Rural Supportive Housing: Challenges and Opportunities

Housing Assistance Council

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www.csh.org
Session Overview

- What is Supportive Housing
  - Terms
  - Population
  - Features

- Supportive Housing Development
  - Building New
  - Accessing Existing

- Rural Supportive Housing Examples
  - Unique Aspects
  - Examples

- Challenges and Benefits of Supportive Housing
What does homelessness look like on rural areas?

- Doubled up, overcrowding, couch hopping
- Cars, buses, tent campers
- Chicken coops, fish houses
- Storage rental units, 24 hour businesses
Rural Homelessness

- 1/3 of homeless people live outside of 7 county metro area

- 47% are considered long term homeless, or one year continuously homeless or four episodes in three years, (57% in metro)

- 35% of homeless women in Greater MN were homeless because of domestic abuse (30% in metro)

- 42% of children where in short-term, emergency arrangements (26% in metro)

Rural Homelessness

- 34% of homeless adults had children with them compared to 29% in metro area
- 61% of homeless adults had a chronic health condition compared to 54% in metro area
- 28% of homeless men were veterans (22% in metro)

What is Supportive Housing?

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

Single adults, families and unaccompanied youth who have experienced

- Long histories of homelessness
- Long-term poverty coupled with persistent health problems, including mental illness, substance abuse, HIV/AIDS
- Histories of trauma, abuse and violence
- Repeated engagements with temporary institutional settings and crisis care services
- People doubled/tripled up or couch hopping
Features of Permanent Supportive Housing

Permanent Rental Housing
- Each resident holds lease on his/her own unit
- Resident can stay as long as he/she pays rent and complies with terms of lease (no arbitrary or artificial time limits imposed)

Affordable
- Tenants usually pay no more than 30% of income for rent
Features of Permanent Supportive Housing

Flexible Services
- Participation in a “program” is not a condition of residency
- Services are designed project by project for the target population and the housing setting
- Services are flexible and responsive to individual needs

Cost Effective
- Costs no more, and often much less, than the cost of homelessness and produces better outcomes than the expensive system of crisis care
Services Make the Difference

- Flexible, voluntary
- Counseling
- Health and mental health
- Alcohol and substance use
- Independent living skills
- Community building
- Vocational counseling and job placement
Supportive Housing Development
Supportive Housing Types

- Dedicated buildings
- Rent-subsidized apartments
- Mixed-income buildings
- Long-term set asides
- Single family homes
Who Creates Supportive Housing

- Mental Health and other Service Providers
- Homeless Service Providers
- Non-profit Affordable Housing Provider
- Public Housing Authorities
- Private Developers and Private Landlords
- County and local governments
Key Steps in “Traditional” Development

- Developing Project Concept/Assessing Feasibility
- Building a Development Team
- Identifying and Securing Resources
- Program Design and Construction
- Preparing for Operations
- Lease-up
Project Concept & Feasibility

- Who is the target population?
- What model(s) of housing makes sense?
- What services will be provided?
- What geographic area will you serve?
- What is the need?
- Is there public/financial support?
Development Team Members

- Project Sponsor
- Project Developer/Consultant
- Property Manager
- Service Provider
- Architect
- Attorney
Identifying & Securing Resources

3 key budgets that must be financed

- **Capital**
  - The bricks and mortar

- **Operating**
  - Day-to-Day operations of the building

- **Services**
  - Providing the necessary supports
Rural Supportive Housing
Unique Aspects of Rural Supportive Housing Development

- Lack of service providers, developers and/or property managers
- Often have to cover a large geographic area (if scattered site program)
- Minimum number of foundations to provide gap financing and service funding
Unique Aspects of Rural Supportive Housing Development

- Transportation is always an issue
- Lack of understanding about need and issues of rural homelessness (especially by funders and community)
- Fear of long-term homeless definition
- Projects are smaller and more expensive per unit cost
Problem is quantifiable (often service providers, local police, clinics, etc... know who is homeless and have an idea of how many)

NIMBY can potentially be easier to deal with as project sponsor Boards often have more community members and people know each other

One project can make a visible impact on the community
QUESTIONS?
School building converted into 20 units of housing for single adults with mental illness who has been long term homeless

Range Mental Housing Center (RMHC) is owner, service provider, property manager

Outpatient mental health services, clinic and other programming is provided at RMHC office, next door to the apartments.
Belle Haven Town Homes
Princeton, MN

- 16 two and three bedroom units for families in recovery

- Adult head of household with dependent children, a current disability (such as chemical dependency), a history of homelessness, income eligibility, and at least 30 days of documented sobriety with the desire to remain sober.

- Support services are individualized, voluntary, flexible and available on site. Services programming for pre-school and school aged children.
West River Town Homes
Detroit Lakes, MN

- 12 units of permanent supportive housing for families

- Unique partnership between the Becker County Housing and Economic Development Authority and Mahube Community Council, Inc

- Families who meet the definition of long-term homeless - which is four or more episodes of homelessness in three years or being continuously homeless for one year.
North Shore Horizons
The Challenges and Benefits of Supportive Housing
Challenges of Supportive Housing

**Complex Financing**

High Capital Costs
- Community/program space, security measures, durable materials

High Operating Costs/Low Revenue
- Serves very low income tenants
- Cannot carry debt
- Needs deep rent subsidies

Support Services
- Few sources for non-institutional settings
- Need long-term availability
Challenges of Supportive Housing

Complex Partnerships

Owner
- Private owner protects bottom line
- Nonprofit owner has “double bottom line”

Property Manager
- “Bad Cop”
- Not the same as other affordable housing
- Not a money-maker

Lead Service Provider
- “Good Cop”
- Need good working relationship with Property Manager
Benefits of Supportive Housing

Breaks the Cycle of Homelessness

- Increases ability to access and maintain housing
- Reduces use of crisis and institutional services
- Fosters self-sufficiency
- Improves health and wellness
- Encourages peer and community support
Benefits of Supportive Housing

Consumer Outcomes
- 32% reduction in overall service cost
- 57% cost reduction in Mental Health Services cost
- Shelter use decreased 99%
- Emergency room usage decreased 21%
- Jail costs down 95%
- Residents increase their income by 77%

Cost of Rural Homelessness; Rural Permanent Supportive Housing Cost Analysis, May 2009
Benefits of Supportive Housing

Community Outcomes

- Increased property values
- Neighborhood beautification
- Lower crime rates
- Overall economic impact
- More effective use of public resources
The Role of CSH

CSH helps communities create permanent housing with services to prevent and end homelessness

CSH’s Project Related Assistance

- Predevelopment Funding
- Technical Assistance
- Systems Advocacy

For More Information
To find out more about the services that the CSH Consulting Group can provide, please call 312.332.6690 x13 or e-mail consulting@csh.org.