



November, 2021

### **Safe and Stable Housing for Youth and Families in the Michigan Supplemental Budget**

#### *Michigan's Children supports funds for Runaway and Homeless Youth and Affordable Housing*

Michigan's lawmakers will soon begin deciding priorities for spending over \$8 billion in unspent federal American Rescue Plan Act (ARPA) and state revenues through supplemental appropriation bills to the current state budget. One key area of concern includes strengthening access to housing as pandemic-era housing protections run out for youth and families who have struggled to afford rent or mortgages. In a recent Michigan's Children's commissioned public opinion poll of nearly 800 likely voters statewide, respondents across diverse regions of Michigan agreed that [reducing youth homelessness and keeping children safe are top priorities for public investment](#).

Michigan's [Runaway and Homeless Youth service agencies](#) provide effective crisis and transition services that can prevent homelessness for youth ages 12-21, overwhelmingly reunifying youth with their families (95%) and ensuring continued involvement with school during unstable periods (88%). However, recent years and the pandemic crisis have overtaxed this system's capacity as the severity of youths' needs has grown rapidly. These pressures, coupled with a largely flat budget for 20 years, have triggered widespread staff turnover and several program closures, leaving multiple Michigan counties with gaps in services. Recent modest funding increases have been insufficient to stabilize losses, let alone improve services for youth.

Youth and their families also suffer from a scarcity of affordable housing in every corner of our state. For every 100 extremely low-income renters, there are only 37 affordable and available units. Michigan has a tool to expand affordable housing for low-income households, the [Michigan Housing and Community Development Fund](#) (MHCDF). Funded by one-time homeowner foreclosure settlement funds in 2007, the MHCDF ran out of funds after approving just nine projects. Investing up to \$100 million in the MHCDF will give lawmakers time to identify a sustainable long-term source of revenue for the purpose of providing new, affordable housing for low-income families and youth.

**Recommendations:** To improve stable housing for at-risk youth and families and prevent homelessness, Michigan's Children recommends directing a portion of Michigan's \$8 billion available revenues to:

- **Provide \$20 million in the MDHHS budget for runaway and homeless youth programs** for a three-year program to improve capital needs and staff retention.
- **Make a significant investment into the Michigan Housing and Community Development Fund** to spur the construction of affordable housing for low-income families and youth.

Michigan's recovery depends on getting young people ready for post-secondary education, work, and life. But for youth who have experienced homelessness, the transition to adulthood can be extremely difficult to successfully navigate. Over 12,000 youth in grades eight and above reported being homeless in Michigan in 2019-2020, with a four-year high school graduation rate of 60 percent in 2020. Youth with unique vulnerabilities, including abuse, parental incarceration, mental health issues, substance use, foster care involvement, trafficking experience, and poverty, are at greater risk of homelessness than their peers. Fewer than 60 percent of young adults who experienced foster care report having stable housing.