



Planning — June 2009

Support System

It takes more than housing to help the homeless.

By Corry Buckwalter Berkooz

Three-year-old Marlon finished his breakfast in the Community Center at Carrot Way Apartments in Ann Arbor, Michigan, one morning in March. His mom, formerly homeless and the mother of six, peeked in the doorway with a big smile. The room was quiet at 11 a.m., but by 4 p.m. kids of all ages filled long tables with books and backpacks while they nibbled on snacks from the food bank located next door.

"Mr. Charles," as Marlon and the other the kids call Charles Lewis, greets the after-school set every day. As the center's program director, Lewis cooks dinner for young Carrot Way residents every night in the communal kitchen. He "shops" for ingredients from the adjacent food bank warehouse. And he helps with homework and supports parents as they navigate the local public school system.

For most of these formerly homeless families, Carrot Way is "the first stable and safe place they have ever lived," says Paula Baldoni, director of communications for Avalon Housing in Ann Arbor, which built and now operates the apartment complex. Carrot Way, the city's first family-supportive housing development, opened its doors in 2005 for 30 families. The apartments have lost very few to attrition since then, according to Baldoni.



Carrot Way Apartments is a dream come true for many housing activists. In the early 1990s, activists in New York City, San Francisco, and other locales realized that successfully housing the homeless in permanent spaces was not just a matter of providing a roof overhead. Many homeless individuals struggled with mental illness, drug addiction, or other issues that disrupted their ability to stay housed. It was thought that long-term housing that also served the personal needs of tenants could break the cycle of homelessness.

"Supportive housing" is generally defined as affordable housing with support services such as health care, employment training, or social services — usually for homeless, extremely low-income, at-risk populations. Those include individuals with special needs, the disabled, the mentally ill, or those with substance abuse problems or threatening medical conditions such as HIV or AIDs. The housing is created or rented by nonprofit and faith-based housing providers.

In the U.S., the main federal law targeting homelessness is the McKinney-Vento Act of 1987. The law has provided billions of dollars to create and manage supportive housing developments.

Today the need for this type of housing may be greater than ever as housing foreclosures rise nationwide and many more families seek housing in emergency shelters as well as supportive housing. When the nonprofit National Coalition for the Homeless surveyed homeless groups across the country in 2008, it found a 61 percent increase in homelessness since the foreclosure crisis began in 2007. The coalition expects equally bad news this year.

What's available

Housing programs for the homeless currently include three main components: emergency shelters, transitional housing, and permanent supportive housing. In supportive housing, services such as job training and mental health are offered either on-site by in-house social workers or with partners in the community. Supportive housing often includes management services as well.

Under the McKinney-Vento Act, residents pay no more than 30 percent of their adjusted monthly income for rent, and providers may charge no rent at all. However, housing providers agree that

supportive housing wouldn't be possible without housing vouchers as financial support. Voucher types include Section 8, McKinney Shelter Plus Care, those specifically for military veterans, those for individuals with AIDS, and vouchers provided by various state and local programs.

Formerly homeless families and individuals who live in supportive housing find themselves in relatively cozy settings and with providers who may offer new opportunities such as an on-site school for training chefs. From a 652-unit building in New York City's Times Square (the largest supportive housing project in the U.S.) to rental houses tucked into residential neighborhoods, supportive housing is now integrated into many U.S. cities.

According to a 2007 study of 100 communities conducted by the U.S. Department of Housing and Urban Development, 19,069 residential programs for the homeless were operating nationwide at the time, including 6,140 emergency shelters, 7,275 transitional housing programs, and 5,654 permanent supportive housing programs. About 1.5 million people used an emergency shelter or transitional housing during the preceding 12-month period. Seventy percent of the homeless were individuals and 30 percent were families.

Providers and nonprofit developers have seen big changes in supportive housing since the early 1990s, when the focus was primarily on housing. Connie Tempel, chief operating officer of the Corporation for Supportive Housing, says that providers gradually have become "more open to a harm reduction model, where you assist the tenants and address their addiction in the context of the housing."

Another recent change Tempel notes is in the effort to shift chronically homeless individuals — according to HUD, those with a disabling condition who have been continuously homeless for a year or who have had four episodes of homelessness in three years — into permanent affordable housing. "The chronic homeless use more of the shelter beds and more of the services. If we focus on them, we'll free up the beds for the episodic homeless who need the services for emergencies," she says.

The HUD definition of a "chronically homeless" person also specifies that an individual must have been in emergency shelters or living on the street to qualify.

The language is important because program funding targets affect people's lives. For the past decade, the National Low Income Housing Coalition's Housing Plus Services Committee has been developing a common language to describe housing with services attached, variously called supportive, service-enriched, special-needs, and service-enhanced housing.

"Service-enriched affordable housing," for example, is a type of permanent affordable rental housing targeted to low-income people, not necessarily those who were previously homeless. This housing option is "not permanent supportive housing," says nonprofit housing developer Tanya Tull, executive director of Beyond Shelter in Los Angeles. Yet despite funding obstacles, Beyond Shelter has housed more than 4,000 people in service-enriched affordable housing over 30 years.

Many models



There are several types of permanent supportive housing. Cindy Holler, a former planner who is now president of Mercy Lakefront Housing in Chicago, says Mercy's model of permanent supportive housing is "integrated management," in which property management and services staff function as a team to keep residents housed. Mercy Lakefront serves around 2,000 low-income residents with a variety of housing types, including some single-residency units and a multiunit residential building for families.

Blended management is "not just housing plus services; it is more than that," says Holler. "You are handling property management and services for the residents in a very disciplined way."

In another model of permanent supportive housing, Tom Lorello, executive director of Heading Home in Boston, says, "We broker services." His agency develops a plan for a family and then connects it to other services in the community, such as job training, child care, primary medical care, and mental health organizations.

Like many other homeless housing providers, Heading Home, established as Shelter, Inc., in 1974, operates housing programs for families and individuals, including an emergency shelter, a transitional shelter, and permanent supportive housing and rental management.

Clients are often directed to supportive housing providers by emergency shelters and social service organizations. They must fit criteria to receive housing and often face long waiting lists to get housing.

Once residents are placed in supportive housing, though, they may experience a forgiving landlord. A late rent check is a matter for discussion — and perhaps a sign of need for a specific service — instead of cause for eviction. "We bend over backward not to evict anyone. It is rare and we give people lots of chances," Lorello says.

Agencies can also differ in how they prioritize clients' housing needs. Housing at Seattle's Downtown Emergency Service Center is exclusively for homeless men and women who are living with severe mental illnesses or chronic addictions. The center serves more than 6,500 individuals annually through emergency services, shelters, and supportive housing. With an annual budget of more than \$16 million and a staff of about 300, the center is one of the largest homeless support organizations in the Pacific Northwest.

"We have an additional wrinkle in that we do vulnerability assessments," says Bill Hobson, the center's executive director. "Rather than adopt a common waitlist, we give housing priority to the sickest, most vulnerable, and disorganized individuals. I have a running conversation with HUD, and right now they tolerate what we do."

Making choices

Not all providers have a multimillion-dollar budget and local political support. Managing and developing supportive housing is complicated, particularly for smaller agencies. This is when technical assistance groups are critical.

One such group is the Supportive Housing Network of New York, which provides technical assistance and political representation for its 170 member organizations, which develop and operate supportive housing statewide. "The deals are cobbled together from as many as 17 different sources with different schedules, different reporting, and different requirements," says the network's Cynthia Stuart, elaborating on the challenges facing supportive housing developers. The network has helped providers create more than 38,000 units of supportive housing since 1988. Another 12,000 units are being developed.

The national nonprofit Corporation for Supportive Housing, founded in 1991, helps supportive housing providers with grants, technical assistance, and loans in eight states: Connecticut, California, Illinois, Michigan, Minnesota, New Jersey, New York, and Ohio.

CSH holds annual workshops through a Supportive Housing Institute that "bring together people who do the services with those who do development," says Connie Tempel. The networking and team activities have helped to create several new partnerships and supportive housing projects, says Tempel. One example is Haven House, a 14-unit housing development in Metropolis, Illinois, that opened in November 2008 for formerly homeless and mentally ill residents. The Massac County mental health agency and developer Don Yost used donated land and support from the Illinois Housing Development Authority to make it happen.

Only within the past decade have many cities tried to quantify the costs and benefits of supportive housing. Recent studies in Colorado and Seattle show it is cheaper to operate supportive housing than to let the homeless fend for themselves in mental health institutions or hospital emergency rooms. The Partnership to End Long-Term Homelessness came to the same conclusion in 2004, when it analyzed the costs of serving homeless individuals in nine U.S. cities.

Neighborhood impacts



Providers must also address community concerns about how supportive housing may affect surrounding neighborhoods.

The Corporation for Supportive Housing offers community tours so that planning commissioners and local politicians can see developments around the country. "The best selling point is to take them to see these projects. It totally changes their minds about whether or not a proposed project will fit into a neighborhood," says Tempel.

Beverly Ebersold of the organization's Detroit office recently led a group to New York City to meet with Mayor Michael Bloomberg's staff and see various projects. Ebersold says that after returning

from the New York trip, Detroit's deputy mayor immediately called the local 24-hour drop-in homeless shelter and took a tour. That momentum was lost with a political upheaval surrounding the outgoing mayor, but Ebersold remains hopeful that the city will pick up the initiative again.

For broker-managed supportive housing placements, "the scattered site model works really well since staff visits clients and makes a plan for them," says Tom Lorello of Heading Home. "It is a great model because it puts the family right into the community" rather than waiting for new housing to be built. Heading Home relies on a network of involved landlords in the Boston area to identify rental properties for supportive housing.

On the development side, Seattle's Downtown Emergency Service Center has so much experience with community reactions to new projects over its 30-year history that it selects properties for purchase "only if what we want to do is an outright permitted use," says Hobson. "I am not interested in a property if I need to get a variance or need neighborhood buy-in." Like other supportive housing developers, this one is under intense scrutiny by its funding agencies and is required to incorporate community notification.

DESC opened Rainier House — which houses 50 people with severe and persistent mental disorders — in March in a residential neighborhood in Seattle. It posted fact sheets on the group's website to help neighbors understand that the residents' conditions are nonthreatening, but that didn't go far enough to stop people from fighting the project, says Hobson.

Depressed property values?

Neighbors are often concerned that housing for the homeless could decrease their own property values. Alexis DiLeo, AICP, city planner for the city of Ann Arbor, coordinated review of the site plan for the Carrot Way Apartments proposal in 2002. The Carrot Way planning process was straightforward in a technical sense, but "from the very first public meeting we have pages and pages of protest letters," she says. Most of the neighborhood concerns were about lowering property values, overdevelopment of affordable housing in the northeast section of Ann Arbor, and fear of the new residents' behavior.

DiLeo says that planning commission members took their research seriously and found no evidence that supportive housing projects lower property values. The owners of the 10-acre site, the nonprofit Food Gatherers, successfully petitioned the city to annex the land and proposed dividing it into three components: office, warehouse, and multifamily housing. The land ultimately became a planned unit development.

In 2007, the Furman Center for Real Estate and Urban Policy at New York University undertook the first large-scale study of the impacts of 7,500 units of supportive housing created in New York City during the previous 20 years. One finding was that the values of properties within 500 feet of supportive housing show steady growth relative to other properties in the neighborhood in the years after the housing opens. Properties farther away (500 to 1,000 feet from supportive housing) show an initial decline in value but then increase over the next few years.

Design counts

A development scheduled to open in San Francisco's South of Market neighborhood this July is being built by the housing arm of the Episcopal Community Services of San Francisco. The Bishop Swing building will contain 134 individual apartment units and one management unit. The aim is to serve chronically homeless and disabled individuals, who can often feel isolated.

"Since this population has the tendency to close the door, we designed the communal space to be welcoming," says Phil Clark, director of housing development and asset management. "There is a reception area with a 24-hour desk clerk, a living room, kitchen, and outdoor space, as well as a computer classroom, drop-in room, and community kitchen."

Bishop Swing will have six social workers on staff, a small health clinic, and property management services, says Clark. An on-site chef school for residents is planned as well.

Money matters

While the supportive and affordable housing industries have seen tremendous growth in the past decade, developers and providers still face several challenges.

A concept paper written in 2008 for the Supportive Housing Leadership Forum notes that the dual nature of supportive housing can pose financing problems. While affordable housing financing options include a "wide range of forgivable loans, grants, bonds, tax credit equity, and conventional loans," supportive housing is funded primarily through "special appropriations, limited set-asides of housing tax credits, and other non-debt sources," the report says. This makes it difficult to create many new supportive housing units, according to the authors.

Once construction is completed or a rental unit is procured, providers must contend with the lack of coordination among funding sources for the social service part of the equation. "The reason you don't hear about blended management much is largely due to the fragmentation of our industry," says Mercy Lakefront's Cindy Holler. "The way money is organized for services is very different than the way money is organized for housing. Unless you have really strong leadership to stand up and make sure everything is going well together, it just doesn't happen."

Avalon Housing's Carrot Way Apartments project in Ann Arbor faces similar issues. Despite the completed construction and high occupancy rate of the units, "there is the constant effort to secure and renew service dollars," says Michael Appel of Avalon Housing. As a result, when nonprofit housing providers apply to planning departments for their projects, they may hesitate to label their affordable housing project as "supportive housing" because they can't know for sure if the funding for services will be available indefinitely.

Yet with the rise of demand for shelters in the recent economic crisis, particularly in hard-hit states like Michigan and California, cost-effective and carefully designed supportive housing will likely be even more in demand in the future.

Corry Buckwalter Berkooz is a writer and former county planning director.

Resources

Images: Top — Food Gatherers entrance with Carrot Way Apartments in background, Ann Arbor, Michigan. Photo Corry Berkooz. Middle — Mercy Housing Lakefront's Schiff Residences in Chicago combines green building features and social support services to enhance residents' lives. Photo Mercy Housing Lakefront. Bottom — Stand Up Harlem Housing was developed by Housing Works in Manhattan last year. Photo Supportive Housing Network of New York.

More from APA: Planners Press books on housing and the homeless include *A Decent Home*, by Alan Mallach, published in March, and *Overlooked America*, published in 2008.

Online: Furman Center at New York University: www.furmancenter.nyu.edu

Corporation for Supportive Housing: www.csh.org

National Low Income Housing Coalition: www.nlihc.org

Supportive Housing Network of New York: www.shnny.org

The U.S. Department of Housing and Urban Development's Homelessness Resource Exchange: www.hudhre.info/index.cfm