged to intermediate care facilities, 13 percent to correctional facilities, and 12 percent to another inpatient facility. While a majority of state hospital patients were discharged to known locations, a small percentage of discharges were classified as housing insecure. Examples of housing insecure discharge types include homeless shelters, left against medical advice, discharged after a court appearance, and unknown. The number of housing insecure discharges have increased since 2010. In 2010, 12 discharges were categorized as housing insecure. In 2015 the number of housing insecure discharges per year had doubled to 24. Put into another context, in 2015, on average, two discharges per month were housing insecure discharges.⁴⁴

⁴⁴ 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 18-9.

Veterans

In the past decade, the North Dakota Department of Veterans Affairs and the Fargo VA Health Care System’s Homeless Veterans Program has worked with 1,200 veterans experiencing homelessness across the state. North Dakota’s VA has 275 HUD-VA Supportive Housing (VASH) Program vouchers that are available to veterans and their families to live in market-rate rental units with the VA providing case management services. Utilization of the vouchers across the state is 90 percent, and no veterans are on a waiting list.⁴⁵

Since 2006, the mortality rate among homeless veterans in North Dakota has dropped from 20 percent to 1.46 percent in 2016. Predominantly the cause of death is medically and age-related. Less than one percent is reported as suicides. Community Action of North Dakota is in the process of submitting data to HUD-VA to have North Dakota declared at “Functional Zero” for homeless veterans.⁴⁶

Challenges of Affording a Home

Affordable housing is a function of both the supply of low-cost housing and the income levels of residents. Table 7 provides a benchmark of income levels for residents in the state and is designed to align closely with various federal housing programs. The benchmark of \$69,600 in 2014 is based on median family income (MFI) of North Dakota residents as reported by HUD. Six categories of income are provided for program purposes and are based on a percentage below or above the state’s MFI. Monthly affordable housing costs were estimated at 30 percent of the corresponding income category while affordable purchase price was based on a more complex formula that is typical of those used by lenders. The main assumptions include a 30-year loan fixed at 4 percent interest, 5 percent down payment, property taxes at 1.25 percent of the loan, property insurance at 0.6 percent of the loan, and total debt at no more than 20 percent of income.⁴⁷

Income Categories Based on Income as a Percentage of the Median Family Income (MFI) FY 2014 (FY 2014 MFI = \$69,600 in North Dakota)

Characteristic	Extremely Low: 0 to 30% MFI		Very Low: 31% to 50% MFI		Low: 51% to 80% MFI		Lower Moderate: 116% to 140% MFI		Upper: Above 140% MFI	Tax Credit: 0% to 60% MFI	
	From:	To:	From:	To:	From:	To:	From:	To:		From:	To:
Annual Income Ranges (\$)	\$0	\$20,880	\$20,881	\$34,800	\$34,801	\$55,680	\$55,681	\$80,040	\$97,441 and above	\$0	\$41,760
Monthly Affordable Housing Costs (\$)	\$0	\$522	\$523	\$870	\$871	\$1,392	\$1,393	\$2,001	\$2,437 and above	\$0	\$1,044
Affordable Purchase Price (\$)	\$40,351		\$67,504		\$108,612		\$189,313		\$227,168	\$80,734	
Percent of Owner-Occupied Housing Units that Are Affordable	15.4%		22.1%		43.0%		63.3%		81.7%	29.9%	
Percent of Renter-Occupied Housing Units that Are Affordable	27.9%		69.8%		87.3%		90.2%		91.1%	75.7%	

Sources: Calculations based on data from the U.S. Census Bureau and the U.S. Department of Housing and Urban Development

Table 7. North Dakota Annual Income Level Category Characteristics, 2014

Source: Center for Social Research at NDSU, U.S. Census Bureau, HUD

⁴⁵ North Dakota Veterans Administration, Diana Hall, 2018.

⁴⁶ Fargo VA Medical Center, Diana Hall, Programs Manager for Housing and Appointment Programs. Email 2018.

⁴⁷ 2016 North Dakota Statewide Housing Needs Assessment: Component 1-Population & Housing Forecast. p 21.

Based on these assumptions, the purchase price of a home for a family below 30 percent of the MFI would be \$40,351. At present, only 15 percent of the owner-occupied housing units in the state are affordable for people in this income circumstance. Similarly, only 28 percent of the rental units in the state are affordable to those below 30 percent of the state's MFI. In contrast, those in the moderate income bracket have a much greater inventory of appropriately priced housing; 70 percent of the current owner-occupied housing stock and 91 percent of rental units would be affordable for moderate-income households.⁴⁸

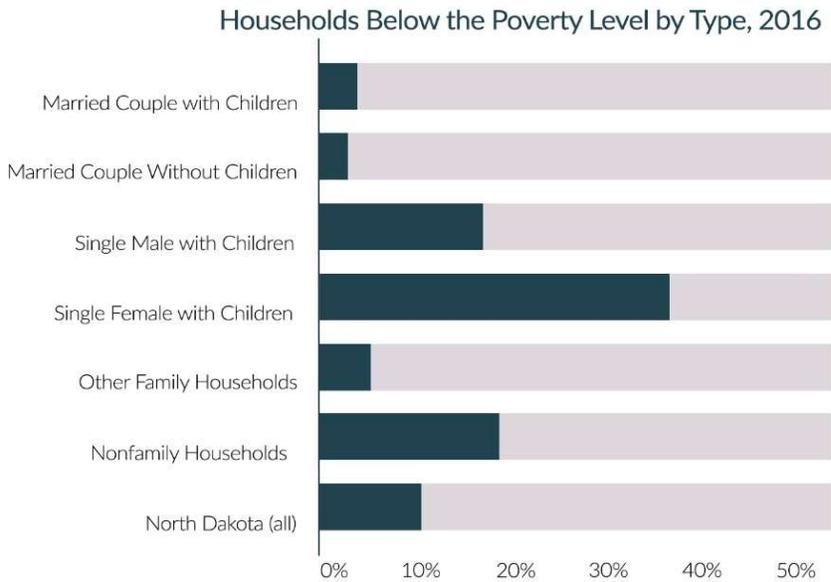


Figure 21. North Dakota Household Below Poverty Level by Type, 2016

Source: U.S. Census Bureau, American Community Survey

It is assumed that renting a home or apartment is more accessible than owning one; however, North Dakotans face extreme challenges to be able to afford an apartment. The state-set minimum wage is \$7.25 an hour, and a person earning minimum wage would need to work 70 hours per week to afford a one-bedroom rental at the Fair Market Rent rate. Tenants would need to earn more than twice the minimum wage to only have to work 40 hours a week and be able to afford the Fair Market Rent for a two-bedroom rental home without paying more than 30 percent of their income. In addition to the income challenge, the number of rental housing units available in the state as of 2016 was only 40 per 100 extremely low-income renters.⁴⁹

⁴⁸ 2016 North Dakota Statewide Housing Needs Assessment: Component 1-Population & Housing Forecast. p 21.

⁴⁹ The Gap: A Shortage of Affordable Homes, 2017. Retrieved from http://nlihc.org/sites/default/files/Gap-Report_2017.pdf

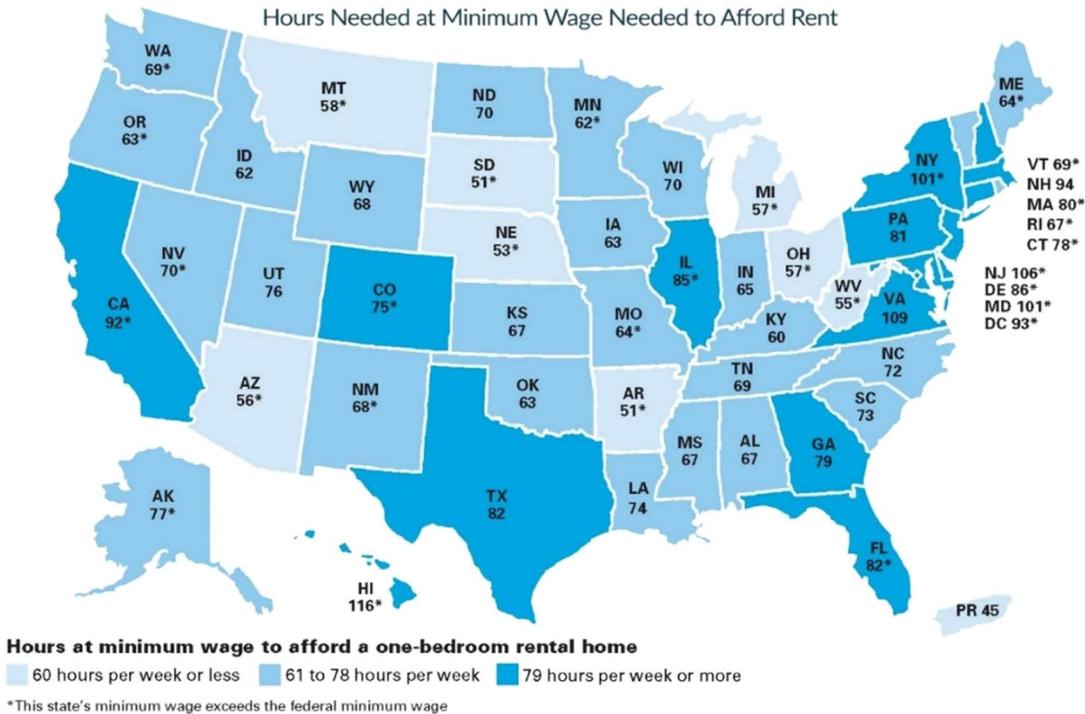


Figure 22. 2017 Hours Needed At Minimum Wage Needed to Afford Rent
 Source: National Low-Income Housing Coalition

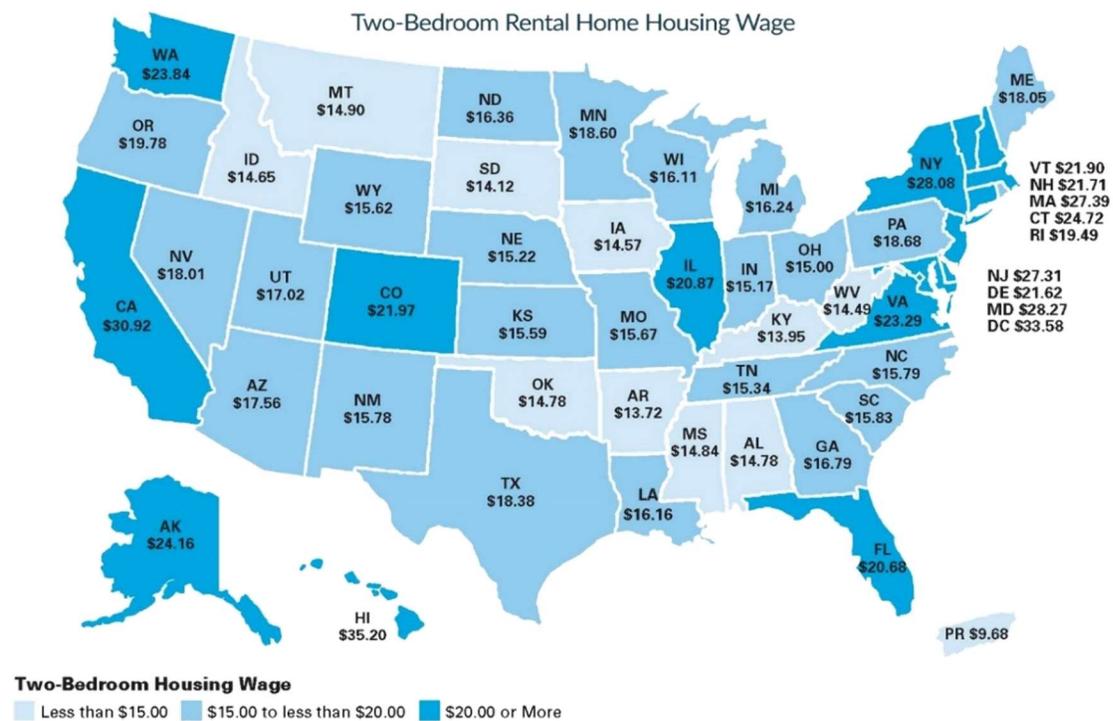


Figure 23. 2017 Two-Bedroom Rental Home Housing Wage
 Source: National Low-Income Housing Coalition

Projected Change in North Dakota Household Income, 2014 to 2029

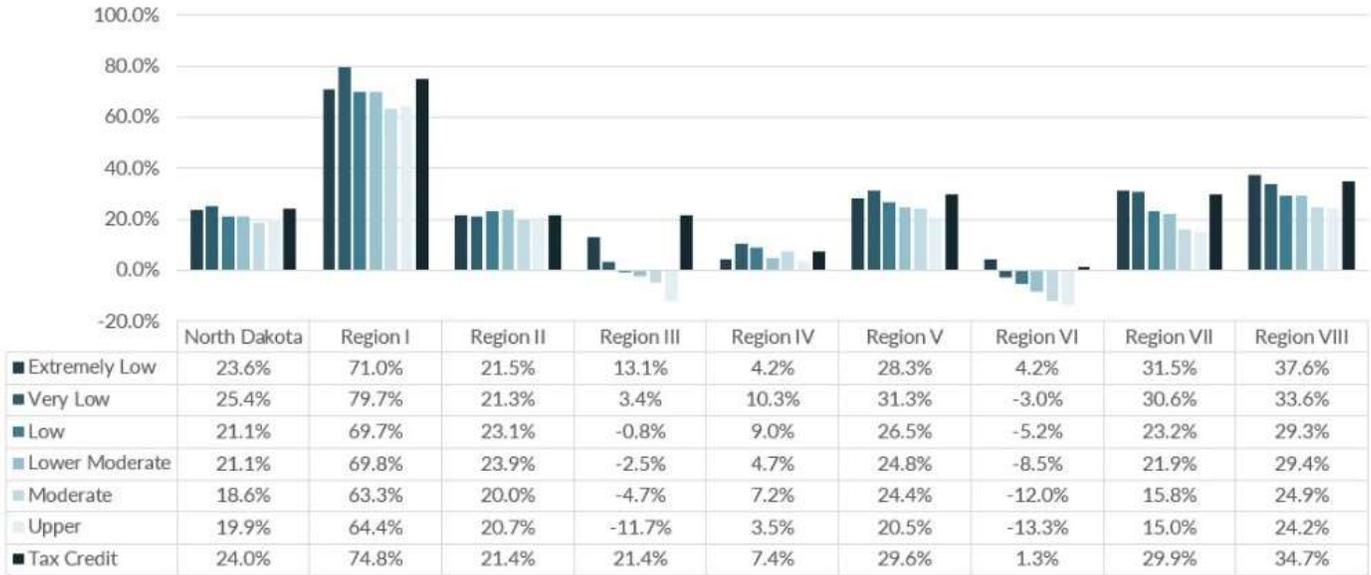


Figure 25. Projected Change in North Dakota Households by Household Income 2014-2029
 Source: U.S. Census Bureau, Center for Social Research at NDSU

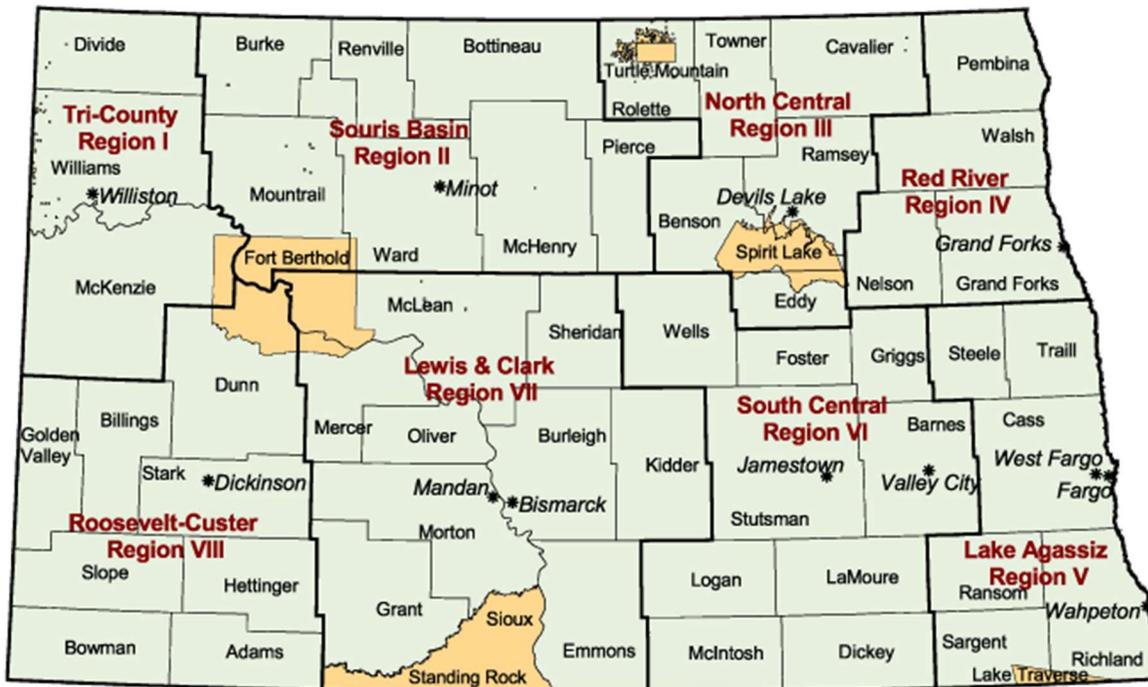


Figure 26: North Dakota geographic locations and boundaries used in the 2016 North Dakota Statewide Housing Needs Assessment
 Source: Center for Social Research at NDSU

Housing Development & Voucher Programs

State and federal programs provide assistance through various mechanisms to assist extremely low, very low and low-income households. Several programs are project-based for finite periods, and a substantial number of those housing units will come to the end of the program participation period by 2029. The potential loss of housing units in both rural and urban areas could present substantial challenges for low-income households, especially considering the projected statewide increase in the number of such households. Planning to address the effects of the potential loss of this inventory will be critical to assuring that the state's most vulnerable citizens have adequate access to affordable housing.⁵¹

The U.S. Department of Agriculture (USDA) Rural Residential Housing Program makes loans to qualified housing developers as an incentive to build multi-family rental properties that meet the needs of low-income, elderly and disabled individuals and families in communities with a population of 35,000 or less. In addition to low-interest loans for development, USDA also provides rental assistance for low-income households. In 2015, USDA had 2,477 housing units in 146 multi-family properties in 99 communities around North Dakota. Three-fourths of USDA's housing units receive rental assistance. By 2029, 635 units or 26 percent of USDA housing will reach maturity and no longer be enrolled in the program. While the number of properties set to expire appears to be relatively small, the loss of even a few low-income housing units could have substantial impacts, especially in communities with low inventories of rental properties.⁵²

HUD's Low-Income Housing Tax Credits (LIHTC) provides federal income tax credits to individuals, partnerships, LLCs or other entities, such as housing authorities and other legal entities, for the construction or renovation of properties that serve the needs of low-income households. Currently, there are 5,683 housing units in the LIHTC program. Like USDA's low-income housing, a substantial portion of the LIHTC properties, 37 percent or 2,124 units, in North Dakota will reach maturity by the end of 2029. Most of the maturing properties are located in the state's largest cities. Given the projected increase in the number of low-income households in the state's five largest urban centers, the need for affordable housing for such households is likely to increase making the potential loss of this housing inventory problematic.⁵³

HUD's Housing Choice Voucher program, administered by public housing agencies, assists very low-income, elderly and disabled individuals and families. During the first quarter of 2016, 6,514 housing units in North Dakota were supported by the program. HUD's Public Housing program is administered by local housing authorities, which also owns and manages the rental housing for eligible low-income, elderly and disabled individuals and families. There are 1,709 units of public housing in North Dakota managed by 15 public housing authorities.⁵⁴

NDHFA provides rental assistance with project-based programs known as Section 8 Performance-Based Contract Administration (PBCA). Currently, NDHFA has project-based assistance contracts with 98 properties with a total of 2,964 housing units. When contracts expire, properties may opt out of the program. NDHFA also administers the HUD Moderate Rehabilitation (Mod Rehab) program, and as of 2016, there were 10 properties with 157 units. The Mod Rehab program was repealed in 1991, and no new projects are allowed, therefore, once a property opts out, it cannot reapply. Because both programs are closed, properties in the PBCA program and the Mod Rehab program will likely decrease over time.⁵⁵

HIF was authorized by the North Dakota Legislative Assembly in 2011 and has become one of the most successful tools to create affordable housing in the state. Housing units in the program are to benefit low- to moderate-

⁵¹ 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 9.

⁵² 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 23-4.

⁵³ 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 27-9.

⁵⁴ 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 30.

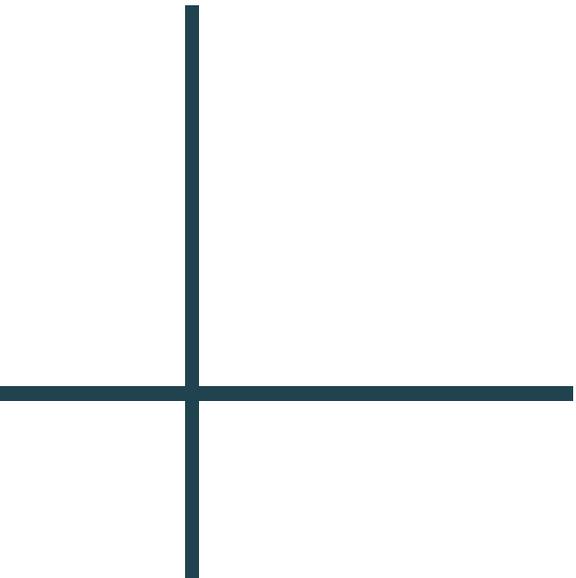
⁵⁵ 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 31-2.

income households or below 140 percent of area median family income. Like the LIHTC program, units are income- and rent-restricted to the target households. NDHFA has allocated more than \$89.6 million to 77 projects to support 2,380 new units in 26 communities across the state. HIF was reauthorized in 2017 by the North Dakota Legislature, but no funding was allocated to the program.⁵⁶

MFP is administered by NDDHS and is an \$8.9 million grant from the Centers for Medicare and Medicaid Services to help approximately 110 Medicaid clients who are older adults or people with developmental disabilities transition from nursing homes or institutions and reintegrate them into the community. A full year of case management is provided in addition to up to \$3,000 for one-time transition costs.⁵⁷ Funding for the program will no longer be available after 2019 and operation of the program will cease in 2020.

⁵⁶ NDHFA and 2016 North Dakota Statewide Housing Needs Assessment: Component 2-Special Housing Topics. p 32.

⁵⁷ N.D. Money Follows the Person Grant. Retrieved from <https://www.nd.gov/dhs/info/pubs/mfp/overview.html>



Moving Forward

Moving Forward

The North Dakota 10-Year Plan to End Long-Term Homelessness focused on the immediate need for PSH and affordable housing as the cornerstone of ending homelessness. In order to prevent, reduce and end homelessness, a more systematic and collaborative approach to early intervention is needed to identify individuals that need short-term, assistance-based solutions and those that need more intensive, ongoing care to conserve local, state and federal resources.

According to the U.S. Interagency Council on Homelessness, in 2017 a chronically homeless person costs taxpayers as much as \$30,000 to \$50,000 per year.⁵⁸ That same year North Dakota counted 1,089 homeless individuals, of which 45 were chronically homeless. Using the base national average of \$30,000, North Dakotan taxpayers spent \$1,350,000 on emergency medical care, inpatient bed visits, detox programs, jails, prisons and psychiatric institutions for those chronically homeless individuals.

After reflecting on progress and roadblocks at the state and local level to address homelessness, members of the NDICHP and local service providers identified specific groups that are more vulnerable and would benefit the most from concentrated efforts. The following recommendations are broad-based and will require dedication and investments from numerous state agencies to ensure vulnerable populations are getting adequate services to accommodate their unique needs and help them be functioning and contributing members of North Dakota's communities. Some of the recommendations are within the 2018 North Dakota Behavioral Health System Study⁵⁹ and the State of North Dakota's Information Technology Department's Citizen Experience Initiative.

Breaking the Cycle of Generational Poverty

To end the cycle of generational poverty, children and their parents both need to be housing stable. Screening mechanisms need to be in place for service providers, primary care providers and school counselors to be able to identify problematic family dynamics and refer them to a case manager based on their current situation and complexity of need.

- Create more wrap-around service based housing programs for single parents with children. The Jeremiah Program and Grace Gardens, both located in Fargo, provide safe and affordable housing, support for continued education, quality early childhood education, life skills training and a supportive community. Parents can focus on personal and professional development to become self-sufficient. During the day, young children are enrolled in reliable daycare, receiving early childhood education opportunities so they are school ready. School-aged children are in a controlled environment where they feel safe and receive the support they need to succeed in school. Research conducted for the Jeremiah Program determined that every dollar spent on the Program resulted in a \$4 savings in public services across two generations.⁶⁰
- Expand outpatient and community-based services that are flexible such as peer support, community health workers, in-home and school-based clinical services and substance use disorder treatment services to address the behavioral health needs of children, youth and their families. Stabilizing the

⁵⁸ Ending Chronic Homelessness in 2017. Retrieved from https://www.usich.gov/resources/uploads/asset_library/Ending_Chronic_Homelessness_in_2017.pdf

⁵⁹ 2018 North Dakota Behavioral Health System Study. Retrieved from <http://www.nd.gov/dhs/info/pubs/docs/mhsa/2018-4-nd-behavioral-health-system-study-final-report-hsri.pdf>

⁶⁰ Jeremiah Program-Our Impact. Retrieved from <https://jeremiahprogram.org/our-impact/>

family in their home in their community will lessen the need for relocation and out-patient treatments.

- Expand targeted proactive in-home supports for families with children and youth at risk of foster care placement and justice involvement. There is a need for targeted support for children and youth as well as for parents whose children are at risk of out-of-home placement and justice involvement. Parental behavior is the main barrier to family reunification, therefore if more services were provided, youth may not need to enter the foster care system. Many youth who are justice involved also have a parent or close relative with justice-involvement.
- Develop a streamlined process for NDDPI homeless liaisons located in school districts across the state to be able to refer a case manager to assist families in accessing housing both in urban and rural communities.

Children that are not housing stable, are within the foster care system, do not graduate from high school, or have mental health or substance issues have a much higher probability of needing public assistance as an adult. Early detection and prevention are the best methods to help youth navigate difficult living situations.

- Explore barriers to create emergency shelters, low-barrier housing, host homes and other short- and long-term housing options for youth and young adults who are unsheltered, fleeing an unsafe situation, or experiencing a housing crisis. There is an unfilled gap for those ages 16 to 24 that need refuge in a safe space without being housed with chronically homeless adults.
- Coordinate entry processes and support services that are trauma, age and developmentally appropriate. Ensuring youth are housing stable is critical to their overall well-being especially for them to be able to create permanent and healthy connections with adults and continue to pursue educational or employment opportunities.
- Review state and federal policies and processes impacting unaccompanied youth as well as youth aging out of the foster care system to determine any barriers that can be eliminated. Unaccompanied and emancipated youth experience legal barriers that prevent them from accessing housing, employment, and government documents.

Lessening the Cost

Some individuals have complex medical and emotional needs, which prohibits their ability to live on their own without some sort of social network assisting them. These individuals are classified as the chronically homeless and create the biggest financial burden on local medical, law enforcement and service providers.

- Finance more Housing First facilities creating more homes to stabilize the chronically homeless. When basic needs are taken care, residents can focus on treating their issues, ultimately saving lives and reducing costs. The Cooper House in Fargo and LaGrave on First in Grand Forks provide permanent housing to the chronically homeless. Residents are charged rent, can have limited access to alcohol and receive services at their request. This housing model helps control public service costs these residents would have used for emergency shelter, emergency room visits, incarceration, and

detox centers. An independent study from Eide Bailly reported housing 66 individuals in the Cooper House saved the public \$204,140 in service costs over 12 months.⁶¹

- Provide funding for support services and operational expenses. If service providers are not able to staff the facility and provide onsite, person-centered treatment, individuals living at the facility will not be successful in their recovery, stabilization, and integration back into the community.

- Explore the cost and benefit of funding "harm reduction" shelters, where residents can consume substances or come into a shelter under the influence of drugs and alcohol. Traditional homeless shelters have strict sobriety rules. If individuals are not sober or if they want to continue to consume substances, their only option is to do so in public. Individuals in the harm reduction shelter may form a pattern of consistency and service providers can develop relationships to help them reduce substance use or focus on sobriety and find more permanent housing options. Studies have identified the effectiveness of harm reduction shelters to curb consumption by creating a stable environment, therefore reducing the cost of public resources.
 - Withdrawal Management Unit also referred to as a Detox Shelter have proven successful in the city of Fargo and is adjacent to the Gladys Ray Shelter and the Veterans Drop-In Center. The Unit provides short-term residential and social (non-medical) detoxification services in a clean, supportive and calm environment designed to assist individuals through the difficulties and dangers from substances in a non-medical setting.⁶² This format is more cost effective when it can be leveraged instead of seeking emergency medical treatment.

- Create consistent funding for state housing and service programs such as HIF and the North Dakota Homeless Grant. Developers and local service providers can leverage the funding with private investments and charitable donations to create customized local solutions based on community needs in rural and urban areas. The upfront investment in state funding is critical in delivering upstream and midstream services to vulnerable populations.
 - Explore the cost and benefit of state funded housing vouchers to be leveraged in emergency situations.

Government Efficiencies

The key to enhancing government efficiencies is to establish a systematic approach of clearly defined and repeatable steps where outcomes can be evaluated to generate consistent, optimum results. State agencies and local service providers are well connected and reach out to one another for assistance for the individuals and families they are helping, but most agencies expressed the need for more collaborative efforts to leverage resources and to be more responsive.

- NDICH consists of seven state agencies, one state-wide homeless coalition, and the communities of Fargo, Grand Forks and Bismarck. Moving forward it is recommended that the same state agencies be a part of NDICH; however, involvement is expanded to engage multiple people from each agency especially if the agency has more than one division involved in any aspect of preventing, reducing or ending homelessness.

⁶¹ Cooper House Impact Report 2010. Retrieved from http://fargohousing.org/files/pdf/Cooper%20House/Impact%20Reports/Cooper_House_Impact_Report_June_2013.pdf

⁶² Gladys Ray Shelter & Veteran's Drop-In Center. Retrieved from <http://fargond.gov/city-government/departments/fargo-cass-public-health/gladys-ray-shelter-veteran-s-drop-in-center>

- The NDICH would convene twice a year fostering an environment where each agency thinks and works beyond specific duties of their agency/department to achieve services and results that are broader in scope. The goal is to have more of the "right" people at the table to rethink processes that restrict developing new perspectives without hindering innovation or opportunity development. Each agency needs to critically think about the programs offered to be able to develop synergies and identify gaps that impact vulnerable populations. Engaging a diverse stakeholder group from the vulnerable populations and their family members will be insightful in creating comprehensive solutions.
 - Develop a communication process to inform other state agencies and the public pertaining to the focus areas, tasks, and progress made through NDICH endeavors.
- Identify barriers preventing state agencies from accessing and leveraging HUD's Homeless Management Information System (HMIS). HMIS is a software application designed to record and store client-level information on the characteristics and service needs of homeless persons throughout a Continuum of Care (CoC) jurisdiction. Service providers currently utilize HMIS to coordinate service provisions, manage their operations and better serve vulnerable populations.
 - Map the entry points for vulnerable populations and how they transition throughout state agencies and local service providers. The intent is to streamline the intake/assessment process and ensure they have access to the services they need at a specific point in time. The map will diagram how people and information are shared, gaps, overlapping functions and where efficiencies can be made.
 - Minnesota Department of Human Services – Housing and Supports Division created the Housing Benefits 101 website as tool to assist people who need affordable housing and support systems to maintain their housing, and understand the range of housing and support services available. The website allows each person to identify their current housing situation whether they are looking for a home; moving out of a facility, group home or foster care; need to relocate; are at risk of losing their home; or are experiencing homelessness. The client-centered focus streamlines research and resources that each person needs.⁶³
 - Identify local, state and federal policies and regulations that hinder vulnerable populations and prioritize actions for change. For instance, the definition of homelessness, case manager, and youth creates issues. Felony convictions inhibit individuals from acquiring housing as well as other social services and create a stigma when employers are reviewing employee applications.

Covering the cost of public assistance is challenging for federal and state government and at the local community level. However, there are ways for the state to access additional federal funding through Medicaid to provide direct support to individuals and families.

- Pursue 1915(i) Medicaid state plan amendments to expand community-based services for vulnerable populations. The 1915(i) state plan amendment has been the most common avenue for states to pursue funding for community-based services that include a wide range of home and community-based services as a state plan option. Adding services through 1915(i) could significantly reduce demand for emergency, inpatient, and long-term care services that are not reimbursed by Medicaid, which could reduce overall system costs in the long run.

⁶³ Minnesota Housing Benefits 101. Retrieved from <https://mn.hb101.org>

- Review long-term care facilities placement policies and explore options for community-based alternatives for persons with disabilities and behavioral health issues. In a recent study, it was documented that approximately one in four individuals under the age of 65 were receiving behavioral health-related services in long-term care facilities, which can cost \$96,000 per year. With the right supportive services, these individuals could live in community-based PSH units, which are more cost effective solutions.

Client-Focused Delivery System

In order to expedite information gathering and to ensure current and accurate information is available, the state needs a consistent, end-to-end experience across all channels and departments where information can be obtained for any service, on any device and at any time. State agencies and local service providers expressed challenges they have noticed in their specific area and feedback from clients. Below are some of the ideas that were recommended:

- Housing Inventory - create an affordable housing inventory for each community/region
- Housing Forms - create a single form used by all regional housing authorities
- Database - create profiles for each client within a centralized database, so individuals or families applying for state or local benefits do not have to re-enter information
- Privacy Laws - review state privacy laws to ensure clients are protected, but at the same time do not hinder state agencies from accessing the information they need to be able to help a client that is transitioning services from one state agency to another.
- Consent Form - create a consent form signed by the client to release information to all state agencies and case managers
- User Profile - create an app or web portal where clients can enter their information that is stored and they can return at any time to complete.
- Online Chat - through an app or web portal, create an online chat function for clients to ask questions and be directed to the correct state agency or local service
- Services Portal - structure website into user categories and group information based on the client scenario, such as homeless or risk of becoming; searching for housing, employment or daycare, needing social services, youth, tribal, etc.