Creating Permanent Supportive Housing with Neighborhood Stabilization Program

Corporation for Supportive Housing
Supportive Housing Providers Association
March 2009

www.csh.org
Agenda

- Permanent Supportive Housing (PSH) and NSP
- Why do communities need PSH
- What is PSH
- Best Practices
- How Affordable and Supportive Housing Differ
- Special Considerations in Developing PSH
- How We Can Help you with your NSP Project
- Additional Technical Assistance Opportunities
Objectives and Target Audience

- **Objectives**
  - Understand PSH development
  - Understand how to use NSP to serve special needs population
  - Understand Technical Assistance opportunities for PSH projects

- **Target Audience**
  - Developers, Service Providers, Property Managers interested in creating rental units for persons with special needs who need PSH
Presenters

- CSH
  - Holly Denniston
  - Joyce Grangent
  - Cindy Thomas
  - Katrina Van Valkenburgh

- SHPA
  - Janet Hasz
  - Lore Baker Gause
Corporation for Supportive Housing
Who We are

The Corporation for Supportive Housing is a national nonprofit organization and Community Development Financial Institution that helps communities create permanent housing with services to prevent and end homelessness.
CSH Products and Services

- **Project-Specific Financing and Expertise**
  to help create supportive housing

- **Capacity Building**
  to strengthen and expand the supportive housing industry

- **Public Policy Reform**
  to build an efficient system for producing and financing supportive housing
Permanent Supportive Housing and NSP
State’s NSP Program Goals - To benefit the State’s priority populations including:

– Low income households,
– Low income seniors,
– Low income person with disabilities, and
– People who are homeless and those at risk of homelessness.
PSH can create affordable rental opportunities for priority populations
  – Low income persons with disabilities,
  – People who are homeless, and
  – Those at risk of homelessness.
Technical Assistance under NSP

- **CSH**: PSH training and technical assistance provider for rental housing opportunities under NSP

- **Supportive Housing Providers Association**: Outreach, coordination, education for PSH

- **Illinois Assistive Technology Program**: Training and technical assistance provider for homeownership opportunities under NSP
Why Do Communities Need Permanent Supportive Housing?
Why Supportive Housing?

- As many as 250,000 American households have nowhere to call home for years on end.
- For decades, communities have “managed” homelessness without addressing the underlying causes.
- Emergency and institutional systems are significant sources of care and support, yet they discharge people into homelessness.
- Government is spending hundreds of millions of dollars per year, yet homeless rates are growing.
About 32,000 households experience homelessness in Illinois annually

- Less than half of the persons homeless are from Chicago and Cook County (46%)
- Continuums estimate that of the homeless population, 28.5% are chronically homeless, as defined by HUD

Governor’s Housing Task Force calls for the development of 7,700 units of supportive housing in the next 7 years

Source: 2008 Governor’s Housing Task Force Report and 2006 HUD Exhibit 1 Summary
What Is Permanent Supportive Housing
Definition of Permanent Supportive Housing

A cost-effective combination of permanent, affordable housing with services that helps people live more stable, productive lives.
People Who:

- **BUT FOR HOUSING** cannot access supportive services and make effective use of treatment;
  
  and

- **BUT FOR SUPPORTIVE SERVICES** cannot access and maintain stable housing in the community.
Supportive Housing is for People Who:

- Are chronically homeless
- Cycle through institutional and emergency systems and are at risk of long-term homelessness
- Are being discharged from institutions and systems of care
- Without housing, cannot access and make effective use of treatment and supportive services
Housing & Services

HOUSING
- **Permanent**: Not time-limited, not transitional;

- **Affordable**: For people coming out of homelessness; and

- **Independent**: Tenant holds lease with normal rights and responsibilities.

SERVICES
- **Flexible**: Designed to be responsive to the tenant’s needs;

- **Voluntary**: Participation is not a condition of tenancy; and

- **Independent**: Focus of services is on maintaining housing stability.
Types of Permanent Supportive Housing

- Buildings developed / rehabilitated as special needs housing
- Rent-subsidized apartments
- Mixed-income buildings
- Single-family homes
- Master-leased buildings or units
- Long-term set asides
Best Practices
Principles of Best Practice

- Rent must be affordable to the tenant
- Tenants have choice and control over where they live
- Housing is permanent and defined by tenant/landlord law
- Housing and services roles are distinct; that is, one is not required for the other
- Services are must be flexible and individualized; not defined by the program
Services Make the Difference

- Flexible, voluntary
- Counseling
- Health and mental health services
- Alcohol and substance use services
- Independent living skills
- Money management / representative payee
- Community-building activities
- Vocational counseling and job placement
Consistent Findings

Housing + Services Make a Difference

- More than 80% of supportive housing tenants are able to maintain housing for at least 12 months.
- Most supportive housing tenants engage in services, even when participation is not a condition of tenancy.
- Use of the most costly (and restrictive) services in homeless, health care, and criminal justice systems declines.
- Providing services in housing is more effective than services alone.
- “Housing First” models with adequate support services can be effective for people who don’t meet conventional criteria for “housing readiness.”
How are Affordable And Supportive Housing Different?
1. Budgetary Differences between PSH and Affordable Capital

- Capital
- Operating

Affordable

- Capital
- Operating
- Services

Permanent Supportive Housing
1. Budgetary Differences (cont)

- **Capital**
  - Land, Construction, Legal and other development costs
  - One time grant and loan funds

- **Operating**
  - Funding to support property management and building operations
  - Typically in form of subsidy

- **Supportive Services**
  - Grants and contracts to fund service provision (staff salaries, office space, etc)
2. Tenant Selection and Screening

- Starts with a target population - serves the tenants many “private” landlords may not house

- Property management and services need to work together to “screen in” those who will benefit from the housing

- Tenants may need assistance in the intake and move-in process
3. Physical Space/Design

- Private space for service delivery which may include office space for service provider
- In larger buildings, community space for activities
- Durable materials and furnishings
- Security and/or front desk personnel
- From the outside, looks like any other apartment building in the community
4. Operations

- **Budget**
  - Operating or rental subsidies needed in PSH
  - Reserves often higher in PSH

- **Property Management & Service Coordination**
  - Connection between property manager and service provider is critical
  - Property management and services provider work closely together to keep tenants housed, prevent eviction, and help tenants meet lease obligations
Special Considerations in Developing PSH
Creating PSH - Population

Assess and analyze for whom you are creating this supportive housing

- What is the need in your area?
- Is there data to support the need for supportive housing in your community?
- How does your proposal meet this need?
Creating PSH - Capacity

Assess and analyze your capacity to engage in the development process

- What is the scope of your project?
- Do you have the staffing, interest, funding support, time and related skills to develop a permanent supportive housing project using NSP funding yourself?
- Do you need a partner for development, services or property management?
Creating PSH: Development Team Roles

- **Owner:** Long-term legal responsibility and control.
- **Developer:** Brings a project from “idea” to “ready for occupancy”.
- **Property Manager:** Oversees day-to-day operations.
- **Service Provider:** Leads the delivery of support services to tenants.

→ Think through what role you would like to play and how to find partners that match your mission and values.
Importance of Assembling the Right Team

- Agreement on who you’re going to serve and how;
- Embracing the goal of housing stability and while maintaining a viable housing asset for the community
- Integration of team roles to support the mission and achieve these goals.
Creating PSH – Housing Model

Consider various housing types based on what’s available in your community and what your community will support

- New construction or rehabilitation
- Scattered sites or project-based
- Cost of various models
- Coordination of property management and services in scattered-site vs. project-based (travel, cost per unit, coverage, etc)
How We can help you with your NSP project
CSH’s Role

Provide technical assistance to organizations applying for NSP funds to develop and operate permanent supportive housing serving persons with special needs.
CSH can help...

- Develop project concept and target population
- Identify resources to search for eligible sites
- Connect to project partners – developers, service providers, property managers
- Plan for development process
- Refine development, operating, and service budgets
- Develop service and operating plans
- Apply for NSP funds.
CSH can also...

- Connect applicants to local public housing authorities and provide resources for developing community support for the project.

- Assist mental health providers to understand, apply, and implement NSP financing.

- Work with SHPA to help Continuums to understand how McKinney funding might be used in conjunction with NSP.
The Supportive Housing Providers Association (SHPA) is a statewide association of 99 mostly non-profit organization members who provide supportive housing.

SHPA's mission is to strengthen the supportive housing industry, to enable the increased development of supportive housing, and to support non-profit organizations to develop the capacity for providing permanent supportive housing.
SHPA’s Role in the NSP Process

- Provide basic information to interested parties on NSP and training sessions
- Conduct outreach to Continuums of Care
- Provide information on project affordability, service provision, and property identification
- Work with interested organizations to identify next steps
- Identify organizations interested in moving forward with a NSP application, gather preliminary information, connect them to CSH and available technical assistance
- Identify peers for shared learning and/or site visits
Additional PSH Technical Assistance Opportunities
Training and Technical assistance (TA) effort led by CSH and funded by IHDA

Focus on a PSH project (scattered site or project based)
- 80+ hours of training and TA
- Individualized TA for teams
- Concludes with presentation to funders

See handout for information on applying
Other Events & Trainings

- **HUD Sponsored Property Management Trainings**
  - April 20 & 21 – Bloomington, IL
  - April 23 & 24 – Chicago, IL

- **IL Dimensions of Quality Trainings**
  - Chicago and Springfield beginning in April 2009

- **SHPA Quarterly Meeting**
  - May 5th, in Springfield
Resources

- **CSH Website:** [www.csh.org](http://www.csh.org)
  - Toolkit for Developing and Operating PSH
  - Not a Solo Act
  - CSH Publications
  - Fair Housing Resources

- **IDHS website for NSP:**
  [http://www.dhs.state.il.us/page.aspx?item=40593](http://www.dhs.state.il.us/page.aspx?item=40593)

- **SHPA website:**
  [www.supportivehousingproviders.org](http://www.supportivehousingproviders.org)
For More Information

- NSP and Application Questions Contact, Kirstin Williams, Project Manager, Illinois NSP, Kirstin.Williams@illinois.gov, 312-793-4980
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Questions?