

# CDBG-CV Best Practices Webinar Series: Affordable/Interim Housing

October 27, 2021

ICF

BUSINESS AS  
NEW NORMAL



CDBG  
CARES Act



# HUD Welcome

James Höemann, HUD

# Session Overview and Introductions

Carrie Kronberg, ICF

# Session Overview

- Learning Objectives
  - Participants will learn from project staff in from different regions of the country, unique approaches to identifying and solving challenges in the successful implementation of CDBG-CV Interim/Supportive and Permanent Affordable Housing programs.
  - Participants will gain understanding of effective, replicable, best practice models to implement in their CDBG-CV programs.
- Agenda
  - Introductions
  - Panelist Community Presentations
  - Q&A

# Introductions

- **Carrie Casey**, New Castle County, Delaware
- **Greg Garrett and Christina Mun**, City of Oakland, California
- **Steve DiLella, Miguel Rivera, and Lena Holleran**, State of Connecticut
- **Jessica Hill**, City of Modesto, California

# Poll Question #1

What is the size of your CDBG-CV allocation across all rounds?

- A.  $\leq$  \$500,000
- B. \$500,001 - \$1,000,000
- C. \$1,000,001 - \$3,000,000
- D. \$3,000,001 - \$10,000,000
- E.  $>$  \$10,000,000

# New Castle County, Delaware

Carrie Casey



# New Castle County, Delaware Profile

- Population: **480,085**
- **PPR Tieback:** Motel vouchers and operating funds to provide non-congregate shelter/interim housing to protect people experiencing homelessness from COVID-19 exposure
- CDBG-CV allocations
  - Round 1 - **\$1,427,933**
  - Round 3 - **\$2,476,428**
- CDBG-CV Funds Expended to Date **~23%**
- 2021 Annual CDBG allocation: **\$2,456,968**





# Challenges Faced

- Hotels/motels at capacity
  - **634** New Castle County (NCC) households sheltered in **12** hotels/motels
- Over **300** households a week (families and singles) need shelter
  - Of those 300; 100 are unable to be placed into shelter.
- Code Purple agency was unable to open (**95** beds lost nightly in winter).
  - HUD released winter sheltering guidance recommending hotel placement with on site case management.

# Developing a Response for Our Community

- **July 2020:** County Executive subcommittee “How to Assist the Most Vulnerable” with Cares Act CRF
  - Purchase a hotel and/or building currently for sale and complete predevelopment work
    - RFP to identify nonprofit to renovate and operate for permanent supportive housing or emergency homeless shelter (or both)
    - Target population: people experiencing unsheltered homelessness, at risk for COVID-19 infection



- **September 8, 2020:** Delaware Business Times publishes an article that Sheraton Wilmington South is going up for auction

New Castle County, Delaware

# The Hope Center: Acquisition to Operation

- **April 2020:** Began issuance of Hotel Vouchers funded with CDBG-CV
- **October 28, 2020:** NCC winning bidder of Sheraton Wilmington South
- **December 1, 2020:** NCC purchased the Hotel
- **December 15, 2020:** Hope Center opened
  - “Soft opening” – 73 pre-registered through Friendship House Code Purple
- **December 29, 2020:** State Service Center Referrals – Hotel Vouchers provided by CDBG-CV funding continued and were utilized at the Hope Center

# Capital Stack

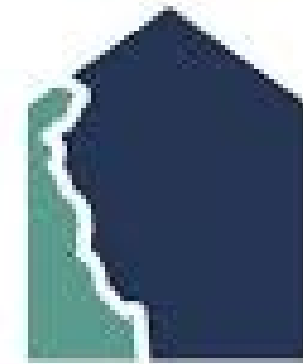
- **\$19,600,000** of Coronavirus Relief Funds (CRF) from U.S. Treasury – used to Purchase Hope Center (formerly Sheraton)
- **\$3,700,000** of CRF funds – used to make repairs, enhance security and Operate the Hope Center
- **\$800,000** ESG-CV – to be used for Rapid Rehousing
- **\$6,000,000** – CDBG-CV funds from Delaware's three counties were pooled together through an MOU with the State.



# Guest Referral System

## Referral Process:

- Referrals from Division of State Service Centers
- The Division of State Service Centers can be reached by phone or by visiting any State Service Center location.
- The other option for accessing emergency shelter (traditional shelter system) is by calling or texting: 1-833-FIND-BED or email: [intake@housingallianceode.org](mailto:intake@housingallianceode.org).



HOUSING  
ALLIANCE  
DELAWARE

**WE DO NOT TAKE WALK-INS**

# Outreach

- Held Focus Groups with people experiencing homelessness
- Held on site meeting with EMS/Police/Fire Department
- Maintained communication with internal/external stakeholders: DHSS State Service Center, Bridge Clinic, Christiana Care, County Staff, Elected Leadership
  - Government efficiency helped us open in 2 weeks
  - Upgraded Safety and Security Planning

# Program Partners

- Hersha Hospitality Management
- Friendship House – Social Service Anchor
- DHSS State Service Center
- Delaware Division of Substance Abuse & Mental Health (Bridge Clinic)
- Dr. Gibney
- Christiana Care Center for Hope and Healing
- Family Promise of Northern NCC
- Faithful Friends
- Sunstates Security
- Grace Transportation





# Lessons Learned

- Soft opening to work out the kinks
- Be flexible
- Learn from other states' program models
- Hold focus groups with end users
- Government efficiency
  - County waived restrictions that would have slowed down procurement
- “Do not let perfection be the Enemy of the Good”
- Focus on Exits: Since December 2020, **65** households have moved to Permanent Housing!

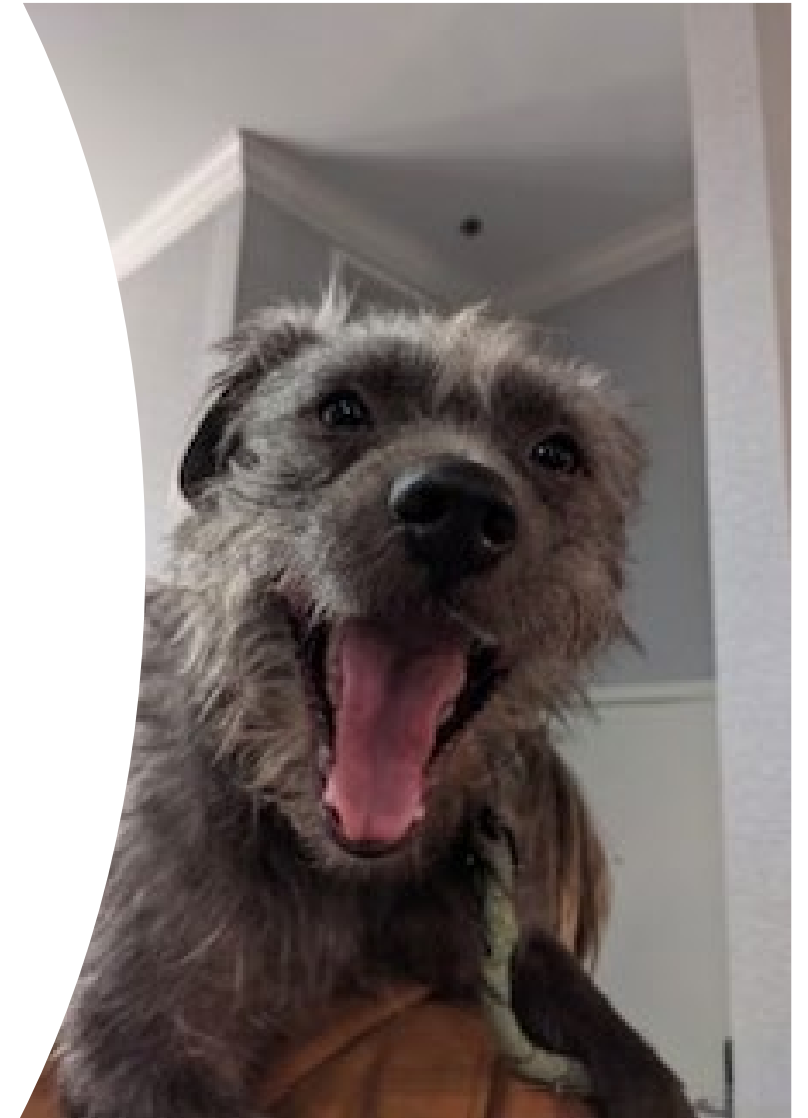


# Impact

## Hope Center Occupancy - 10/13/2021

- Occupied Rooms: **164**
- Current Residents: **416**
  - Adults – 209
  - Children – 207
  - Pets:
    - Dogs – 12
    - Cats – 2

**857** People Housed Since December 15th





Resident's artwork

## Personal Story

- Experienced homelessness for over 20 years
- Entered the Hope Center on December 15, 2020
- Stabilized, established an address and phone number, created artwork
- Name came up on Wilmington Housing Authority list
- Staff tracked her down and handed her the phone
- Moved to permanent housing on September 12, 2021



# Community Support



# City of Oakland, California

Greg Garrett and Christina Mun



# City of Oakland, California Profile

- Population: **440,981**
- **PPR Tieback:** Acquisition, conversion, housing stabilization services to serve homeless residents vulnerable to COVID-19
- CDBG-CV allocations
  - Round 1 - **\$4,532,841**
  - Round 3 - **\$3,712,594**
- CDBG-CV Allocation spent to date - **23%**
- 2021 Annual CDBG allocation - **\$7,750,367**

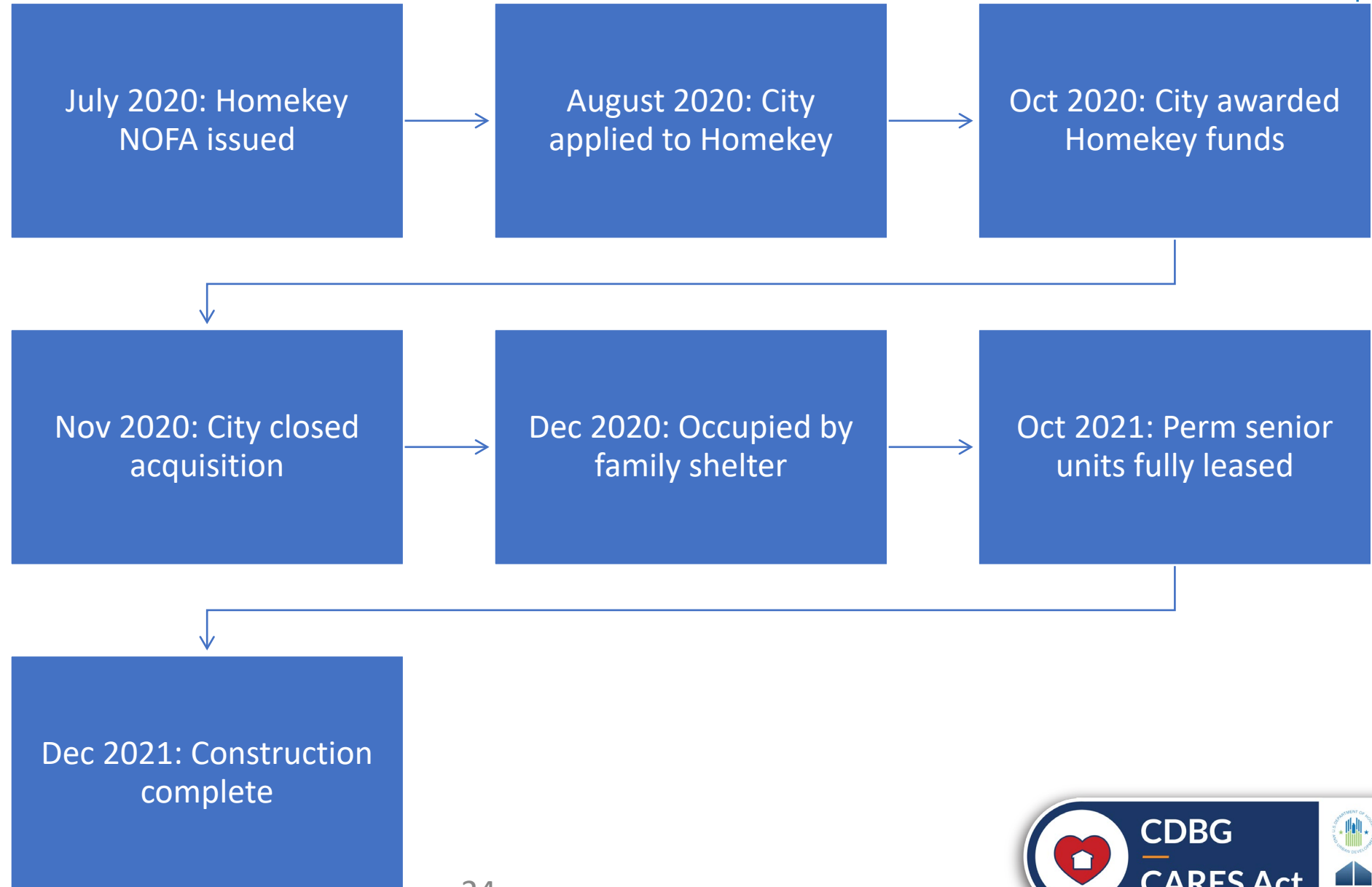




# Homekey: Homelessness Solutions

- As of 2019, City of Oakland had over **4,000** unhoused residents especially vulnerable to COVID-19 infection
- In 2020, California created the Homekey program to protect people experiencing homelessness
  - \$550 million Coronavirus Relief Funds (CRF)
  - \$50 million state General Funds
- 2020 Homekey round created more than **6,000** units of housing in 6 months
- Oakland used Homekey funding to purchase a former dormitory and convert to a family shelter and permanent senior housing

# Homekey Clifton Hall Project Timeline





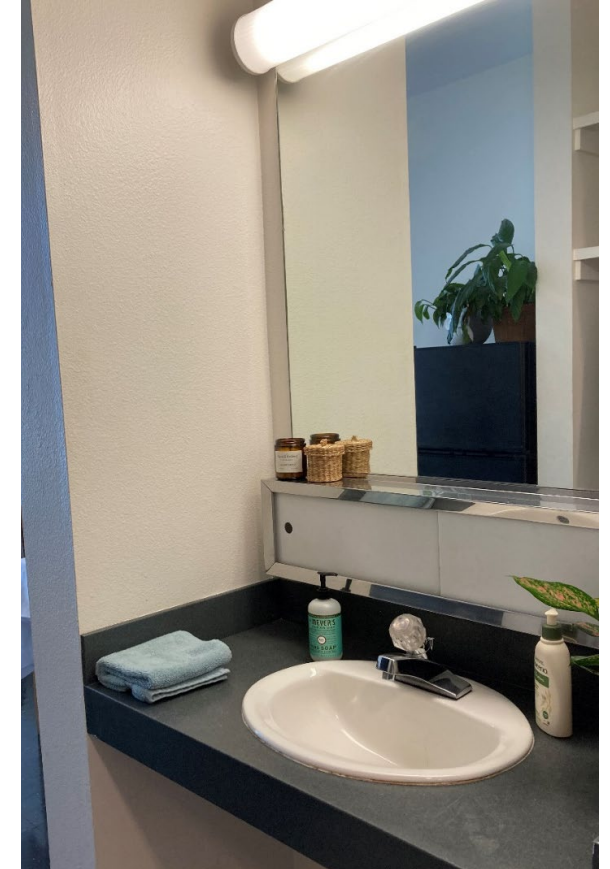
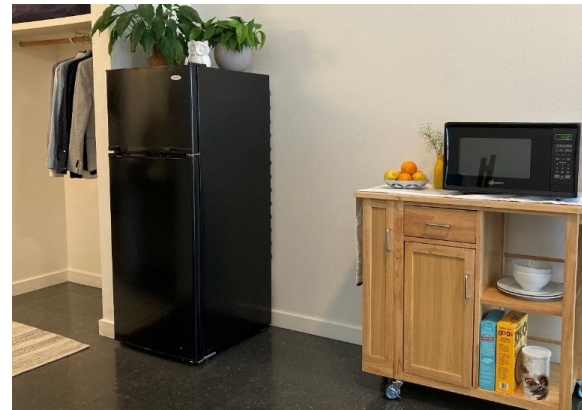
# Clifton Hall

- City purchase of former California College of the Arts dorm
- 63 rooms with shared bathrooms and kitchens over 2 levels of garage parking
  - 2 manager units, 20 family shelter units, 41 ELI senior units
- Partners and programming:
  - **East Oakland Community Project (EOCP)** runs the Family Matters Shelter offices on 1<sup>st</sup> floor and transitional housing on 2<sup>nd</sup> floor
  - **Satellite Affordable Housing Associates (SAHA)** runs permanent housing for ELI seniors aged 62+ with service coordination on 3<sup>rd</sup> & 4<sup>th</sup> floors



# Clifton Hall

- \$254K/unit TDC (\$206K acq, \$48K rehab)
- Construction scope includes new trash chute, offices, bathroom upgrades, new play area in courtyard
- Capital sources: Homekey, Measure KK, Boomerang, CDBG-CV
  - CDBG-CV funded construction of trash chute so seniors don't have to carry their trash to garage
  - CDBG-CV also funded conversion of bare courtyard to a playground
- Operating sources: Homekey, HHAP Measure Q
- Utilized State Coronavirus Relief Funds



# Lessons Learned

- Cultivate relationships with experienced development partners
  - Will not directly purchase property again
- State funding allowed expedited processes
- Created hybrid grant secured against real property
- Work closely with CoC
- Work in partnership with other City departments

# Poll Question #2

Does your community currently or do you plan to use CDBG-CV funds for affordable/interim housing to prevent, prepare for, or respond to coronavirus?

- A. Yes, we do
- B. Yes, we plan to
- C. No, we don't and don't plan to
- D. Not sure

# State of Connecticut

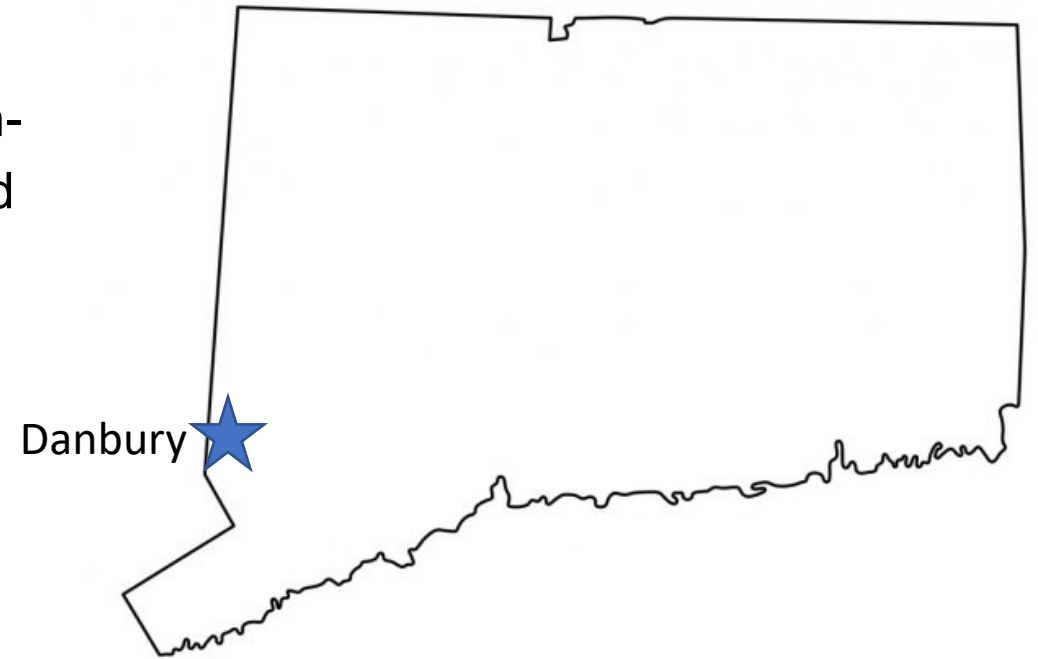
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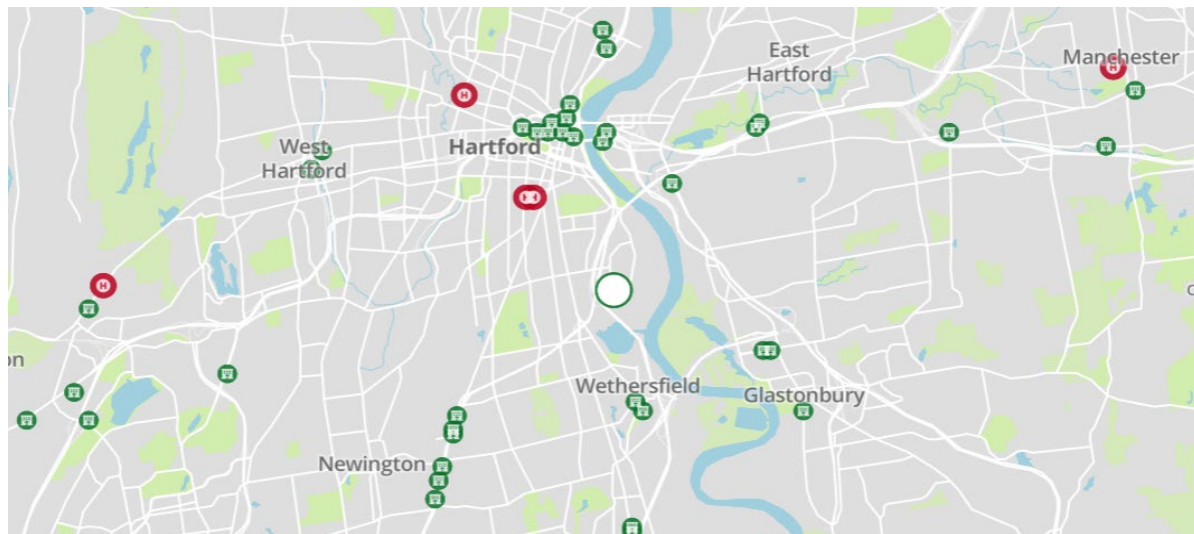


# State of Connecticut Profile

- Population: **3,600,000**
  - Danbury, CT: **85,518**
- **PPR Tieback:** Purchase of hotel for use as non-congregate shelter to prevent and reduce the spread of COVID-19
- CDBG-CV allocations
  - Round 1 - **\$8,138,549**
  - Round 2 - **\$11,467,321**
  - Round 3 - **\$10,759,215**
- CDBG-CV Funds Expended to Date - **38%**
- 2021 Annual CDBG allocation - **\$8,511,446**



# COVID- 19 Public Health Emergency



Using the Emergency Support Function groups, DOH and Connecticut hospitals coordinated which hotels would be used for shelter and which would be held for hospital overflow. To assist in the planning, DOH requested detailed hotel information from the tourism bureau. CT's Chief Data Officer created an interactive map of hospital and hotel locations.

- Identified need to deconcentrate shelters to prevent the spread of COVID
  - Early ideas: split shelters into 2 locations, or use college dormitories
  - Pragmatic solution - move shelters into hotels
- Determined and addressed the unique needs of shelters inside hotels
- Moved **1,000** people to 14 hotels across the State of Connecticut

# New Shelter in Danbury

- Only shelter in the City closed unexpectedly
- COVID safe, non-congregate shelter opened inside a hotel
- Pacific House brought in to manage the new shelter
  - Additional staff hired from Danbury area
  - New support services offered inside the shelter
  - Opportunity to transfer to Pacific House treatment sites
- Local non-profits partnered to supply meals to the shelter
- Open during the day, unhoused no longer forced out of shelter for extended time





# New Model - Shelter and Supportive Housing

- Opportunity to purchase hotels at advantageous prices
- CDBG-CV funds were used to purchase Super 8 (\$4.625M)
- Create new model of non-congregate shelter and affordable housing in one location
  - On-site support services for both shelter and affordable housing
  - State of Connecticut committed funding for increased services
  - Goal to address underlying cause of homelessness
  - A small segment of the population will need ongoing support as they move to permanent housing
  - Creates a pathway for those hardest to serve:
    - Shelter > supportive affordable housing > affordable housing



New Danbury shelter

# Lessons Learned



- Location matters – near transportation, job opportunities, services
- Site matters – interior corridors, smaller size hotel, avoid pools
- Manage seller's expectation of a higher purchase price to compensate for COVID financial losses
- Difficult to balance the obligation for transparent government versus the confidential nature of commercial real estate transactions

# Lessons Learned

- Leverage expertise of other state agencies
- Plan for increased operating costs of the new facility
- Anticipate possible need for zoning changes following expiration of the public health emergency
- Post purchase renovations –
  - Set expectations and establish process with non-profit partner early
  - Identify available funding
  - Keep in mind added responsibility of owning a facility vs. running a shelter

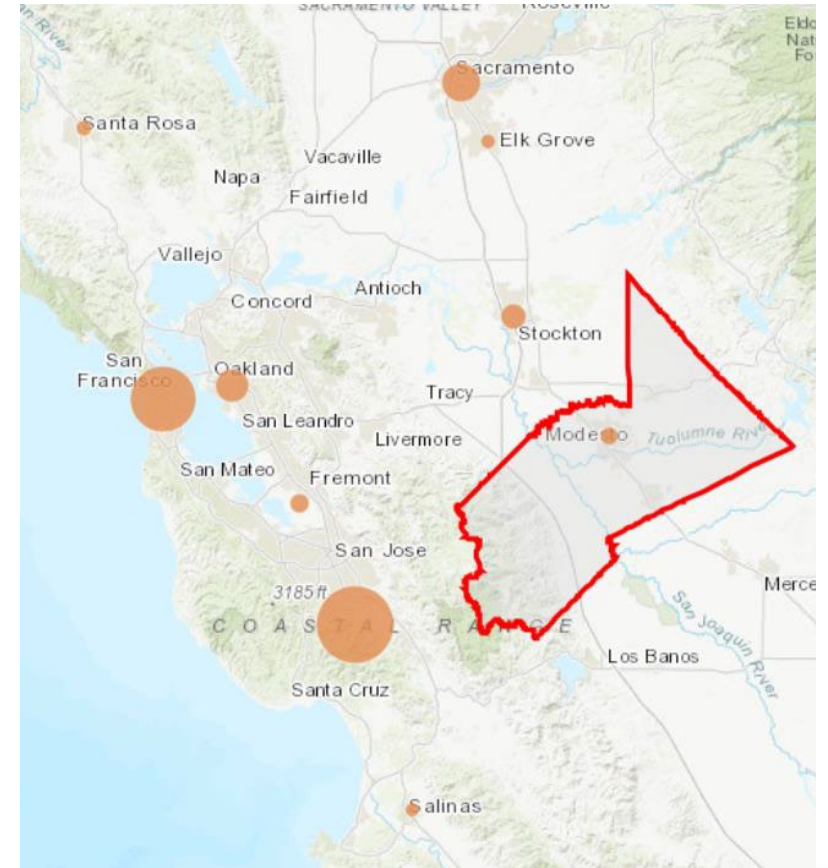
# City of Modesto, California

Jessica Hill



# City of Modesto, California Profile

- Population: **212,616**
- **PPR Tieback:** Creation of affordable housing to rapidly re-house homeless individuals to protect them from COVID-19 transmission
- CDBG-CV allocation
  - Round 1 - **\$1,118,268**
  - Round 3 - **\$1,267,503**
- CDBG-CV allocation spent to date - **60%**
- 2021 Annual CDBG allocation - **\$1,889,322**



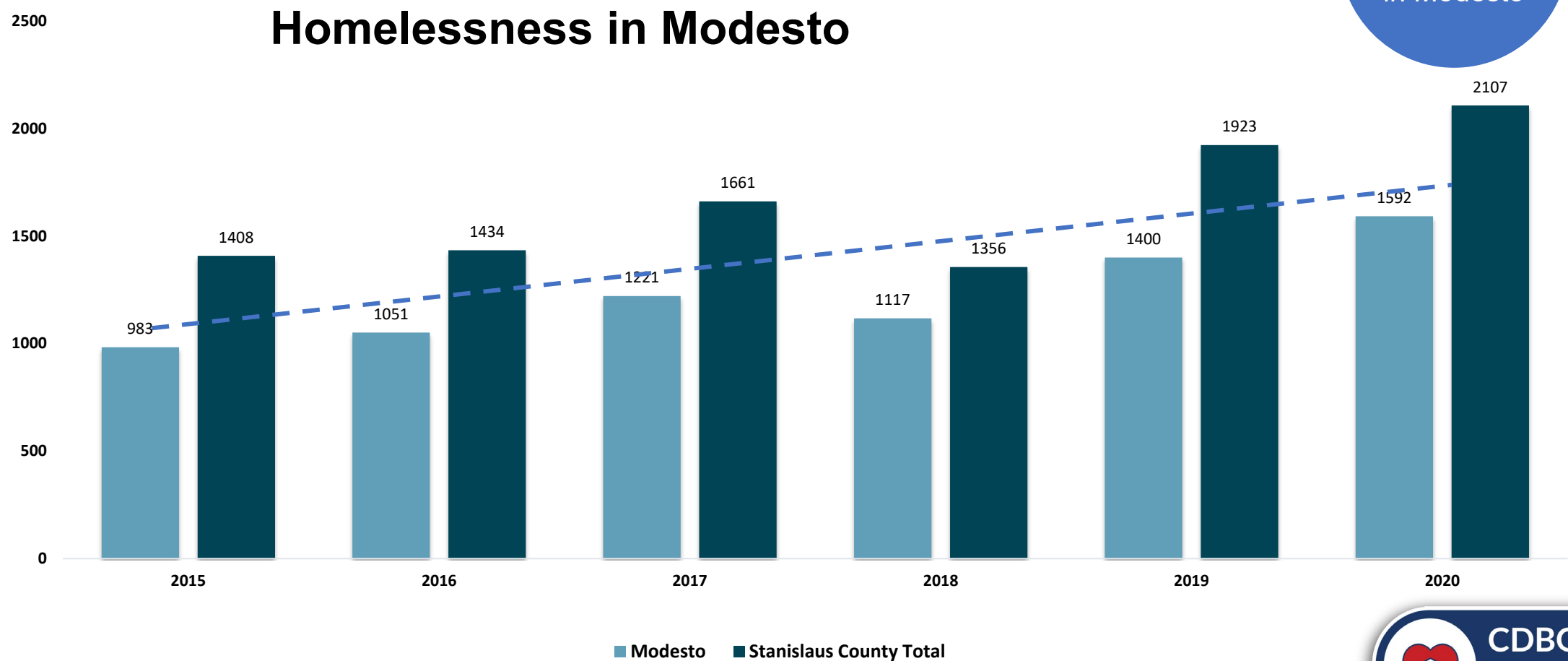
# Challenges Faced

- Timeliness concerns
- OIG Audit
  - Updated processes
  - Pipeline projects
  - Activity for acquisition to increase housing stock.
- Housing Market – properties are selling for more than appraised value
- Leveraging funding
- Need for Rapid Rehousing



# City of Modesto Homelessness

1,592  
in Modesto



# Creation of Transitional Housing

## Immediate Proposed Project

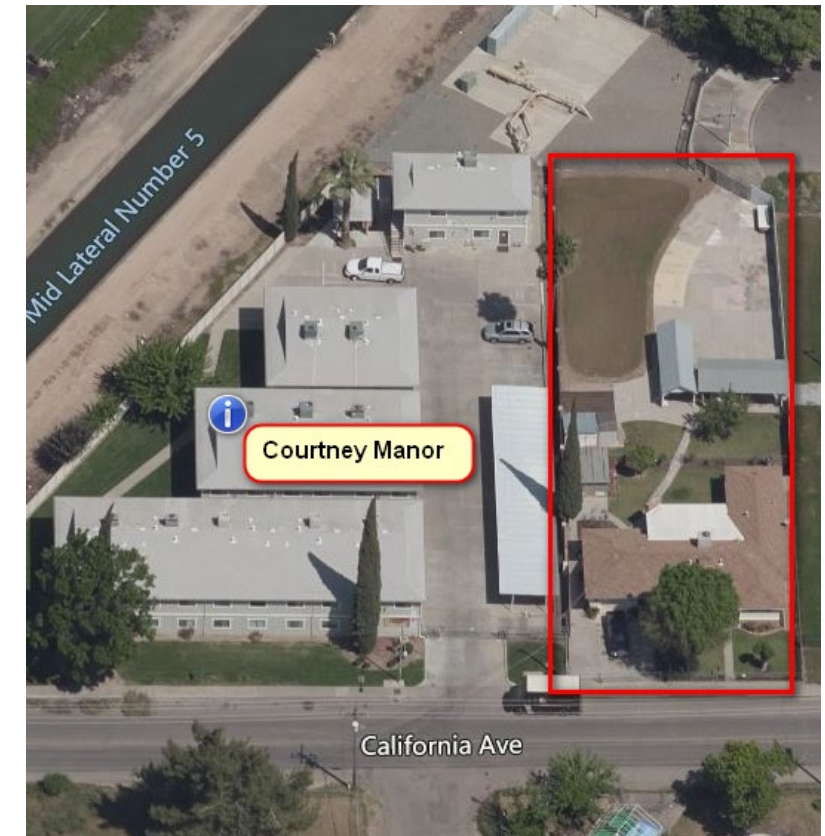
- Rehab existing single-family residence for initial occupancy as a transitional housing facility.
- Will be occupied by people vulnerable to the pandemic by providing immediate housing opportunities with the support of Behavioral Health and Recovery Services (BHRS).
- Property serves vulnerable populations while they also receive initial care and stabilization for more permanent housing options.



# Creation of Transitional Housing

## Long-term Proposed Project

- **Property**
  - 6 Permanent Supportive Housing Units
  - Community Center with meeting rooms
  - On-site laundry facility
- **On-going Operations**
  - Courtney Manor is a Stanislaus County Affordable Housing Corporation (STANCO)/BHRS Transitional Housing facility.
  - Training staff at Courtney Manor serve clients at both projects as well as shared maintenance hub.



# Partnerships

- **Behavioral Health and Recovery Services**
  - Waitlist of people for permanent housing
  - Transitional housing next door
  - 60% of homeless outreach population states serious mental illness
- **Funding**
  - No Place Like Home
  - Homeless Housing Assistance and Prevention
  - Supportive Services

# Lessons Learned

- Waivers expedited the process, particularly public input
- Utilize existing partnerships
  - Collaborations were in place to address identified housing shortage
- Learn about other funding sources available in the community
  - Developers
  - Continuum of Care
- Create transitional housing near behavioral health facilities to leverage case management support

# Poll Question #3

In your community, what type of building is most feasible for acquisition/rehabilitation to provide interim housing and/or non-congregate shelter?

- A. Hotel/motel
- B. Dormitory
- C. Single family home
- D. Former hospital/nursing home
- E. Vacant commercial space
- F. Other



# Resources

# Resources

- Video Tutorials
  - How to Use CDBG for Housing Activities
    - <https://www.hudexchange.info/programs/cdbg/housing-activities/>
- General CDBG-CV Overview
  - CPD COVID-19 Grantee Guidance
    - [https://www.hud.gov/program\\_offices/comm\\_planning/covid-19](https://www.hud.gov/program_offices/comm_planning/covid-19)
  - CDBG-CV HUD Exchange Page
    - <https://www.hudexchange.info/programs/cdbg-cv/>
  - CDBG-CV Federal Register Notice (FR-6218-N-01)
    - <https://www.hud.gov/sites/dfiles/CPD/documents/FR-6218-N-01-CDBG-CV-clean-8-7-20-header-for-posting.pdf>
  - CDBG-CV Toolkit
    - <https://www.hudexchange.info/programs/cdbg-cv/cdbg-cv-toolkit/introduction/>
- Trainings
  - Webinar Series
    - <https://www.hudexchange.info/news/cdbg-cares-act-webinar-series/>
  - Explore CDBG
    - <https://www.hudexchange.info/programs/cdbg/cdbg-ta-products/#all-products>

# Q&A

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