



Request for City Council Committee Action from the Department of Community Planning and Economic Development - CPED

Date: February 13, 2007
To: Council Member Lisa Goodman, Community Development Cmte
Subject: "It's All About the Kids" program

Recommendation: It is recommended that the City Council authorizes CPED to enter into a contract with Lutheran Social Service (LSS) not to exceed \$200,000 for 2007 for the administration of the "It's All About the Kids" Program.

Previous Directives: On July 27, 2001, the City Council approved the appropriation of \$300,000 in Fund FNA for the program. On April 22, 2002, the Minneapolis Community Development Agency (MCDA) Board of Commissioners authorized the MCDA to enter into a grant agreement with the Youth Coordinating Board (YCB) to fund the activities of the Minneapolis Redesign over a two-year term for \$172,288. On November 14, 2002, the MCDA Board authorized a contract increase with LSS for \$88,730 and reduced the commitment to YCB for Minneapolis Redesign to \$142,162. On January 21, 2003, the MCDA Board authorized canceling the contract with YCB and increasing the funding for LSS to \$145,143. On February 13, 2004, the City Council approved amending the existing contract to increase the 2003 funding to LSS in the amount of \$37,196 and authorized CPED to enter into a contract with LSS for \$200,000 for funding in 2004. On April 1, 2005, the City Council authorized CPED to enter into a contract with LSS, the fiscal agent for the program, for \$200,000 for funding in 2005. On December 23, 2005, City Council approved the 2006 budget. On April 28, 2006, the City Council authorized CPED to enter into a contract with LSS for \$200,000 for funding in 2006. On December 11, 2006, the City Council approved the 2007 budget.

Prepared by:	Elfric K. Porte, II., Phone 612-673-5145
Approved by:	Chuck Lutz, Deputy CPED Director _____ Elizabeth Ryan, Director, Housing Policy _____ & Development
Presenter in Committee:	Elfric K. Porte, II., Manager, Single Family Housing Development

Financial Impact

No financial impact

Community Impact

City Goals:

In five years, all Minneapolis residents will have a better quality of life and access to housing and services; residents will live in a healthy environment and benefit from healthy lifestyles; the city's infrastructure will be well-maintained and people will feel safe in the city.

Comprehensive Plan:

5.2 – Minneapolis will invest human and financial resources in nurturing healthy children and providing them with a safe school environment.

Supporting Information

Program Summary:

It's All About the Kids (Kids Collaborative) is a collaborative program that seeks to improve educational success for children whose unstable housing places them at risk for poor outcomes. It was created in 2001 as a demonstration program through a memorandum of understanding between the Minneapolis Public Schools, the Minneapolis Public Housing Authority and the Minneapolis Community Development Agency (now CPED). Lutheran Social Service joined the collaborative in late 2001 to provide support services. In 2002, the Family Housing Fund added its support through the funding of coordination costs and landlord and household incentives. Additionally, the United Way of the Twin Cities supports the Kids Collaborative work financially and participates in an advisory role with the partners. The Kids Collaborative concept recognizes mission interests of the partners, furthering:

- Minneapolis Public School's (MPS) goal to increase student achievement and improve attendance;
- Minneapolis Public Housing Authority's (MPHA) committed goal to providing opportunities for very low-income households to obtain affordable housing outside areas of poverty or minority concentration;
- City of Minneapolis' goal of its residents having a better quality of life and access to housing and services and their living in a healthy environment and benefit from healthy lifestyles.
- Lutheran Social Service's (LSS) housing goal to prevent and end homelessness.

The program is funded by the City of Minneapolis, the Family Housing Fund, the Department of Housing and Urban Development, through MPHA, the Greater Twin Cities United Way, State of Minnesota, private foundations and individual donors. In the past, the City of Minneapolis has contracted with LSS to market the program to landlords and encourage their participation in the Housing Choice Voucher program (Section 8) overall. In addition, LSS provides case management and support to households while they prepare to relocate. This preparation includes advocacy in the areas of credit counseling, budgeting assistance, tenant education classes, and clearing up past legal issues.

The program targets landlords who have units in non-concentrated areas of the City and who have not been involved with the Housing Choice Voucher program. It has been determined that landlords who have never been involved with the Housing Choice Voucher program may need some additional assurances that their units will be protected from damage and assistance with minimum rehabilitation necessary to meet Housing Choice Voucher housing standards. Assistance to landlords has been structured in the form of guarantees and as a grant. The grant is for repairs to insure the unit passes the Housing Choice Voucher housing standards before the household moves in. Once the unit passes the MPHA inspection, the owner is reimbursed for approved repairs. The guarantee covers extraordinary material damages to the unit (up to a maximum of \$750.00) when the household vacates the unit. In addition, it is anticipated that the households will need assistance with moving-related expenses and security deposits. All of these activities are funded by non-city funds secured by the collaborative.

How does the program work?

One of the key successes of this effort is the ability to have multiple systems working in tight coordination on behalf of the children and their families. This approach involves all the core collaborative partners as well as strategic supporters and funders in the following ways:

- School social workers identify children who are struggling in school and currently or recently homeless and living in areas of high concentrations of poverty and refer them to LSS.
- LSS identifies private landlords who will participate in the program, including ensuring that their rental units are maintained to HUD Housing Quality Standards.
- MPHA qualifies families for rental subsidies and provides a Housing Choice Voucher to eligible families. In cases where families have long-term histories of homelessness, LSS administers Minnesota Housing (formerly Minnesota Housing Finance Agency) rental subsidies.
- LSS supports families by providing case management, and linking them with mental health services when needed, educational supports, and other community-based services as appropriate. LSS works with families to help them maintain their housing and identify resources to help the children succeed in school.

What outcomes have resulted from this work?

This collaboration has integrated evaluation into this effort from the beginning to ensure that ongoing program improvements and enhancements can be identified and implemented. Services were secured from the Wilder Research Center. They developed an evaluation tool to measure the results of the Kids Collaborative program, assess the program's overall effectiveness and identify areas for improvement. Results of the evaluation revealed the following:

- Through July 31, 2006, the program successfully housed 190 households. 605 children and youth were housed, among whom 269 were of elementary school age who attended 31 different schools within the Minneapolis Public Schools system. All

190 households served in this program contributed to the City's goal of deconcentrating poverty. All were moved from neighborhoods experiencing high concentrations of poverty to neighborhoods that are defined by HUD or the City as not concentrated by poverty.

- About 78% of the households in the Kids program remain in the same housing for at least two years. Of those who eventually moved, in most cases (70%) the move was a result of the parent's finding a preferred housing.
- A small, but significant improvement in reading scores in the second year of the program.
- A strong correlation between housing stability and school stability. With this in mind, a more concerted effort is needed to see more direct and compelling results in the area of educational achievement and attendance. Kids Collaborative services are therefore being expanded to include direct interventions for school-related performance. The Kids Collaborative was recently given direction by the Partners Fund to submit a three year funding request for an Educational Support Advocate.

Additional Outcomes

- Participants Characteristics
 - 42% had been homeless prior to intake (NOTE: As part of the strategic planning process, it has been decided that all new households entering the program must be homeless to qualify for rental subsidy)
 - 56% were unemployed at intake
 - 37% of the households served had at least one criminal charge
 - 43% had at least one unlawful detainer or eviction
 - 87% had a bankruptcy, credit judgment, or an account in collection
 - 12% had substance abuse problems (self-reported)
 - 17% had domestic abuse problems (self-reported)
 - 26% had mental health problems (self-reported)
- Participants Retention/Housing Stability
 - 9% of the households dropped out of the program
 - After the one year lease expired, the following occurred:
 - 16 households moved within three months of the expiration of their initial lease. At the time of the evaluation, 93% were still in the same housing.
 - 33 households moved within four to 12 months after their initial lease expired. At the time of the evaluation, 97% were still in the same housing.
 - 29 households moved more than two years after their initial lease expired. At the time of the evaluation, 36% were still in the same housing.

- School Results
 - School Stability—Minneapolis Public Schools calculates this by taking the average number of monthly school moves for students during the year in which they moved and for subsequent years. The average mobility of participant children was compared to averages for other children in the district. The results show that children participating in the program had a lower school mobility rate on average. In later years, the difference increased significantly.
 - Attendance Rates—Minneapolis Public Schools calculates this by dividing the total number of days attended by the total number of days enrolled. The average pre-move attendance rate among children in the program was typically about 91%. The average post-move attendance rates rose by one percentage point in the year following the move.
 - Test Scores—National Achievement Level Tests (NALT) are given annually to students in grades 2-7 and 9 in the Minneapolis Public Schools. Results show slight decreases in math scores in the first year following the move, which were partially (for older children) or mostly (for younger children) made up in the second year. Average math scores declined district-wide during the same time period. Results in the reading scores show a slight increase. It should be noted that there were no mechanisms in place to address improvements in the children school performance. Moving forward, the Kids Collaborative is looking to include educational support for the children.

Given the prevalence of serious personal and housing-related barriers faced by parents in this program, it is important to recognize the length of time that may be needed for children to remedy what are, for many, severe educational deficits. The Wilder study further suggests that the program is working as hoped, and continues to demonstrate the potential for children served to realize improvements over a longer period.

Kids Collaborative will continue to build upon its successes, improving and strengthening its innovative program approach to addressing educational needs of children and improving housing stability for households. The collaborative partners will use the results of the updated Wilder study to enhance service offerings to include educational support for children and additional strategies that promote economic stability for households. In addition to the information surfaced through the formal evaluations, the program partners also identified other issues that impact how the children and their families can fully utilize and benefit from this collaborative effort:

- Social service supports for the whole family are needed for success. Traditionally, such service supports are available through the adults in the household. Such an approach was not adequately addressing the range of needs presented by the children in the program.
- One year is an insufficient amount of time to provide supports for families; some families need more time to address ongoing or episodic crises. Short-term dramatic changes are less likely – and less lasting – than steady improvements over several years.
- Children were referred into the program by school social workers based on “housing instability” and other criteria that did not include poor attendance or low academic

achievement. More focused and targeted referrals are needed to ensure that the children with the greatest needs are enrolled into the program.

- While the small but significant improvements in academic achievement identified in the evaluation correlate with stable housing, there will be increased efforts over the next year to proactively address academic and attendance issues of participating children.
- Coordination among MPS (measures on a school year calendar by individual student), MPHA (measures monthly housing costs paid through vouchers) and LSS (measures services provided to each family) means that tracking families and children's progress and evaluating results require tight coordination, written processes, and ongoing communications among the collaborative partners.

Moving Forward

After several years of research and evaluation, the Kids Collaborative is positioned to serve the children and their families with an approach based on research, demonstrated results, and program enhancements in response to the evaluations and lessons learned. Changes to the Kids Collaborative program include:

- A mental health counselor is in the process of being hired to specifically address the mental health needs of the children and their parents.
- LSS has extended social services beyond a year despite the lack of dedicated funding to do so. Fundraising for this component is ongoing.
- The criteria for selecting the children and their families for participation has been narrowed in two ways: 1) rather than describing "housing instability" as the key housing indicator, the criteria has been changed to specifically target children whose families are "homeless"; and 2) the selection criteria also explicitly target children who are struggling academically, to ensure that the most needy children are referred into the program.
- Direct interventions are needed to improve academic performance and attendance. Programming targeted to school-based performance is being created, including expanding the collaborative partners to include an organization or program that provides after-school tutoring, mentoring, academic supports, and/or school-based partnerships.

In 2006, the Kids Collaborative served 64 households. The cost per family for support services is \$5768. Rental subsidy per family is approximately \$9600 (based on a two-bedroom unit with family's contributing \$141). Overall, the cost per household in this program is \$15,368. In comparison, the cost for a family of three to reside at a Minneapolis shelter for one year is \$28,522. Research for the cost of supportive housing for households showed the average cost for case management is \$39,567 (site based). Representative from Hearth Connections indicates the annual cost associated with support service is about \$14,500 per household using a scattered site model.

Staff is requesting authorization to enter into a contract with LSS for the administration of the "It's All About the Kids" program not to exceed \$200,000, as approved in the 2007 budget. The City of Minneapolis funds will be used for direct program support to serve the needs of approximately 60 households in obtaining and maintaining stable affordable housing in 2007. Additionally, the City's contribution will be use as leverage to secure additional funding to support the program.