

THE WALZ-FLANAGAN BUDGET



***TO MOVE MINNESOTA FORWARD***

Larry Herke | Commissioner



**Minnesota Department of Veterans Affairs**



# Agency Profile

## **Mission**

Serving Minnesota Veterans, their dependents and survivors by connecting them with the federal and state care and benefits they have earned.

## **What We Do**

The Minnesota Department of Veterans Affairs runs Minnesota's five state veterans homes and assists Minnesota's 304,000 Veterans and their dependents in securing available benefits and services.



# Governor's Supplemental Budget Recommendations



**Service Bonus to Minnesota's Post-9/11 Veterans**



**Tenancy Supports and Landlord Engagement Activities**



**Low-Barrier, Permanent Supportive Housing for Veterans**



**Increased Engagement and Outreach Activities; Support Temporary Housing Options**



**Fargo VA Medical Center Fisher House Construction**



**Changes to County Veterans Service Officer Grants**



**Increase Grants to Veterans Service Organizations**



**Redwood Falls State Veterans Cemetery Operating Funding**



# Veterans Bonus Program



## Service Bonus to Minnesota's Post-9/11 Veterans

*Dollars in thousands*

	FY 2022-23	FY 2024-25
<i>General Fund Expenditures</i>	\$40,000	\$0

- Minnesota Department of Veterans Affairs to provide service bonuses to eligible Post-9/11 Veterans or their beneficiaries.
- Historically, the Minnesota Legislature has recognized Veterans' service in major wars, including WWI, WWII, the Korean War, Vietnam War, and the Persian Gulf War.
- In each of these previous conflicts, recognition has primarily been in the form of a monetary bonus to qualifying individuals.
- An estimated 48,603 Minnesota Veterans have served on federal active duty since September 11, 2001



# Veterans Homelessness



## Tenancy Supports and Landlord Engagement Activities

*Dollars in thousands*

	FY 2022-23	FY 2024-25
<i>General Fund Expenditures</i>	\$1,100	\$1,950

- Increased funding for removing barriers to permanent housing, including additional incentives for landlords who are renting units to Veterans experiencing homelessness.
  - Landlord Incentive - Any property manager willing to rent to a Veteran experiencing homelessness can be eligible for incentive payments.
  - Vacancy Relief - Property Managers strive to fill open rental units in a timely and efficient manner. The rental application process with Veterans sometimes requires a little more time. To offset this, property managers may be eligible for the Vacancy Relief Fund payments to make them whole.
  - Risk Mitigation - Designed to cover property loss at an apartment after a Veteran moves out of a rental property. This fund can cover up to \$2,000 beyond the security deposit, acting as an insurance policy if something does happen during the Veteran’s first year lease.
- This program will add additional staffing for tenancy support services and landlord engagement. (5 contracted FTE through 3<sup>rd</sup> party nonprofit).
- Available to all Veterans and former service members, regardless of discharge.





# Veterans Homelessness



## Low-Barrier, Affordable Permanent Supportive Housing

*Dollars in thousands*

	FY 2022-23	FY 2024-25
<i>General Fund Expenditures</i>	\$8,800	\$5,400

- Funding to establish permanent supportive housing options for Minnesota Veterans.
- These housing options will not have barriers to entry and will support the goal of ending chronic and long-term homelessness among Veterans.
- This proposal is intended to construct housing options for up to 100 Veterans in the seven-county metro area.
- These housing options will have permanent supportive services available & will be in the form of a grant to the Minnesota Assistance Council for Veterans (MACV).
- Available to all Veterans and former service members, regardless of discharge.



# Veterans Homelessness

## Increased Engagement and Outreach Activities; Support Temporary Housing Options



*Dollars in thousands*

	FY 2022-23	FY 2024-25
<i>General Fund Expenditures</i>	\$1,714	\$3,428

- Additional funding is intended to reduce chronic and long-term homelessness and disparities within the response system for Minnesota Veterans.
- Hotel rooms have proven successful in increasing engagement and housing outcomes and reducing average days to housing.
- Additional outreach in encampments and shelters, and peer supports are needed to engage with individuals. Four additional contracted FTEs through competitive RFP.
- This proposal will provide continued support for temporary housing options and increase outreach capacity throughout Minnesota and will also provide additional staffing for outreach efforts.
- Available to all Veterans and former service members, regardless of discharge.



# Fargo VA Medical Center Fisher House Construction



## Fargo VA Medical Center Fisher House Construction

*Dollars in thousands*

	FY 2022-23	FY 2024-25
<i>General Fund Expenditures</i>	\$500	\$0

- The Fisher House program constructs comfort homes to provide temporary lodging to families & dependents while military & Veterans receive medical care for injuries or illnesses sustained while on active duty.
- The Fargo VA Health Care System (Fargo VA HCS) covers one to the largest geographic footprints in the country, serving all of North Dakota in addition to 18 Counties in NW Minnesota (approx. 26,434 MN Veterans).
- The Fargo VA Fisher House would be available to those Minnesotans for stays in Fargo.
- This an \$8 million project with more than \$6.3 million already raised through private donations and contribution commitments from the State of North Dakota.





# Changes to County Veterans Service Officer Grants



## Changes to County Veterans Service Officer Grants

*Dollars in thousands*

	FY 2022-23	FY 2024-25
<i>General Fund Expenditures</i>	\$450	\$900

- Increasing funding and development of new grant opportunities for County Veterans Service Offices (CVSO) and the Minnesota Association of County Veterans Service Officers (MACVSO).
- The Veterans Service Office Grant Program<sup>1</sup> is currently appropriated \$1.1 million per year (FY2022-23).
- These grants currently range from \$27,500 for Hennepin County, the most populous county, to \$7,500 which is provided to 32 counties with populations of less than 1,000 veterans.
- Additional funds will be used to provide further grants to counties on a competitive basis and to allow for unused/unspent funds to be reallocated through this same process.

<sup>1</sup>2021 Minn. Stat. § 197.608



# Increase Grants to Veterans Service Organizations

## Increase Grants to Veterans Service Organizations

*Dollars in thousands*



	FY 2022-23	FY 2024-25
<i>General Fund Expenditures</i>	\$147	\$294

- Increasing funding to the annual grants to Minnesota’s Congressionally chartered Veterans service organizations (VSOs).
- Establishes statutory language that codifies the existing criteria for grant distributions to the organizations.
- The Veterans service organizations are currently appropriated \$353,000 per year (FY2022-23) via pass-through grants.
- These VSO grant amounts are calculated based on two factors:
  - A set dollar amount per member of the organization, and
  - A dollar amount based on the percentage of the USDVA claims workload for which the VSO serves as an accredited representative.



# State Veterans Cemetery Operations Funding



## Minnesota State Veterans Cemetery - Redwood Falls & State Veterans Cemeteries Operating Funding

*Dollars in thousands*

	FY 2022-23	FY 2024-25
<i>General Fund Expenditures</i>	\$830	\$1,660

- Additional funding for the newest State Veterans Cemetery in Redwood County, including staff and operational costs.
- Redwood County State Veterans Cemetery is expected to open in late 2022 (soft open in Nov.) with a formal dedication in Spring 2023
- 8 positions equivalent to 6.75 FTE



# Summary of FY2022-23 Recommendations

(Dollars in Thousands)

Item	FY 2022-23
Service Bonus to Minnesota's Post-9/11 Veterans	\$40,000
Tenancy Supports and Landlord Engagement Activities	\$1,100
Low-Barrier, Permanent Supportive Housing for Veterans	\$8,800
Increased Engagement and Outreach Activities; Support Temporary Housing Options	\$1,714
Fargo VA Medical Center Fisher House Construction	\$500
Changes to County Veterans Service Officer Grants	\$450
Increase Grants to Veterans Service Organizations	\$147
Redwood Falls State Veterans Cemetery Operating Funding	\$830
<b>Total General Fund Increase</b>	<b>\$53,541</b>



# QUESTIONS

**Minnesota Department of Veterans Affairs**