



Homelessness Response Budget Overview

Presentation of the 2027 Mayor's Recommended Budget,
Homelessness Response Special Topic,
to the City of Minneapolis Budget Committee,
September 28, 2026

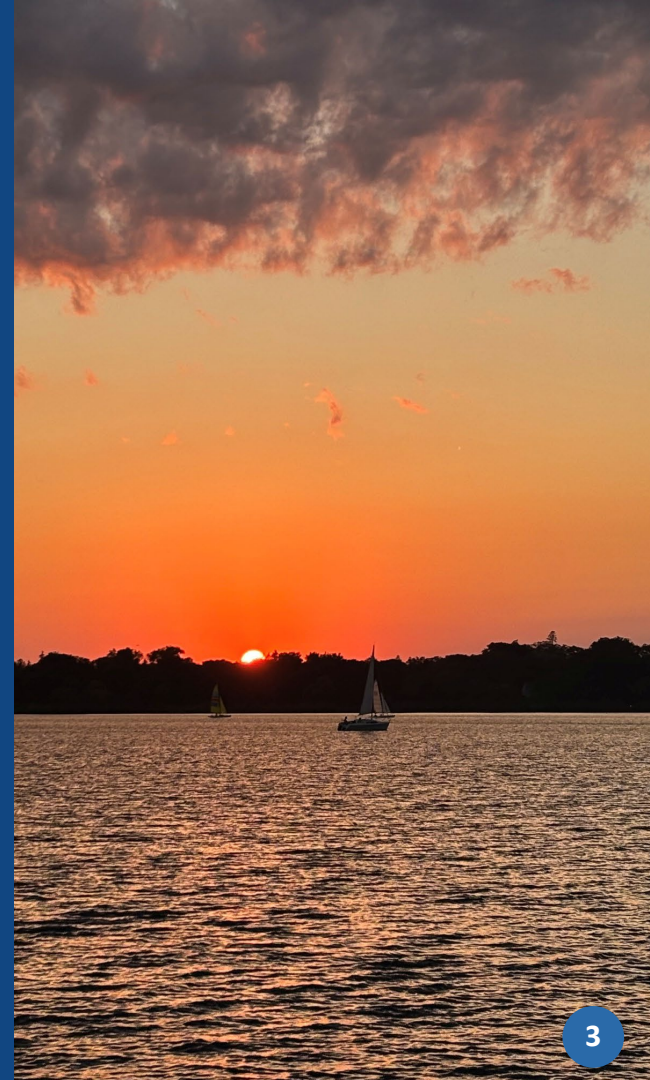




Agenda

1. Homelessness Response overview
2. Budget overview
3. Department updates

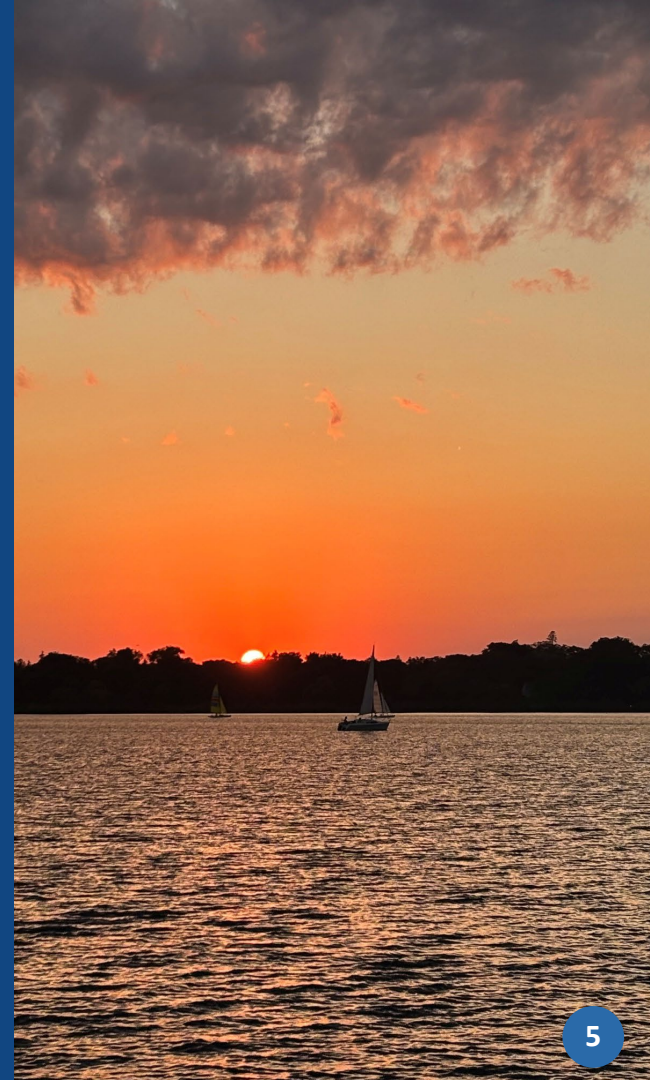
Homelessness Response overview



Homelessness Response overview

Department	Historical Role	Anticipated Role in 2027 and Beyond
Regulatory Services	Provide timely, person-centered outreach with connections to shelter, housing, mental health, substance use treatment, and other critical services for people experiencing unsheltered homelessness.	Continue to provide timely, person-centered outreach with connections to shelter, housing, mental health, substance use treatment, and other critical services for people experiencing unsheltered homelessness.
Health	During COVID, provided and maintained sanitation facilities at encampments, supported contracts with community partners for services to unhoused individuals.	Address homelessness as a public health issue by protecting health, preventing disease, reducing health disparities, and connecting people experiencing homelessness to essential health services.
Public Works	Provide cleanup support for debris created by people experiencing unsheltered homelessness.	Continue to provide the same services as in 2026. Continue to work with MPD, Regulatory Services and Outreach to support unsheltered homelessness.
CPED	Work in collaboration with Hennepin County and other key internal and external stakeholders. CPED focuses on capital projects and entered into a JPA for services with Hennepin County to make homelessness rare, brief and non-recurring.	CPED values the relationships and experiences that partners bring to this space and plans to continue deploying resources for services via Joint Partnership Agreements (JPAs), while continuing to administer capital programs and policies to address the housing needs of Minneapolis residents.
Police	Provide support while ensuring the safety and security of City staff and community members.	Continue to provide support while ensuring the safety and security of city staff and community members.

Budget overview



Homelessness Response budget by department, all funds

Department	FY2026 budget	FY2026 actuals (as of 8/31)	FY2027 recommended budget	FY26 to FY27 change	Major drivers of FY26 to FY27 change
Regulatory Services	\$1,045,638	\$717,876	\$1,335,362	+\$289,724 / +28%	Increases in internal service charge allocations budgeted to the Homeless Response program – fleet, IT charges, etc.
Health	\$873,413	\$334,522	\$836,251	-\$37,162 / -4%	MMU expenses have been refined after the first full year of service.
Public Works	\$0	\$184,400 (plus disposal)	\$200,000 (excluding disposal)	+\$200,000 / NA	2026 budget did not cover entire costs of labor, disposal and vehicles. Camp material is commingled with material from standard work.
CPED	\$18,383,512	\$4,313,895	\$9,844,534	-\$8,538,978 / -46%	One-time funding falling off the books [i.e. Stable Homes, Stable Schools: \$1.4M; Emergency Housing Vouchers: \$1.8M; Emergency Rental Assistance: \$3.8M; Homelessness Response (LAHA): \$2.0M]
Police	\$191,874	\$130,515	\$210,371	+\$18,497 / +10%	One full-time Lieutenant assigned to the unit.
TOTAL	\$20,494,437	\$5,681,208	\$12,426,518	-\$8,067,919 / -39%	

Department updates





Regulatory Services

2027 proposed budget: \$1.3M, 100% General Fund

Objective: Provide timely, person-centered outreach with connections to shelter, housing, mental health, substance use treatment, and other critical services for people experiencing unsheltered homelessness.

Planned 2027 programs, activities, and implementation outlook:

- Carry out outreach to build trust long-term, provide immediate assistance, safety checks and emergency resources.
- Coordinate with and build bridges between the City, service providers and other jurisdictions.
- Increase housing referrals and strengthen health and recovery.
- Track metrics to better understand our impact and identify needs.

2026 Accomplishments and outcomes:

- Responded to 1,316 requests from 311; conducted 1,842 site visits, 1,807 engagements, and made 275 housing referrals.
- Passed out 1,000 bottles of water and 300 cold towels in severe heat.
- Expanded the Wilder Homeless Count.
- Fostered closer coordination with multiple jurisdictions to better serve the Cedar Corridor.
- Participated in community resource events and the Operation Metro Surge Neighborhood activation center.

Metrics of success in 2027 and beyond:

- Homeless Response team success is measured by our ability to engage people, build trust and connect them to services and resources they choose to access.
- Number of site visits, engagements, and referrals.



Regulatory Services

Expense Category	FY2027	Overview
Salaries and Wages	\$520,191	5.0 FTEs
Fringes	\$228,253	Benefits
Contractual Services	\$402,864	\$250,000 JPA with Hennepin county for Winter Warming Center \$100,827 Allocation Charges – fleet, rent, IT services \$52,037 Professional Services - i.e. portable sinks and toilets
Operating Costs	\$184,054	Allocation charges (Liability Premium – Self Insurance)
Capital Equipment	\$0	N/A
TOTAL	\$1,335,362	



Major Regulatory Services contracts supporting homelessness response

Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Portable sinks and toilets	Absolute Portable Restrooms	General Fund	\$52,037	Services	Supports employing portable sinks and toilets, should there be a need and appropriate use.
Warming shelter	Hennepin County	General Fund	\$250,000	Joint Powers Agreement	Proposing to transfer this to the CPED's budget in order for it to be included under the existing Joint Powers Agreement with Hennepin County.
Total Contracts			\$302,037		



Health

2027 proposed budget: \$836K, 100% Special Revenue

Objective: Provide compassionate, accessible healthcare to underserved, high need areas, with a focus on unsheltered residents and those struggling with the opioid epidemic.

Planned 2027 programs, activities, and implementation outlook:

- Provide clinical services including basic health care screenings, HIV, HCV and STI testing
- Provide access to MOUD treatment
- Provide care coordination and referrals to support services

2026 accomplishments and outcomes:

- Provided services to over 900 individuals, a third dealing with unstable housing
- Provided over 600 referrals for housing, substance use treatment, dental and primary care services

Metrics of success in 2027 and beyond:

- Number of individuals served / Number dealing with unstable housing
- Number of referrals provided for support services
- Number of referrals to treatment



Health

Expense Category	FY2027	Overview
Salaries and Wages	\$207,922	4.0 FTEs at 50% time
Fringes	\$72,774	
Contractual Services	\$100,000	Electronic Health Record, unit storage space, medical director
Operating Costs	\$455,555	Medical supplies, testing supplies, fuel, vehicle maintenance, other
Capital Equipment	\$0	
TOTAL	\$836,251	



Major Health contracts supporting homelessness response

Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Mobile Medical Unit (MMU) support	Various	Opioid settlement	\$100,000	Professional Services	These contracts support the medical director and electronic health record system for the MMU
Total Contracts			\$100,000		



Public Works

2027 proposed budget: \$200K, 100% Enterprise Fund

Objective: Continue proactive unsheltered response

Planned 2027 programs, activities, and implementation outlook:

- Working with MPD, Outreach, County and Regulatory Services
- Timely cleanup and proper disposal of encampment debris to support area livability for residents impacted by unsheltered encampments

2026 accomplishments and outcomes:

- Partnerships with MPD, Outreach and Regulatory Services working together successfully.
- Encampment Hazard Response Team fully trained, equipped, and provided response without injury.

Metrics of success in 2027 and beyond:

- Maintain 2026 standards and level of success
- Limit encampment response to funded tasks



Public Works

Expense Category	FY2027	Overview
Salaries and Wages	\$97,943	4 FTE at 25% of time.
Fringes	\$40,275	
Contractual Services	\$0	Disposal is excluded from 2027 budget request.
Operating Costs	\$61,782	Vehicle costs, future potential cost increases.
Capital Equipment	\$0	\$96,000 Skid steer purchased in 2026 using funding provided by a one-time general fund allocation.
TOTAL	\$200,000	



2027 proposed budget: \$9.8M, 52% General Fund

Objective: To provide support and resources to strive for a community where homelessness is rare, brief and non-recurring.

Planned 2027 programs, activities, and implementation outlook:

- Create and Preserve deeply affordable housing through the Affordable Housing Trust Fund
- Continue support to Stable Homes Stable Schools
- Support low-income renters through eviction prevention programs
- Collaborate with Hennepin County to support the Office to End Homelessness

2026 accomplishments and outcomes:

- Approximately 23% of the units closed in 2026 through the AHTF are designated for households experiencing homelessness.
- Nearly \$5M deployed to the County through Joint Powers Agreements to support homelessness response (County reported five consecutive quarters of decreasing new entries into the homelessness response system).

Metrics of success in 2027 and beyond:

- Number of households served in housing litigation
- Number of deeply affordable units produced
- Number of persons permanently housed
- Number of new entries into the homelessness response system



Community Planning & Economic Development

Expense Category	FY2027	Overview
Salaries and Wages	\$315,098	2.5 dedicated FTEs (across seven employees)
Fringes	\$103,724	2.5 dedicated FTEs (across seven employees)
Contractual Services	\$5,770,594	100% of these contracted services are through governmental and non-profit entities.
Operating Costs	\$75,000	Joint Powers Agreement to support the Office to End Homelessness
Capital Equipment	\$3,580,118	Approximately 23% of the units closed in 2026 through the AHTF are designated for households experiencing homelessness.
TOTAL	\$9,844,534	

Major Community Planning & Economic Development contracts supporting homelessness response



Contract Requirement	Vendor	Fund	2027 Budget	Contract Type	Overview
Affordable Housing Trust Fund	Multiple Developers	Multiple: Non-General Fund	\$3,580,118	Professional Services	Approximately 23% of the units created/preserved through the AHTF are designated for households experiencing homelessness. (Proposed 2027 Budget: \$15,565,734)
Emergency Housing Vouchers	MPHA	General Fund	\$254,107	Governmental Contract Services	Council-approved program in 2026 to assist 100 households experiencing homelessness with emergency housing vouchers.
ESG Program	Hennepin County	Federal	\$941,405	Governmental Contract Services	Federal ESG funds received by the City are contracted through a joint powers agreement with Hennepin County to provide homelessness response services to Minneapolis residents.
ESG Street Outreach Match	Hennepin County	General Fund	\$150,000	Governmental Contract Services	Local funds that serve as the required match to the federal ESG grant used for street outreach.
Eviction Represent	Legal Aid	Federal	\$25,082	Non-Profit Contracted Services	The Health Department contracted with Legal Aid to provide legal services to low-income Minneapolis renters. In 2024, these funds were transferred to CPED to do one consolidated contract.
Right to Counsel	Legal Aid	General Fund	\$650,000	Non-Profit Contracted Services	The City contracts with Legal Aid to provide legal representation in eviction court to low-income residents.
Stable Homes Stable Schools	MPHA	General Fund	\$3,600,000	Governmental Contract Services	City funds a multi-year rental assistance and wraparound service program to help families escape or avoid homelessness and build long-term stability.
Tenant Hotline	NorthPoint	General Fund	\$25,000	Non-Profit Contracted Services	Minneapolis contracts with NorthPoint to address rising eviction rates and prevent homelessness.
Tenant Stability Hotline	HOMELine	General Fund	\$125,000	Non-Profit Contracted Services	Minneapolis contracts with HOMELine to provide Minneapolis renters free legal advice about tenant rights.
Total Contracts			\$9,350,712		



Police

2027 proposed budget: \$210K, 100% General Fund

Objective: Continue providing a proactive and supportive role in promoting the safety and security of city staff and community members through coordinated departmental and community partnerships.

Planned 2027 programs, activities, and implementation outlook:

- **Encampment Prevention:** Continue proactive monitoring, engagement, and response efforts to prevent large-scale encampments.
- **Interagency Collaboration:** Strengthen partnerships with city departments, Metro Transit HAT, and MnDOT to support timely and coordinated responses.
- **Community Partnerships:** Continue engaging community groups and residents to identify concerns and develop solutions.
- **Responsiveness:** Maintain effective coordination and timely responses to safety and security concerns.

2026 accomplishments and outcomes:

- **Encampment Prevention:** Proactively addressed encampments to prevent large-scale formation.
- **Partnerships:** Strengthened collaboration with city departments, Metro Transit HAT, and MnDOT.
- **Community Engagement:** Partnered with community groups and residents to identify concerns and solutions.

Metrics of success in 2027 and beyond:

- Reduce the overall number of encampments throughout 2027.
- Maintain and reduce public safety risks in and around encampments.



Police

Expense Category	FY2027	Overview
Salaries and Wages	\$161,824	1.0 dedicated FTE
Fringes	\$48,547	
Contractual Services	\$0	
Operating Costs	\$0	
Capital Equipment	\$0	
TOTAL	\$210,371	

