

Why We Use FSS: Aaron Gornstein

JEFFREY LUBELL: We have been joined by Aaron Gornstein of the Preservation of Affordable Housing Inc and Debbie Nutter of The Caleb Group to tell us more about kind of why did they decide to start an FSS program. So we're going to start with Aaron, Aaron Gornstein.

AARON GORNSTEIN: Thanks, Jeff. I appreciate it. And I'm really excited about the program that we launched about 10 months ago at POAH. We're a national nonprofit organization that owns and manage more than 9,000 affordable housing apartments in the United States.

And I think the primary reason why we launched this effort early was that it's very inconsistent with what we're doing around resident services programming throughout our portfolio, which we now call community impact. And what the slide shows is the six major areas we're focusing on at POAH. We're ramping up our efforts in each of these areas. We've been doing so for about the last 18 months.

And the FSS program really is consistent with a number of these, as you can see, whether it's stable housing, community engagement, certainly employment, and financial stability are the primary ones. And so this helps further our resident services initiatives in those areas. We've been taking a team approach at each site, where we're involving the property management staff, and the maintenance staff, and the resident services coordinators all in these different areas, and then linking up with community based partners. So there again, very consistent with the FSS approach.

The next slide shows what we're doing as part of the pilot. So we've launched the family self-sufficiency program at four different sites in Springfield, Massachusetts, Cambridge, and then two sites in Rhode Island. And at those four sites, there's a

total of 300 eligible households to participate in the FSS program. Our goal that we set out was very ambitious, which would be to enroll approximately 100 of those households, or the 33%. And as people know, that's significantly above the national average of an enrollment rate, which is around I think 5%, something like that.

So we're trying to really move the needle on enrollment. And so far, we have 80 households in the FSS pilot at these four sites. So we're obviously well on our way to meeting our goal of a total number of enrollees, even after the first year of the program. This was a five year goal. And so we are very pleased with that progress.

I want to thank HUD, first of all, for-- and I know Danielle's on the call, but for allowing us to begin the program early, to being flexible on how we structure it, and then working with us as partners through the process. Other key things to mention just wrapping up is that we work with Compass Working Capital as our third party subcontractor to help deliver the actual services at the four sites. So they are working with our POAH staff, both at the site level, but also we have Trevor [? Sammioz ?], who is here with me now actually, who oversees the entire effort for POAH.

So just to finish off, I would say because of the success, we're looking to expand it in a significant way in the upcoming months. We're going to be working with the family financial opportunity centers with [? LISC ?] at two different places, one in Independence, Missouri, which is called Hawthorne Apartment. It's 745 units of family housing, so we expect a significant ramp up there.

And then in Chicago in the Woodlawn neighborhood that we've been working on as part of our Choice Grant, and that involves several hundred households as well. So we are going to be expanding the pilot to those two additional areas. And I'll stop there.

JEFFREY LUBELL: Aaron, what would you say is the number one reason why you

think people should join a FSS program, or starter program.

AARON GORNSTEIN: I think it's to further economic self-sufficiency among the residents of affordable housing, and helping them to get to that next step. And I know that most, if not all affordable housing providers are doing some of that to some extent. And I think focusing on economic development asset building is probably the most impactful thing we can do as owners.

I would also say secondarily, when you think about building public support for affordable housing, I think if we can demonstrate as responsible owners that we are doing everything we can to improve people's lives economically, helping them move up the economic ladder, helping them with employment financial coaching, then there's going to be more support overall for affordable housing in this country. So I think that's another reason, although I wouldn't say it's the primary reason. Primary reason is to help the residents. The secondary reason I think is it really builds more support overall for our industry.