



Rural Supportive Housing: Challenges and Opportunities

Housing Assistance Council

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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**

Rural Homelessness

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)

Source: Wilder Study, 2006

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)

Source: Wilder Study, 2006

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



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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?

Building a Development Team

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

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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

Unique Aspects of Rural Supportive Housing Development

- Problem is quantifiable (often service providers, local police, clinics, ect... 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?

Rudy Perpich Apartments

Hibbing, MN

- 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”

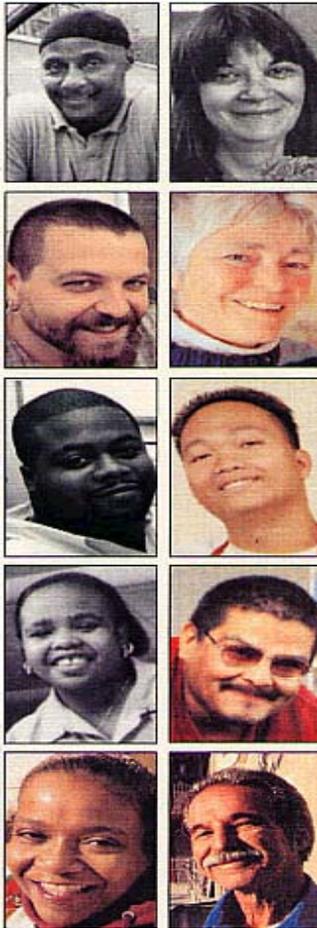
Property Manager

- “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%



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.

