

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

Date: June 24, 2008

To: Council Member Lisa Goodman, Community Development Cmte

**Subject:** Support to the "It's All About the Kids" program for 2008

**Recommendation:** Authorize CPED to enter into a contract with Lutheran Social Services (LSS) not to exceed \$200,000 as approved in the 2008 budget 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 February 23, 2007, the City Council authorized CPED to enter into a contract with LSS for \$200,000 for funding in 2007. In December 2007, the City Council approved the 2008 budget which included funding in the amount of \$200,000 for this program.

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Approved by: Charles T. Lutz, Deputy CPED Director \_\_\_\_\_

Thomas Streitz, Housing Director \_\_\_\_\_

Presenters in Committee: Edie Oliveto-Oates, Senior Project Coordinator

**Financial Impact**

No financial impact

Action requires an appropriation increase to the Capital Budget \_\_\_\_\_ or  
Operating Budget \_\_\_\_\_

Action provides increased revenue for appropriation increase

Action requires use of contingency or reserves

Action is within the Business Plan

Action requires a change to the Business Plan

Other financial impact

Request provided to the Finance Department when provided to the Committee  
Coordinator

## **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:

In 2001, through a memorandum of understanding, housing, educational and social services partners in the City of Minneapolis came together to address the complex and interrelated issues of housing instability and the effects on student achievement. The partners included Minneapolis Public Schools (MPS), the Minneapolis Public Housing Authority (MPHA), City of Minneapolis and Lutheran Social Service (LSS). The memorandum of understanding resulted in the formation of The It's All About Kids Collaborative which seeks to improve school achievement for students in Minneapolis Public Schools whose families are struggling with housing issues. In 2002, the Family Housing Fund added its support through the funding of coordination costs and landlord and household incentives. In 2007, Minnesota Housing awarded 50 long term homeless subsidies, administered through LSS. Additionally, the United Way of the Twin Cities supports the work of the Kids Collaborative financially and participates in an advisory role with the partners.

The program continues to be 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, Hennepin County, private foundations and individual donors. The Kids Collaborative was recently awarded a two year grant to fund an Educational Support Advocate by the Partners Fund and a challenge matching grant through the Frey Foundation to support a Mental Health Professional.

The City of Minneapolis contracts with LSS to market the program to landlords and encourage their participation in the Housing Choice Voucher program (Section 8). In addition, LSS provides case management and support services to households while they prepare to relocate and during the first year of participation in the program. This preparation and support includes advocacy in the areas of credit counseling, budgeting assistance, tenant education classes, and clearing up past legal issues. In 2007, LSS added an educational coordinator and a mental health professional on staff. This more hands on approach has enabled the families to improve their household income and reduced program costs due to extraordinary damages to the units.

### How does the program work?

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

- School social workers identify children who are struggling in school and identified as long term homeless. Families must also currently be living in areas of high concentration of poverty and want to move to areas of low concentrated poverty. The school social worker tells the family about the program, makes the referral if the family is interested, and has the family follow up with the Intake Specialist at LSS.
- LSS identifies private landlords who will participate in the program, including ensuring that their rental units meet HUD's Housing Quality Standards. LSS also supports families by providing case management, mental health services, and educational support and links them with other community-based services as appropriate. They work with families to help them maintain their housing and identify resources to help the children succeed in school.
- MPHA qualifies families for rental subsidies and provides a Housing Choice Voucher to eligible families.

#### What outcomes have resulted from this work?

The collaboration integrated evaluation in the beginning to ensure that ongoing program improvements can be identified and implemented. The collaborative has worked with Wilder Research Center for several years and an evaluation tool was developed to measure the results of the program, assess the program's overall effectiveness and identify areas for improvement. In 2007, the Kids Collaborative reviewed their needs in the area of program evaluation and incorporated some additional requirements in a Request for Proposal. The Request for Proposal was sent to four local and competitive research and evaluation organizations. Three responded, two, including Wilder, stated they would be unable to meet the guidelines and produce the tools and product the partnership deemed necessary. The ImproveGroup submitted a proposal and provided the skill set the partnership felt would be beneficial as well as fit within the timeline needed. The ImproveGroup then presented to the partnership and it was voted unanimously to contract with The ImproveGroup.

The Kids Collaborative, working with the ImproveGroup, established a control group and changed the reporting period based on the school year rather than a calendar year. This enabled them to capture the information from the schools in a more timely fashion. Based on the new evaluation parameters, the first evaluation begins with the 2005 school year. The 2008 evaluation will cover school years 2006-2007 and 2007-2008.

Results of the evaluation revealed the following:

- Over 96% of the households remained in stable housing for at least one year and about 86% of the households remained in the same housing for at least two years. It is anticipated that with the additional staff at LSS these numbers will increase.
- Family stability improved
  - Families live in safer, more stable housing
  - Average family income increased
  - Employment rates are up and MFIP participation is down
- Reading scores improved
- Participating students' attendance rate increased to the comparison group's rate

#### Update from the Opportunities Identified During Last Reporting Period

In addition to the information surfaced through the formal evaluation, the program partners also identified other issues that impact how the children and their families can

fully utilize and benefit from this collaborative effort and are working on enhancing the service delivery model and strengthening the support offered:

- **Social service support for the whole family is needed for success.**  
Update: An expanded team providing a full range of services for families is now offered. A mental health counselor has been hired to specifically address the mental health needs of the children and their parents. The counselor has added significant capacity to the current service team by focusing on each family's therapy and counseling needs. By addressing this need, families have improved mental health, residential stability, and overall functioning in the community.
- **One year is an insufficient amount of time to provide support for families.**  
Update: The program increased the number of families receiving extended case management services and provides a minimum of two years of service for long term homeless families.
- **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.**  
Update: More focused and targeted referrals are now used to ensure that the children with the greatest needs are enrolled into the program. The criteria for selecting the children and their families have been narrowed in two ways: 1) rather than describing "housing instability" as the key housing indicator, the criteria have 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.
- **While the small but significant improvements in academic achievement identified in the evaluation correlate with stable housing, there was a need for increased efforts to proactively address academic and attendance issues.**  
Update: An Educational Support Advocate was hired who mediates between the family and the schools and is seen as a prevention step before a family is faced with an Educational Neglect charge.

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.

Beginning in November 2007, parent support in the area of child abuse prevention and the strengthening of families is made available through a three year award from the Department of Human Services, Children's Trust Fund. Families are also being required to do more financial and employment counseling, and cooperate in a more in-depth assessment. The support services function has moved up three months so that families are able to work with support services prior to moving into housing. The Educational Support Advocate gathers attendance and progress information on all grade school children in participating schools. The Mental Health Professional undergoes more in depth assessment with families to address their needs at a greater level and the focus has moved to providing more effective case management and support services to moving families away from poverty and multi-generational poverty.

#### New Opportunity for 2007-2008

Direct intervention is 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.

#### Cost of Operation

In 2007, the Kids Collaborative served 55 households. The cost per family for support services is \$5768. Rental subsidy per family is approximately \$9600 (based on a two-bedroom unit with families 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.

#### Recommendation

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 2008 budget. The City of Minneapolis funds will be used for direct program support to serve the needs of approximately 55-60 households in obtaining and maintaining stable affordable housing in 2008. Additionally, the City's contribution will be use as leverage to secure additional funding to support the program.