Supportive Housing Production Implementation Plan

Rochester and Monroe County, New York
2008-2017

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Executive Summary

In September 2007, the Rochester/Monroe County Homeless Continuum of Care released its ten-year plan to end homelessness. Entitled "Housing Options for All - A Strategy to End Homelessness in Rochester/Monroe County," the plan recommends the simultaneous pursuit of three major components in ending homelessness: prevention, comprehensive support services, and affordable permanent housing. Supportive housing is a means to address all three components for people who are most likely to be homeless repeatedly or for long periods of time. There are currently 698 supportive housing units in Monroe County. This Supportive Housing Production Implementation Plan is designed to build on that foundation, and to provide guidance and ideas for increasing the availability of supportive housing over the ten-year period.

Supportive housing is, first and foremost, ***housing*** as opposed to a program of treatment, a shelter, or a residential care facility. It is affordable rental housing where tenants have easy, facilitated access to an array of supportive services designed to assist the tenants to sustain housing stability and to live more productive lives in the community. While services are available to the tenants of supportive housing, the right of tenancy in the housing exists separately from the program of treatment. Because tenancy in supportive housing is not time limited, it is also referred to as “permanent supportive housing” to distinguish it from transitional living programs.

Permanent supportive housing is intended to meet the needs of people with special needs who are homeless or would be at-risk of homelessness were it not for the integration of affordable housing and supportive services. Their special needs may include health conditions such as mental illness, substance addiction, or HIV/AIDS, or other substantial barriers to housing stability, such as the effects of domestic violence, trauma, or histories of out-of-home placements.

In this Supportive Housing Production Implementation Plan, we project the types and quantities of permanent supportive housing units needed in Rochester and Monroe County over the next 5-10 years for people with special needs who are homeless. We also estimate costs for the creation of these supportive housing units, identify potential funding resources, and offer ideas and concepts for funding and creating the units. The plan was developed by InSite Housing Solutions, LLC, a Connecticut-based consulting firm specializing in supportive housing, and is sponsored by Enterprise Community Partners and United Way of Greater Rochester in partnership with the Homeless Continuum of Care Team.

This plan for permanent supportive housing is but one part of a larger community planning effort for meeting the city and county’s affordable housing needs. It is designed to provide a springboard for further local discussion and ideas for permanent supportive housing solutions that advance the health and stability of the people to be served and the communities where they live.

Supportive Housing Need

An estimated 7,700-8,200 persons experienced homelessness in Rochester and Monroe County in 2007. These men, women and children comprised approximately 6,000 households, of which an estimated 1,416 (24%) are in need of permanent supportive housing. Of the 1,416 households in need of supportive housing, approximately 73% are single adults, 22% are families, and 5% are unaccompanied youth (ages 18-25).

Approximately 40% of the households in need of permanent supportive housing are chronically homeless - meaning that the household is headed by someone with a disabling condition who has either been continuously homeless for a year or more or has experienced four or more episodes of homelessness within the last three years. The remaining 60% are single adults, youth and

families with disabling conditions or complex needs who are not chronically homeless but are at risk of becoming so.

Supportive Housing Creation

While there is no single model for supportive housing's design or its approach to service delivery, it is most commonly created through two methods: 1) the leasing of existing, private-sector apartments, or 2) the development of new supportive housing projects through acquisition, new construction or rehabilitation of real property. In our projections for unit creation over the next ten years, we assumed that approximately 60% of the 1,416 supportive housing units that are needed would be created through leasing approaches and 40% through development. We also assumed that larger developments (those over 20 units) would blend supportive and affordable housing units. Integrated projects are increasingly preferred by funders (including the City of Rochester) and have become the norm among many of the leading developers of permanent supportive housing in New York and Connecticut.

Given the current recession and its impact on state, county and municipal budgets, we forecasted a gradual, incremental increase in housing creation during the earlier stages of the plan and more aggressive production in later years. During the plan's first five years (2009-2013), 598 units would be completed – 472 supportive housing units (33% of the total goal) and 126 affordable housing units in mixed projects. Of these 598 units, 315 (189 supportive + 126 affordable) would be created through development, and 283 through leasing. These 5-year production figures serve as the basis for our cost estimates.

Costs and Resources

The creation of permanent supportive housing requires assembling financing for supportive services, operating costs, and capital (development) costs.

Capital. Based on average per unit development costs of $195,000-$230,000, total capital costs during the 2009-2013 period are estimated at $69 million. New York has a wide array of State- and federally-funded financing programs that can be utilized for the development of supportive and affordable housing. Additional federal resources may become available in 2009 within the new economic stimulus bill. We have identified 16 funding sources that could be reasonably accessed over the next four years to fund the capital costs of new supportive housing development.

Operating. Based on average annual operating costs of $6,750-$9,445 per unit (the wide range is due to variations in project sizes and security costs), total first-year operating costs for the 598 units are estimated at $3.8 million. We have identified 9 potential rent subsidy sources that would cover most of this cost. The projections assume that the Rochester Housing Authority (RHA) is able to establish a new preference in its Section 8 Administrative Plan that provides a priority on its Section 8 waiting list for persons able to transition from Shelter Plus Care-subsidized units, thereby freeing up the HUD Shelter Plus Care subsidies for high-need individuals and families. It also assumes that the RHA is willing to project-base a portion of its Section 8 vouchers for new supportive housing development projects.

Services. Based on average annual service costs per unit of $7,000 - $13,000 per unit (the range is due to variations in service intensity levels), total first-year service costs for the 472 supportive housing units are estimated at $4.3 million. Service coordination costs of $1,500-$2,000 per unit for the 126 affordable housing units are estimated at an additional $219,000. Support services are the most challenging aspect of supportive housing to fund; there are few Federal and State resources available that cover the full cost of flexible, wrap-around supports. The Office of Mental Health (OMH) is the largest funder of supportive services for people living in permanent

supportive housing, but their funding is specifically targeted to persons with mental illness. We have identified 8 potential service funding sources; however, these sources cover only 41% of the projected total service costs.

With so few public-sector programs designed to adequately fund supportive housing services, it is common for project sponsors to try to make do with a level of services well below that which is needed to support the target population. The result is either high turnover (clients leave or are evicted from the housing) or increased restrictions imposed on entry into the housing. In either case, households with the highest service needs will continue to churn through the emergency shelter, treatment and crisis systems unless this service funding dilemma is addressed.

An increasing number of states and localities are employing collaborative and creative approaches to financing supportive housing services, including interagency partnerships between state or county departments that braid service resources from the different agencies; collaborative funding programs that cross jurisdictional boundaries; redeploying existing funds to fund services in permanent supportive housing; and adjusting the targeting of existing funds to serve households with more intensive service needs. Several examples are provided in the narrative.

Permanent Supportive Housing Creation Strategies

Ending homelessness cannot happen within the sole confines of the homeless service system. Resources from mainstream systems – including primary and behavioral health, family and child welfare, criminal justice, housing, and community development – can and should be tapped to create permanent supportive housing options

Some specific ideas for new strategies to fund and create permanent supportive housing in Rochester and Monroe County include:

City: Link supportive housing development to City community development efforts by incorporating supportive housing units in mixed income projects or mixed use projects, including those that address abandoned or foreclosed properties.

County and State Office of Mental Health: Direct more of OMH's resources to serving homeless and chronically homeless people with serious mental illness, particularly people with co-occurring disorders, through: 1) targeting at least 25% of existing and new CR-SRO units to adults who are homeless; 2) partnering with the Rochester Housing Authority to transition clients with lower service needs to Section 8, and target vacated Shelter Plus Care units to higher need clients; 3) establishing partnerships with community nonprofits willing to set aside a portion of their supportive housing units to homeless persons with mental illness in exchange for OMH services; 4) using Supported Housing funds in tandem with OASAS funding to serve chronically homeless individuals with co-occurring disorders in supportive housing; 5) use OMH funding with other county DHS funds to provide supportive housing for families with complex needs.

Monroe County Department of Human Services: In 2007, Monroe County DHS made over 9,000 emergency placements of families and individuals into emergency shelters and motels at cost of $4.3 million. The high number of placements relative to the estimated annual number of homeless households (6,000) suggests that a significant number of households are experiencing multiple placements during the year, and at a significant cost to the County. Instead of spending funds on repeated emergency placements, the County could instead redirect a portion of these funds to 1) identify the families who have the highest emergency placements, 2) place the families directly into housing using Shelter Plus Care vouchers; 3) fund ongoing service supports to the families, in partnership with funding from other county DHS units such as OMH, and 4) monitor the initiative for outcomes, including housing stability, use of emergency systems, and family stability.

DHS and the Continuum of Care: The Rochester/Monroe County Continuum of Care plans to develop a rapid re-housing pilot program for families and apply to HUD for partial funding. Two key pieces of the effort would be developing a central intake mechanism and a uniform means of assessing the needs of families, both of which are required by HUD to qualify for their rapid-re-housing funding. Both of these mechanisms could be useful in identifying the subset of families who need permanent supportive housing. Monroe County DHS could play a critical role in helping to develop, fund, and deploy the intake process and assessment tool.

Interagency partnerships that braid service resources from different agencies enable the agencies to leverage each other's expertise, networks, and funding capacity in ways that a single agency cannot. In Appendix A, we present ideas for four pilot or demonstration initiatives that could help address the needs of chronically homeless adults, homeless families with complex needs, and homeless young adults. A key to success for any collaborative initiative such as those envisioned here is leadership within City, County and/or State government. Philanthropy and local advocates can play important roles as catalysts to spur attention and engagement of leadership in supportive housing production and financing efforts.

I. Introduction

In September 2007, the Rochester/Monroe County Homeless Continuum of Care released its ten-year plan to end homelessness entitled "Housing Options for All - A Strategy to End Homelessness in Rochester/Monroe County" at the Homeless Services Network's Annual Western NY Homeless and Hunger Symposium.[1] The Plan recommends the simultaneous pursuit of three major components in ending homelessness – prevention, comprehensive support services, and affordable permanent housing. While each component is important, the Continuum acknowledged that the affordable permanent housing thrust will require the most attention and resources, as it represents a significant change for the community in how it addresses homelessness.

Part of the challenge in addressing the housing needs of people who are homeless is that there is no one-size-fits-all approach. It is most often a combination of factors that push individuals and families into homelessness, and these combinations are as individualized as the people themselves. Most people will experience a relatively brief crisis period of homelessness if affordable housing options and immediate help are available. Others will need both affordable housing and longer-term supports to both achieve and sustain stability in housing. It is this latter group of families and individuals that is the focus of this report.

This "Supportive Housing Production Implementation Plan" is designed to provide:

- An assessment of the housing needs and gaps among people facing homelessness who are in need of affordable housing and ongoing supportive services ("permanent supportive housing").
- Projections of the types and quantities of additional permanent supportive housing units required to fill the need over the ten-year period
- Cost projections for the provision of additional permanent supportive housing
- An identification of available permanent supportive housing funding resources from public and private sources
- Concepts for strategies to fill funding gaps in capital, operating and services
- Highlights of ideas and project models from other states and communities

In developing this report, Janice Elliott of InSite Housing Solutions ("InSite"), Alma Balonon-Rosen of Enterprise Community Partners, and Connie Sanderson of the Homeless Continuum of Care Team met and talked with various representatives of area homeless service providers, housing development organizations, city and county government agencies, and the Continuum of Care about their supportive housing involvement, needs and plans. InSite also conducted internet and document research to better understand city and county housing priorities, local initiatives, and funding options. This plan for permanent supportive housing is but one part of a larger community planning effort for meeting the city and county's affordable housing needs. It is designed to provide a springboard for further local discussion, ideas and feedback which can then serve as the basis for discreet initiatives to create supportive housing units.

II. What is Supportive Housing?[2]

Supportive housing is permanent, affordable rental housing in which all members of the tenant household have easy, facilitated access to a flexible and comprehensive array of supportive services designed to assist the tenants to achieve and sustain housing stability and to live more productive lives in the community. Permanent supportive housing units are intended to meet the

[1] The ten year plan report is available at www.homelessservicesrochesterny.org

[2] Adapted from Corporation for Supportive Housing / National Council of State Housing Agencies: e-Manual for Supportive Housing Funders, 2008, http://documents.csh.org/documents/eManualFunders/CSH_NCSHAeManualforFunders.pdf

needs of people with special needs who are homeless or would be at-risk of homelessness were it not for the integration of affordable housing and supportive services. Their special needs may include chronic health conditions such as mental illness, substance addiction, or HIV/AIDS, or other substantial barriers to housing stability, such as the effects of domestic violence, trauma, or histories of out-of-home placements.

Defining Elements of a Permanent Supportive Housing Unit

Important defining elements of a permanent supportive housing unit include:

- ***Access:*** The housing unit is available to the intended target population, and is unrestricted by unnecessary eligibility criteria, service requirements, or other barriers.
- ***Affordability:*** The tenant household ideally pays no more than 30% of household income toward rent and utilities, and never pays more than 50% of income toward such housing expenses.
- ***Permanency:*** The tenant household has a lease agreement with no limits on length of tenancy, as long as the terms and conditions of the lease are met. This distinguishes permanent supportive housing from transitional living programs, which traditionally have time limits of two years or less.
- ***Support:*** All members of the tenant household have easy, facilitated access to a flexible and comprehensive array of supportive services designed to assist the tenants to achieve and sustain housing stability. Service providers proactively seek to engage tenants in on-site and community-based supportive services. In general, participation in the supportive services is not a condition of on-going tenancy.
- ***Coordination:*** Ideally, the unit's operations are managed through effective partnerships among representatives of the project owner, the property management agent, the supportive services providers, and the tenants.

The Rochester/Monroe County Continuum of Care documents 698 existing permanent supportive housing units serving homeless individuals and families in Rochester and Monroe County as of December 2008. While these units share most of the defining elements listed above, there are variations, particularly in criteria for entry and in the intensity of supports.

Models

There is no single model for supportive housing's design or for the approach to service delivery. The housing settings may vary dramatically based on a range of factors, including tenants' preferences, the type of housing stock available, and the norms and history of a community's real estate market. Housing settings for supportive housing units include:

- Apartment buildings or single-room occupancy (SRO) buildings that mix units targeted to people with special needs with units providing general affordable housing;
- Apartment buildings, SRO buildings, or single-family homes that exclusively house people with special needs;
- Scattered site permanent supportive housing units dispersed through a variety of housing settings;
- Rent-subsidized apartments leased in the open market, either through sponsor-based or tenant-based subsidies; and
- Long-term set-asides of units within privately owned buildings.

The mix of services will vary depending on who is being housed and their individualized service needs. In general, the supportive services are designed to support tenants' ability to retain their housing; sustain good health and manage on-going health and disability-related concerns; access and retain meaningful employment, and increase their skills and income; make connections to the larger community; and achieve greater self-reliance. To be effective, the services must anticipate

the needs of the target population, but must also be flexible and responsive to the needs of each tenant household.

III. Homelessness in Rochester / Monroe County

On January 29, 2008, the Continuum of Care conducted a one-night point in time count of homeless persons. The count identified 595 men, women and children who were homeless at that point in time. Point in Time (PIT) counts provide an important snapshot of homelessness in the community, but they show only part of the picture. Through homelessness research, we know that PIT counts over-represent people who have been homeless a long time, and under-represent those whose homelessness does not last very long. For this reason, jurisdictions need both PIT and annual estimates of homelessness to devise appropriate responses. The 2007 Homeless Management Information System (HMIS) estimated that 7,700 people were homeless during the course of the year. Since there was not full participation by shelters in HMIS at the time, we used an additional method to estimate annual homelessness from the results of the PIT count (see Appendix C).[3] The result of that calculation (8,188) is very close to HMIS, lending credence to an overall estimate of annual homelessness in the county in 2007 in the range of 7,700-8,200 persons.

The housing needs of people who are homeless are best determined by looking at the number of homeless *households* (as opposed to people) who became homeless over the course of a year, since children in families would be living in the same housing as their parents. An estimated 5,968 households were homeless during 2007; of these, approximately 575, or roughly 10%, experienced chronic homelessness.

Table 1: ANNUAL Estimate of Number / Percentage of Homeless and Chronically Homeless HOUSEHOLDS

	Total Homeless		Long Term-Homeless		
Population	Number that are Homeless Over the Course of a Year	Percentage of total homeless households	Number Among Population that are Chronically Homeless	% of Population that are Chronically Homeless	Population's Chronic Homeless as % of Total Chronic Homeless
Single adults	**3,527**	59%	456	13%	79%
Unaccompanied youth	**915**	15%	73	8%	13%
Families	**1,525**	26%	46	3%	8%
TOTAL HOUSEHOLDS	**5,968**	100%	575	10%	100%

We use the term “chronic homelessness” here to mean situations where the adult (the head of household in the case of a family) has a disabling condition and the household has been continuously homeless for one year or more or has experienced four or more episodes of homelessness within the last three years. This definition differs slightly from that used by the US Department of Housing and Urban Development (HUD) in that it includes both adults *and* families.[4]

[3] The method used for converting the PIT count to an annual estimate is based on the work of noted homelessness researcher Martha Burt of the Urban Institute and Carol Wilkins of the Corporation for Supportive Housing. The methodology is explained in detail in *"Estimating the Need: Projecting from Point-in-Time to Annual Estimates of the Number of Homeless People in a Community and Using this Information to Plan for Permanent Supportive Housing"*, Corporation for Supportive Housing, March 2005. Available for download from CSH at http://www.csh.org/index.cfm/?fuseaction=Page.viewPage&pageID=3518.

[4] The HUD definition of chronic homelessness includes unaccompanied individuals only.

IV. Permanent Supportive Housing Need

Permanent supportive housing has been proven to be an effective intervention for people experiencing chronic homelessness. It is also an effective means of preventing chronic homelessness among households with complex challenges. The table below[5] provides an estimate of the number of households in Monroe County in 2007 in need of permanent supportive housing – 1,501, which is approximately 25% of households who are homeless during the course of the year. The estimate includes both individuals and families currently experiencing chronic homelessness as well as households with mental illness who are homeless but not yet chronically so. The estimate also includes a portion (20%) of homeless households with substance abuse issues. Permanent supportive housing is an effective option for many people with addictions who have co-occurring disorders or require longer term supports to advance their recovery (as opposed to shorter-term or more structured transitional programs or recovery houses).[6]

Table 2: Estimating the Total Number of Permanent Supportive Housing (PSH) Units Needed in Monroe County

	Number of Households that are Homeless Over the Course of a Year	Percent of Homeless Population	Percentage of Population Group that Needs PSH	Number of PSH Units Needed	Number of Existing PSH Units	Annual Turnover Rate	PSH Units Available This Year	TOTAL PSH Units Needed
Single Individuals:	**4,443**	**74%**	**27%**	**1,161**	**425**	**15%**	**62**	**1,099**
Single Adults:	3,527	59%	32%	1,088	425	15%	62	1,026
Chronically Homeless:	456	8%	100%	456	62	15%	9	447
NOT Chronically Homeless:	3,071	51%	22%	632	363	15%	53	579
Unaccompanied Youth:	915	15%	8%	73	0	0%	0	73
Families with Children:	**1,525**	**26%**	**19%**	**340**	**273**	**9%**	**23**	**316**
TOTAL (Annual Homeless Estimate):	**5,968**	**100%**	**25%**	**1,501**	**698**	**12%**	**85**	**1,416**

During the year, some of these households were able to access existing permanent supportive housing units that opened up as the result of turnover (people vacating the unit or subsidy). Adjusting for the impact of this turnover, the estimated number of households in need of permanent supportive housing units at the end of 2007 is estimated at 1,416 – 1,026 (73%) targeted to single adults, 73 (5%) for unaccompanied youth (ages 18-25), and 316 (22%) for families. These numbers serve as our targets for permanent supportive housing production over the next ten years.

V. Ten Year Supportive Housing Production Targets

In developing a set of housing unit targets over the ten year period, we considered a number of factors:

- **Launch date**. While 2008 is the first year in the ten-year plan, was essentially a year of planning and preparation for implementation. For that reason, we projected the creation (creation = completion and readiness for occupancy) of the 1,416 permanent supportive housing units over a nine-year period, starting in 2009 and running through 2017.

- **The economy**. Given the current recession and its impact on state, county and municipal budgets, we forecasted a gradual, incremental increase in housing creation during the earlier stages of the plan and more aggressive production in later years. This gradual increase also

[5] See Appendix D for a larger version of this table with explanatory notes.
[6] Figures on the prevalence of mental illness and substance addiction among the homeless population are derived from the 2007 HMIS report.

allows time for providers and developers to try out new partnerships and new housing models, and establish a foundation upon which to create an increasing number of units. It also provides an opportunity to engage public sector funders in this early stage in pursuing new collaborative, cost-effective funding strategies.

- **Housing creation strategies.** There are two primary approaches to creating permanent supportive housing:

  - Leasing of existing private-sector apartments - apartments are subsidized through a rent subsidy; support services come to the tenant where they live. Leasing strategies may include:
    - Individual apartments leased from provide landlords;
    - Master leasing by a nonprofit of an entire building, or set of units within a building, from a private owner;
    - Set asides - multiple units within a building where the landlord has specifically agreed to set aside the units for the targeted population.

  - Development - new construction or rehabilitation of a single building or a collection of smaller buildings developed together or scattered throughout a neighborhood. Development can also involve the purchase of individual condominium units spread among a number of locations.

  Leasing strategies work well when vacancy rates are high and the condition of the housing stock is good. Leasing strategies can increase permanent supportive housing stock quickly and cost less than development. To be successful as permanent supportive housing, leasing strategies need to incorporate four essential ingredients:

  - Decent, safe housing units of appropriate size in well-managed properties accessible to transportation;
  - Landlord/property manager willing to work in partnership with the service provider on an ongoing basis;
  - Service provider who is experienced in providing case management and "wrap-around" supports to the population to be targeted for tenancy and who has strong linkages with mainstream service programs;
  - Rental subsidies and funding for the services.

  Creation of permanent supportive housing through development provides the owner of the housing - which is usually a nonprofit organization – better control over the quality, design, and management of the housing. This generally results in housing that has longer-term affordability and more flexible tenant screening, and can be configured to allow for common rooms and space for property management and support staff. Development can also contribute to community revitalization efforts through the rehabilitation of vacant or blighted structures.

  Leasing is often seen as the best means to integrate persons with disabilities seamlessly into the community. However, development projects can successfully achieve integration as well by blending both supportive and affordable units in the same building.

  There are currently 698 permanent supportive housing units in Rochester and Monroe County. Of these, 86% were created through leasing of existing apartments, and 14% through

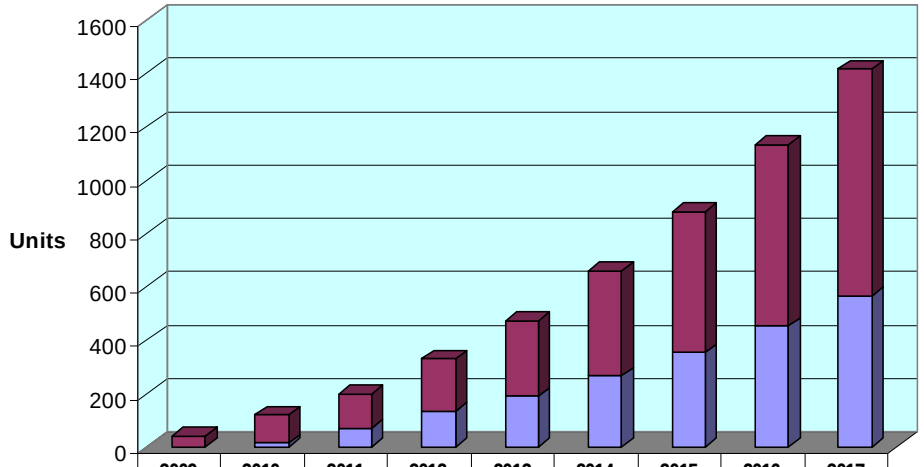
development. In 2007, the rental vacancy rate in the Rochester area was 6.4%[7]. This rate indicates that there is a supply of apartments available to continue pursuing leasing approaches. However, in interviews with stakeholders, some providers indicated difficulty in securing units in safe neighborhoods and units that meet housing quality standards. We also heard an increasing interest from providers in pursuing supportive housing development strategies, either individually or in partnership with housing development organizations. City officials indicated interest in developments where supportive housing units would be blended with affordable or market rate units, or integrated into mixed use (residential/commercial) developments.

In our projections, we assumed that approximately 60% of new permanent supportive housing would be created through leasing approaches and 40% through development. In addition, larger developments (those over 20 units) would blend supportive and affordable housing units. Integrated projects are increasingly preferred by funders, and have become the norm among many of the leading developers of permanent supportive housing in New York and Connecticut. Overall, we estimate that approximately 60% of newly developed units would be supportive housing units and 40% would be affordable housing units.[8]

- **Unit Size.** Apartments serving families have higher cost implications than smaller units, so it is important in planning to project numbers for each. We applied the overall ratio of families to total households to each year of the projection to estimate the need for small units (SRO, studio or one-bedroom apartments) versus large (2 bedrooms or higher).

Based on these considerations, Table 3 on the next page proposes a timeline for supportive housing unit creation in order to reach the production goal of 1,416 units in 2017. Table 4 below provides a visual representation of the cumulative unit production over the period.

Table 4: Cumulative Unit Creation in Each Year
Permanent Supportive Housing



	2009	2010	2011	2012	2013	2014	2015	2016	2017
Leased Units	40	104	130	195	283	396	528	679	849
Developed Units	0	16	70	135	189	265	353	454	567

[7] Housing Vacancy Survey, U.S. Census Bureau
[8] This is an average: we estimate that small projects are likely to be 100% permanent supportive, and larger projects are likely to have 30-50% permanent supportive units and 50-70% affordable units.

Table 3: Ten Year Supportive Housing Production Plan - Unit Occupancy By Year

Housing Type	2009			2010			2011			2012			2013			Total 2009-2013		
	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All
Leased Units (all Supportive Housing)	29	10	**40**	43	21	**64**	0	26	**27**	58	6	**64**	88	0	**88**	219	63	**283**
New Construction and Rehabilitation	0	0	**0**	16	0	**16**	93	0	**93**	60	35	**95**	41	70	**111**	210	105	**315**
Supportive Housing Units	0	0	**0**	16	0	**16**	54	0	**54**	50	15	**65**	24	30	**54**	144	45	**189**
Affordable Housing Units	0	0	**0**	0	0	**0**	39	0	**39**	10	20	**30**	17	40	**57**	66	60	**126**
Total Units by Year	29	10	**40**	59	21	**80**	93	26	**120**	118	41	**159**	129	70	**199**	429	168	**598**
Total Supportive Housing Units	29	10	**40**	59	21	**80**	54	26	**81**	108	21	**129**	112	30	**142**	363	108	**472**

Housing Type	2014			2015			2016			2017			Total		
	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All	0-1 BR	2-3BR	All
Leased Units (all Supportive Housing)	84	29	**113**	99	33	**132**	112	39	**151**	126	44	**170**	640	209	849
New Construction and Rehabilitation	93	33	**126**	107	40	**147**	124	44	**168**	140	49	**189**	674	271	945
Supportive Housing Units	56	20	**76**	63	25	**88**	75	26	**101**	84	29	**113**	421	146	567
Affordable Housing Units	37	13	**50**	44	15	**59**	50	17	**67**	56	20	**76**	253	125	378
Total Units by Year	177	62	**239**	206	73	**279**	236	83	**319**	265	93	**359**	1,314	479	1,793
Total Supportive Housing Units	140	49	**189**	162	58	**220**	186	65	**252**	210	74	**283**	1,062	354	**1,416**

This chart represents units *when they are first occupied*, not when they enter development. For example, development work for units appearing above in 2012 is likely to begin in 2010 or earlier.

VI. Establishing a Short-Term Goal

Implementing a long-term strategy relies on a series of short-term actions. For this reason, we looked to a shorter, five-year horizon – 2013 - and examined in depth what it would take to create the 472 permanent supportive housing units that would need to come on line by the end of that year. We began by considering several factors, including who would be served, housing strategy and unit size, and the services that would need to be available. These factors are summarized in Table 5 on the next page and discussed in more detail below.

1. Population and Housing Strategy

Of the 472 permanent supportive housing units to be created within the first five years, 343 (73%) are targeted to single adults, 24 (5%) to unaccompanied youth, and 105 (22%) to families. Within single adults and families, we went a step further to propose unit goals for certain subpopulations. This is useful in estimating costs and funding availability, as funding programs for supportive housing services are most often structured based on populations served.

Single adults who are chronically homeless

As the ten year plan points, out, "a particular opportunity for long-term cost savings is more effectively addressing the chronically homeless population, which disproportionately uses costly community resources. A nationally recognized study shows that 10% of the homeless population is chronically homeless, yet they consume about 50% of the resources available for all the homeless."[9] Psychiatric disability, substance abuse and medical disorders are widespread in the chronically homeless population. In fact, disability resulting from psychiatric and substance abuse disorders is greater among the chronically homeless population than among people who experience homelessness on a transitional or episodic basis.[10]

Of the 343 permanent supportive housing units targeted to single adults, we propose that over half, or 200 units, be targeted to chronically homeless individuals in order to make a significant dent in chronic homelessness in the area.

As recommended in the ten year plan, **Housing First** approaches can be highly effective in addressing the needs of individuals experiencing chronic homelessness. Housing First programs place people directly into permanent housing without requiring that tenants be "housing ready". The goals of Housing First programs are to house people who are homeless in permanent housing settings as quickly as possible, to provide services as needed to promote and sustain housing stability, and to assist persons on their path toward recovery and independence. A Housing First approach can be contrasted with programs that may condition access to permanent housing upon requirements such as sobriety or treatment participation; basic living skills and personal hygiene; or motivation to participate in treatment or case management services.[11] A body of research documents the success of Housing First models at keeping even the most disabled homeless people housed and averting public costs for crisis emergency services.[12]

Housing First approaches represent a radically different approach to housing and service delivery for many providers, particularly for those that operate twelve-step and clean and sober programs. Therefore, we have estimated that 70% (140) (instead of 100%) of the new permanent

[9] "*Housing Options for All: A Strategy to End Homelessness in Rochester and Monroe County*," Rochester/Monroe County Homeless Continuum of Care Team, September 19, 2008,
[10] "*Characteristics and Interventions for People Who Experience Long Term Homelessness*," Carol Caton, et.al., US Department of Housing and Urban Development Homeless Research Symposium, 2007.
[11] "Standards and Considerations for CSH's Program Activities", Corporation for Permanent Supportive Housing, 2008
[12] Martha Burt, et.al., *Strategies for Reducing Chronic Street Homelessness: Final Report*, U.S. Department of Housing and Urban Development, January 2004.

Table 5: Goals for Permanent Supportive Housing Creation by 2014 - By Population, Housing Strategy, Unit Size, and Service Strategy

Targeted Tenancy	Total PSH Units Needed	Unit Goal by 2014	Production Strategy by Unit Size						Service Strategy by Intensity of Services (Based on Anticipated Needs of Population)			
			Leased Units			New Construction and Rehabilitation						
			0-1 BR	2-3 BR	Total	0-1 BR	2-3 BR	Total	High	Medium	Low	No Services
Supportive Housing Units:	**1,416**	**472**	**223**	**60**	**283**	**144**	**45**	**189**	**239**	**233**	**0**	**0**
Single Individuals:	**1,099**	**367**	**223**	**0**	**223**	**144**	**0**	**144**	**194**	**173**	**0**	**0**
Single Adults:	1,026	343	213	0	213	130	0	130	180	163	0	0
Chronically Homeless Adults:	**447**	**200**	**120**	**0**	**120**	**80**	**0**	**80**	**140**	**60**	**0**	**0**
Housing First (Low Threshold/Low Demand)		140	87	0	87	53	0	53	113	27	0	0
Other perm supportive housing for CH		60	33	0	33	27	0	27	27	33	0	0
NOT Chronically Homeless:	**579**	**143**	**93**	**0**	**93**	**50**	**0**	**50**	**40**	**103**	**0**	**0**
Persons with mental illness/MICA		82	42	0	42	40	0	40	30	52	0	0
Persons w/ substance addiction		51	41	0	41	10	0	10	10	41		
Others in need of long-term supports		10	10	0	10	0	0	0	0	10	0	0
Unaccompanied Youth:	**73**	**24**	**10**	**0**	**10**	**14**	**0**	**14**	**14**	**10**	**0**	**0**
Families with Children:	**316**	**105**	**0**	**60**	**60**	**0**	**45**	**45**	**45**	**60**	**0**	**0**
Families with Intensive Serv Needs		45	0	0	0	0	45	45	45	0	0	0
Families with Moderate Serv Needs		60	0	60	60	0	0	0	0	60	0	0
Affordable Housing Units:	**N/A**	**126**	**0**	**0**	**0**	**66**	**60**	**126**	**0**	**0**	**126**	**0**
Single Adults and/or Youth:	N/A	66	0	0	0	66	0	66	0	0	66	0
Families with Children:	**N/A**	**60**	**0**	**0**	**0**	**0**	**60**	**60**	**0**	**0**	**60**	**0**
TOTAL UNITS:	**1,416**	**598**	**223**	**60**	**283**	**210**	**105**	**315**	**239**	**233**	**126**	**0**

supportive housing units targeted to chronically homeless individuals would employ housing first strategies, while the other 30% (60) would not. This estimate is based on two assumptions: The first is that the community will work to target and combine public sector service funding for housing first strategies[13], and that this funding will encourage the provider community to adopt housing first approaches. The second assumption is that, even if housing first funds were available, some provider organizations would not be ready to adopt the approach - but they nevertheless may still be interested in creating other supportive housing options for this population.

As shown in Table 5, 120 of the 200 supportive housing units for chronically homeless adults would be created through leasing strategies using existing apartments, and 80 through development (new construction and rehabilitation).

Single adults who are not chronically homeless

Of the 343 permanent supportive housing units targeted to single adults, 143 would be targeted to homeless individuals who have not become chronically homeless – 50 units through development, and 93 through leasing approaches. Within these goals, we defined units to be targeted to adults with mental illness/co-occurring disorders, adults with substance addiction, and adults with other disabling conditions. The purpose in making these distinctions is that it becomes helpful later on in estimating service funding, as funding for services is typically population-driven.

Unaccompanied youth

Housing programs targeted to homeless and runaway youth are usually structured as short-term (1-2 year) transitional living programs to help them in their transition to independence. However, some older homeless youth (18-25) with disabling conditions or complex needs may need the longer-term stability and supports offered by permanent supportive housing. As shown in Table 5, 14 units (about the size of one project) would be created through development, and 10 units through leasing of existing apartments. In this case, the development project could serve as a service hub for the 10 scattered units if they are located within the same neighborhood.

Families with children

For most families, homelessness is a short, episodic event that can be addressed with a housing subsidy or other affordable housing options and a mix of some services. Evidence is emerging, however, that there is a subset of homeless families that need the additional, more comprehensive services found in many permanent supportive housing programs in order to end their homelessness and maintain their housing stability. These families are most often headed by a single parent or guardian, usually a woman, and many have had long histories of homelessness. In one study of 100 families in permanent supportive housing, 93% of the mothers reported experiencing multiple episodes of homelessness, and many of the mothers were first homeless while a minor.[14]

Permanent supportive housing for families is not identical to that for single adults. Services are family-centered and have a wider focus, including parenting, education, and child care. Children often comprise the majority of tenants in family supportive housing projects and need developmentally appropriate activities and services distinct from their parents' services. A significant percentage of women and children living in family supportive housing will have

[13] See Appendix A, **"**Strategy Concept 1: Housing First Leasing for Chronically Homeless Adults" for a proposed structure for a housing first pilot program.

[14] "*Supportive Housing for Families: An Overview of Key Considerations*", Corporation for Supportive Housing, April 2007 http://www.csh.org/document/docWindow.cfm?fuseaction=document.viewDocument&documentid=1027&documentFormatId=2154

histories of past or current family violence. Permanent supportive housing programs need to take a "trauma informed" approach that is sensitive to the special needs of people who have experienced trauma. Also, many families living in permanent supportive housing may be newly reunified or have current interaction with the local child welfare agency. Permanent supportive housing projects must be prepared to support healthy parenting, family reunification, and family preservation efforts.[15]

Our projections propose two strategies for addressing the permanent supportive housing needs of families. The first is the creation of 45 permanent supportive housing units that would serve families who have more intensive service needs. These units through be created through development, would integrate permanent supportive and affordable housing units, and would have on-site support services. The second strategy is the creation of 60 permanent supportive housing units that would serve families who have more moderate service needs. These units would be created through leasing of existing units. Over time, the services to families in these units could be reduced or transitioned away if the family no longer needs the supports, but the rental subsidy would remain.

2. Service Intensity

The columns to the right of Table 5 indicate estimated levels of service intensity that would be provided to the individuals and families in the permanent supportive housing units, based on their anticipated service needs. While these are general groupings (and individual tenant needs will vary), estimating average service levels is helpful in estimating the service funding that will be required. If a provider plans to serve a population that may be expected to have considerable service needs (for example, formerly homeless people who are dually diagnosed with serious mental illness and substance addiction), funding must ensure a staff-to-tenant ratio that will allow for an adequate level of service. Some individuals may need considerable support to remain stable and meet the obligations of tenancy, while others will need minimal assistance once stabilized.[16] The intensity of services translates directly into costs, as will be discussed in the next section.

Table 6 describes the three levels of service intensity used in this plan: High, Medium (sometimes referred to as "transition in place"), and Low (often referred to as "service-enrichment"). In this plan, we propose that low intensity services be made available to tenants of the "affordable" units in projects that blend both supportive and affordable housing units.

[15] Ibid.

[16] *"Considerations for Developing and Managing the Supportive Services Budget (and Sample Budget)"*, Corporation for Supportive Housing, March 2006. This document is included within the S*upportive Services* section of CSH's *Toolkit for Developing and Operating Supportive Housing*, which is available at www.csh.org/toolkit2. This information has been adapted from the HUD-funded curriculum *Financial Management and HUD Compliance*, which is available at www.csh.org/training.

Table 6	High Intensity Services	Medium Intensity Services	Low Intensity Services
Types of services commonly provided	- case management and services coordination - outreach and engagement - services to address mental health and substance use problems. - money management and other independent living skills training[17] - peer supports - prevocational and vocational services - transportation and recreational programs - access to health and dental care - services to support housing retention - for families, parenting skills classes, age-appropriate services for children, and supports for family reunification. - Depending on individual tenant needs, these supports may be supplemented by services to deal with legal/criminal justice issues and benefits advocacy, particularly for SSI/Medicaid and other income supports	Case management, services to support housing retention, employment supports, and linkages to mainstream programs.	Supports that are geared to needs the housing tenants have in common, such as service coordination, community-building activities, employment and education programs, children and youth programs, and financial literacy
Typical staff to client ratio	1 to 10-15 for singles, 1 to 6-8 for families	This varies depending on the population served. Ratio may be 1.5 to 2 times higher than that for high intensity services.	Varies depending on the size of the housing project and who is served. There may be one resident service coordinator for a building, supplemented by outside agencies that are enlisted to deliver specialized services.
Length of services	Services are available for as long as needed by the individual or family. Case managers typically meet with the clients at least once per week.	Typically, the lead service provider sees the tenant weekly for the first few months to a year, then at less frequent intervals (such as once month) thereafter as needed to support tenant connections to community-based services.	The services are ongoing.
Services configuration based on housing model	**Single site**: on-site service provider(s), including case managers, and/or mobile service team. Community-building and educational activities coordinated on-site. **Scattered sites or units**: case managers who travel to tenants' units, and/or mobile service teams. Community-building and educational activities are generally offered at an off-site location.	Same as intensive services.	Resident service coordinators are typically found in single site affordable housing projects or a set of projects within a neighborhood or area.

[17] Most of these services will not look like traditional treatment, but will incorporate elements of emerging practice: assertive community treatment; recovery-oriented supports for people with serious mental illness; and substance use management, relapse support, and harm reduction strategies for people with long-term addictions.

VII. Costs and Resources

The creation of permanent supportive housing requires assembling financing for supportive services, operating costs (usually through rental subsidies), and capital costs (costs involved in developing property).

1. Capital

Capital Costs

Under our projections, 189 of the 472 units of permanent supportive housing would be created through development (acquisition and rehabilitation or new construction of real property), as well as 126 units of affordable housing in mixed projects. Several nonprofits have indicated to us that they currently have new permanent supportive housing projects in development or in planning. These anticipated projects have been incorporated into our projections along with estimates of additional development activity over the next five years.

To estimate the total cost of developing the units, we applied per-unit figures for total development costs of $195,000 for studio and one-bedroom units and $230,000 for family-size units (2 bedrooms and larger). These per unit costs are rough averages, taking into account differences between rehab and new construction and differences due to building age and extent of renovation – individual project costs will vary. Using these per unit cost figures, the estimated total development costs of the 315 supportive and affordable housing development units is approximately $65 million in current dollars, or an estimated $69 million adjusted for inflation.

Table 7: Total and Per Unit Development Costs (By Production Strategy) in Current Dollars

Production Strategy	Total Number of Units	Total Development Costs			Development Costs Per Unit	
		0-1 BR	2-3 BR	Total	0-1 BR	2-3 BR
Leased Units:	**283**	$0	$0	$0	**$0**	**$0**
New Construction and Rehabilitation Units:	**315**	$40,950,000	$24,150,000	$65,100,000	**$195,000**	**$230,000**
TOTALS:	**598**	**$40,950,000**	**$24,150,000**	**$65,100,000**		

Capital Financing

Capital financing pays for costs related to the development of housing. It can take a variety of forms; the most common are:

- amortized loans (with regular debt service payments of loan principal and interest);
- deferred loans (where payment of loan principal and interest is deferred until the end of the loan term)
- equity investment (infusion of cash from the project owner in exchange for certain tax and/or cash flow benefits)
- grants or capital advance (funds granted to a project, usually with conditions relating to affordability and resale)

Because permanent supportive housing projects serve households with very low incomes, the income from a project is usually insufficient to cover both ongoing operating costs and debt service on loan financing. For this reason, capital financing strategies for permanent supportive housing are primarily focused on grant, equity investment, and deferred loan sources that do not require ongoing debt service payments.

New York is fortunate in that it has a rich array of State-funded capital financing programs that can be utilized for the development of permanent supportive housing. With the Federal Housing and Economic Recovery Act, passed in 2008, and a new economic stimulus bill forecasted for 2009, there are likely to be new federal capital financing sources that can be deployed.

Appendix B presents a chart of the primary capital funding programs that can be tapped for permanent supportive housing development. Each program, of course, has its own set of regulations and restrictions, so it is often a case of mix and match to ensure a proper fit between programs and projects. Most programs are accessed through annual or periodic Notices of Fund Availability (NOFAs) or Requests for Proposals (RFPs) issued by the State or Federal government. Some federal sources, such as HOME and CDBG, are block granted to, and accessed through, local municipalities.

Preparing capital financing applications and assembling numerous sources of capital financing takes skill and expertise. For service agencies that have limited experience in applying for these funding sources, securing the help of an experienced housing development partner or consultant can add measurably to their likelihood of success.

In Table 8, we have projected the capital sources that could be reasonably accessed over the next four years to finance the 315 supportive and affordable units. These projections assume that local projects are structured to be competitive and that these funding programs are not further curtailed by government during the economic downturn. Additional capital resources may be forthcoming through economic stimulus measures adopted at the federal level, which would be helpful in closing the estimated $3.3 million gap in total funding required. Note also that, while the HUD Supportive Housing Program is a potential source of capital funding (for up to $400,000 per project), HUD Continuum of Care funds are limited by the county's pro-rata share. Unless this pro-rata is increased by HUD, projected demand for Continuum of Care funds for operating subsidies and service costs will exhaust the available funding.

Table 8: Sources of Capital Financing and Amounts Required for New Construction and Rehabilitation Units Over 4 Years

Note: The following information is based upon assumptions regarding the portion of the total development costs that each source will cover based upon the typical structuring of such projects.

Type of Financing / Financing Source	Terms of Financing	Percent of Total Financing From All Sources	Total Amount of Financing
9% Low Income Housing Tax Credits	Equity	33%	$22,500,000
4% Low Income Housing Tax Credits (with OMH financing)	Equity	2%	$1,525,000
NYS Low Income Housing Credit Program (SLIHC)	Equity	3%	$2,120,000
NYS OMH CR-SRO or SP-SRO	0%, 30 Year	7%	$4,580,000
NYS Homes for Working Families (HWF)	1%, 30 Year	2%	$1,320,000
NYS Small Projects Program (HOME or HTF)	Grant	11%	$7,625,000
NYS HOME Program	0%, 30 year	2%	$1,235,300
NYS Housing Trust Fund (HTF)	0%, 30 year	14%	$9,470,000
NYS Homeless Housing Assistance Program (HHAP)	0%, 30 Year	15%	$10,100,000
NYS Urban Initiatives Program	Grant	0%	$200,000
HUD Section 811	Capital Advance	1%	$890,000
HUD's Supportive Housing Program	Grant	0%	$0
Federal Home Loan Bank Affordable Housing Program	0%, 30 Year	2%	$1,040,000
City of Rochester - HOME	0%, 30 year	3%	$2,000,000
City of Rochester - CDBG	0%, 30 year	1%	$450,000
NYS Neighborhood Stabilization Program	0%, 30 year	1%	$700,000
		TOTAL CAPITAL FINANCING:	**$65,755,300**
		TOTAL DEVELOPMENT COSTS FOR NEW CONSTRUCTION AND REHABILITATION UNITS:	$69,081,082
		GAP IN CAPITAL FINANCING SOURCES:	**$3,325,782**

2. Operating

Operating Costs

For a supportive housing unit created through the leasing of an existing apartment, the operating cost that must be covered is the rent charged by the apartment owner. If the rent is at or below the fair market rent for the area, an operating subsidy (along with 30% of the tenant's income) will cover this cost.

For a supportive housing unit created through development, the project owner needs to cover the costs of operating the unit, including utilities, maintenance, repair, insurance, taxes, and management expenses. There is an economy of scale involved – operating costs are less, on a per-unit basis, in larger projects than in smaller projects because fixed costs can be spread over a greater number of units.

Our estimates of Year 1 average operating costs per unit are shown in Table 9. The costs include owner-paid utilities (heat, hot water). It is assumed that tenants pay for electricity for lighting and cooking. Operating costs for individual projects will vary. For single-site developments of 20 or more units in size, operations are likely to include the cost of providing a staff presence at the entry to screen visitors and serve as an extra measure of security for the tenants and project. It is often difficult for projects in the 20-50 unit range to support the costs of 24 hour/7 day per week front desk coverage – therefore it may be necessary to explore additional financing sources or to employ alternative strategies to enhance security (such as volunteer tenant patrols, scanner entry systems, or other measures). Our assumptions regarding front desk coverage (in hours per day) are included below.

Table 9: Average Supportive Housing Operating Costs Per Unit Per Year

	0-1 Bedroom Units	2-3 Bedroom Units
Small Projects (1-20 units)	$6,750	$9,445
Medium Projects (20 – 50 units)	$7,425	$8,295
Large Projects (50 units or more)	$6,525	$6,975
Front desk coverage (security) assumptions included in above operating cost estimates:		
Small Projects (1-20 units)	0 hours/day	9 hours/day
Medium Projects (20 – 50 units)	9 hours/day	13 hours/day
Large Projects (50 units or more)	18 hours/day	18 hours/day
Figures above assume service and/or property management staff presence on site during most weekdays.		

Table 10 provides an estimate of the first-year operating costs for the 472 supportive and 126 affordable units created under development and leasing approaches during the 5-year period.

Table 10: Estimated Year 1 Operating Costs of Supportive and Affordable Units

Housing Approach	2009	2010	2011	2012	2013	Total
Leased Units Operating Cost	$ 302,277	$ 494,058	$ 251,523	$ 461,689	$ 609,100	$ 2,118,647
New Const/Rehab Operating Cost		$ 136,574	$ 439,312	$ 578,682	$ 554,357	$ 1,708,926
Total Operating Cost	$ 302,277	$ 630,632	$ 690,835	$ 1,040,371	$ 1,163,457	$ 3,827,573
Required Operating Subsidies	**2009**	**2010**	**2011**	**2012**	**2013**	**Total**
Tenant-Based - Supportive Housing	$ 302,277	$ 494,058	$ 251,523	$ 461,689	$ 609,100	$ 2,118,647
Project-Based - Supportive Housing		$ 136,574	$ 255,084	$ 395,941	$ 269,687	$ 1,057,286
Total Supportive Housing Subsidies Required	$ 302,277	$ 630,632	$ 506,608	$ 857,629	$ 878,787	$ 3,175,933
Affordable Units - Rental Income Required			$ 184,228	$ 182,742	$ 284,670	$ 651,639

Operating Subsidies

Appendix B presents a chart of the primary operating subsidy programs that can be tapped for permanent supportive housing creation. As with capital financing sources, each program has its own set of regulations and restrictions, and many are targeted to specific populations. For example, the OASAS Permanent Supportive Housing Initiative targets single adults and families in recovery who began a course of treatment or recovery when they were homeless. Many of the operating subsidy programs are accessed through annual or periodic NOFAs or RFPs issued by the State or Federal government. The Section 8 voucher program is accessed through the Rochester Housing Authority.

In Table 11 on the next page, we have projected the operating subsidy sources that could be reasonably accessed over the next four years to finance the units created through leasing and development approaches. These projections assume that these funding programs are not curtailed during the economic downturn.

The projections assume that the Rochester Housing Authority establishes a new preference in its Section 8 Administrative Plan that provides a priority on its Section 8 waiting list for persons currently living in Shelter Plus Care units who are no longer in need of the intensity of supports offered through Shelter Plus Care. The Shelter Plus Care units freed up through this approach would then be targeted to homeless individuals and families with disabilities in need of permanent supportive housing. The projections assume that approximately 8% of single individuals and 20% of families in Shelter Plus Care would receive Section 8 vouchers in this way.

On the development side, the projections assume that:

- New development units targeted specifically for homeless adults with serious mental illness would be part of larger OMH-funded SRO projects.
- The Rochester Housing Authority is open to converting a portion of its tenant-based Section 8 vouchers to project-based vouchers (vouchers that stay with the unit). These 71 subsidies would support the development of new permanent supportive housing units where there are no other viable sources of project-based operating support.
- The affordable housing units would be leased to individuals and families with incomes at 50% of area median income, who could afford rents of $533 and $718.[18] To the extent that deeper income targeting is needed, project-based Section 8 subsidies may be required for these units as well in order to meet operating costs.

Over time, the rate of inflationary increases in expenses may exceed that of rental subsidies. This will create a funding gap in later years. One strategy for addressing this gap on individual projects is to create an operating reserve during the project's development phase, using a portion of the equity investment or other one-time funds to capitalize the reserve.

[18] 50% of area median income (AMI) in 2008 is $22,450 for an individual, and $32,050 for a family of four. Rents for affordable housing units based on 30% of AMI less utility allowance for tenant-paid electricity for lighting and cooking.

Table 11: Sources of Operating Subsidies and Amounts Required for All Supportive Housing Units

Sources	Terms	Leased Units: # of Supportive Housing Units 0-1 BR	Leased Units: # of Supportive Housing Units 2-3 BR	Leased Units: Fair Market Rent 0-1 BR	Leased Units: Fair Market Rent 2-3 BR	New Construction and Rehabilitation Units: # of Supportive & Affordable Housing Units 0-1 BR	New Construction and Rehabilitation Units: # of Supportive & Affordable Housing Units 2-3 BR	New Construction and Rehabilitation Units: Fair Market Rent 0-1 BR	New Construction and Rehabilitation Units: Fair Market Rent 2-3 BR	Average Subsidy Per Unit	Total Annual Subsidies for Units (Year 1)	New HUD Continuum of Care Requests	Total Section 8 Vouchers Required 0-1 BR	Total Section 8 Vouchers Required 2-3 BR	Total Section 8 Vouchers Required Total
Tenant-Based Vouchers:		0	0	$576	$793	0	0	$576	$793		**$0**				
New Shelter Plus Care	5	**69**	**16**	$576	$793					$7,397	**$628,770**	$3,143,850			
Section 8*	1	**43**	**44**	$576	$793					$8,226	**$715,662**		43	44	**87**
OASAS PSH Initiative	1	**41**		$577	$793					$6,924	**$283,884**				
VASH (Veterans)	1	**70**		$576	$793					$6,906	**$483,420**				
OMH Supported Housing	1			$576	$793						**$0**				
Project-Based Vouchers:		0	0	$576	$793	0	0	$576	$793		**$0**				
OMH CR-SRO or SP-SRO**	1			$576	$793	**46**		$576	$793	$6,906	**$317,676**				
New Shelter Plus Care - PRA	5			$576	$793	**61**		$576	$793	$6,906	**$421,266**	$2,106,330			
HUD SHP	2			$576	$793	**17**		$576	$793	$6,906	**$117,402**	$234,804			
Section 811	3			$576	$793	**10**		$576	$793	$6,906	**$69,060**				
Section 8 - Project-Based	10			$576	$793	**26**	**45**	$576	$793	$8,560	**$607,776**		26	45	71
Income from Affordable Units:						**50**	**60**	$533	$718	$7,610	**$837,090**				
TOTALS:		**223**	**60**			**210**	**105**				**$4,482,006**	$5,484,984	69	89	**158**
											TOTAL SUBSIDIES NEEDED FOR ALL HOUSING UNITS FOR YEAR 1:	**$3,827,573**			

**Assumes that the Rochester Housing Authority establishes a new preference in its Section 8 Administrative Plan that provides a priority on its Section 8 waiting list for persons currently living in Shelter Plus Care units who are no longer in need of the intensity of supports offered through Shelter Plus Care. The Shelter Plus Care units freed up through this approach would then be targeted to homeless individuals and families with disabilities in need of permanent supportive housing. Figures above assume that 8% of single individuals and 20% of families participating in Shelter Plus Care would receive portable Section 8 vouchers.*

***Assumes these units targeted for homeless adults would be part of larger SRO projects for persons with serious mental illness.*

3. Services

Service Costs

As described in Section VI, the intensity of services translates directly into costs. Table 12 reflects the total estimated annual cost of the support services under the plan once all of the 472 supportive housing units and 126 affordable housing units are in place.

Table 12: Annual Service Costs for Supportive Housing Units (By Targeted Tenancy)

Note: This Table documents the services costs for the first year all units are online, based upon current data. It will be necessary to project service cost increases for future years of operations.

Targeted Tenancy	# of Supportive Housing Units	# of Service Enriched Units	Annual Cost Per Unit	Total Annual Cost of Supportive Housing Units	Total Annual Cost of Service-Enriched Units
Single Adults and/or Youth:					
High Service Intensity	**194**	**N/A**	**$10,000**	**$1,940,000**	
Medium Service Intensity	**173**	**N/A**	**$7,000**	**$1,211,000**	
Low Service Intensity	**0**	**66**	**$1,500**		**$99,000**
Families with Children:					
High Service Intensity	**45**	**N/A**	**$13,000**	**$585,000**	
Medium Service Intensity	**60**	**N/A**	**$10,000**	**$600,000**	
Low Service Intensity	**0**	**60**	**$2,000**		**$120,000**
AVERAGE:			**$7,617**	N/A	N/A
TOTALS:	**472**	**126**	N/A	**$4,336,000**	**$219,000**

Service Funding

Support services are usually the most challenging aspect of permanent supportive housing to fund. Appendix B presents a chart of the primary service funding programs that can be tapped for permanent supportive housing creation.

While operating subsidies are heavily funded by the Federal government, there are few Federal resources currently available that adequately cover the cost of flexible, wrap-around service supports for people living in permanent supportive housing. The primary Federal service-funding resources are Medicaid (for services to people who qualify under State Medicaid plans) and the HUD McKinney-Vento Supportive Housing Program (SHP). With increasing competition and renewal burdens on HUD McKinney-Vento funds, the SHP program has become a less reliable source for service funding in recent years.

With the shortage of Federal resources, States have increasingly stepped up to the plate to develop programs to fund services in permanent supportive housing. The New York Offices of Mental Health (OMH) and Alcoholism and Substance Abuse Services (OASAS) have programs offering funds to qualified providers for services to people with serious mental illness and people with chemical dependency living in supportive housing. These funds are available through periodic RFPs. OMH also funds an Assertive Community Treatment (ACT) team at Strong Ties (a program of the University of Rochester Medical Center), which provides intensive supports to a defined caseload of homeless and at risk individuals with co-occurring disorders. In our interviews, a number of providers identified the need for additional funding to provide intensive supportive housing services to homeless adults with co-occurring disorders who are screened out of existing OMH or OASAS supportive housing programs.

The New York Office of Temporary Disability Assistance (OTDA) operates two programs providing funding at a moderate level for services in supportive housing targeted to homeless families, young adults, or single adults. This funding is accessed through periodic RFPs.

In Table 13, we have projected the service funding sources that could be reasonably accessed over the next four years to finance the units created through leasing and development approaches. The projections assume that these funding programs are not curtailed even further during the economic downturn. As the Table illustrates, at these service funding levels there is a significant gap between needs and resources, in excess of $2.8 million.

Table 13: Year 1 Service Funding for Supportive Housing Units and Calculation of Funding Gap

Funding Source	Terms	# of Supportive Housing Units Served	Annual Amount Per Unit	Total Annual Financing Amount	New HUD CoC Requests
SINGLE ADULTS AND YOUTH	*Goal:*	**367**	**$8,586**	**$3,151,000**	
OMH Supported Housing (New Slots)	1	70	$8,000	$560,000	
VASH (Veterans)	1	70	$2,500	$175,000	
OASAS Permanent Supportive Housing Initiative	1	41	$5,500	$225,500	
OMH CR-SRO	1	30	$12,000	$360,000	
SH for Families and Young Adults (OTDA)	1	14	$3,300	$46,200	
SRO Support Services Program (OTDA)	1	37	$2,400	$88,800	
HUD Supportive Housing Program	2	27	$7,000	$189,000	$378,000
Total Service Funding - Single Adults and Youth		**289**		**$1,644,500**	
Gap in Service Coverage		**78**		**-$1,506,500**	

Funding Source	Terms	# of Supportive Housing Units Served	Annual Amount Per Unit	Total Annual Financing Amount	New HUD CoC Requests
FAMILIES	*Goal:*	**105**	**$11,286**	**$1,185,000**	
SH for Families and Young Adults	1	45	$3,300	$148,500	
		0	$0	$0	
		0	$0	$0	
Total Service Funding - Families		**45**	N/A	**$148,500**	**$0**
Gap in Service Coverage		**60**		**-$1,333,500**	
TOTAL Gap in Service Coverage - Year 1				**-$2,840,000**	

Filling this gap is the biggest challenge to creating permanent supportive housing in Rochester/Monroe County. With so few public-sector programs designed to adequately fund supportive housing services, it is common for project sponsors to try to make do with a level of services well below that which is needed to support the target population. The result is either high turnover (clients leave or are evicted from the housing) or increased restrictions on entry into the housing by clients with intensive service needs. In either case, households with the highest service needs will continue to churn through the emergency shelter, treatment and crisis systems unless this service funding dilemma is addressed.

An increasing number of states and localities are employing collaborative and creative approaches to financing supportive housing services, including:

- Interagency partnerships between state or county departments that braid service resources from the different agencies;
- Collaborative funding programs that cross jurisdictional boundaries, such as city/county and state/county partnerships;
- Redeploying existing funds – including a portion of funds used for emergency services - to fund services in permanent supportive housing;
- Adjusting the targeting of existing funds to serve households with more intensive service needs.

Some examples include:

- **Project 50 in Los Angeles** is a demonstration project to provide housing and supportive services to the 50 most vulnerable single adults living on Skid Row. The program funds an outreach and engagement team, an integrated support services team responsible for providing supports to the individuals once they are in the housing, and a project director who is an employee of the county department of public health. The demonstration is funded through a combination of State, Federal, and County revenue sources, including funds from the State Department of Mental Health, Medicaid, and County general funds that were reprogrammed from its homeless prevention initiative and general relief program. http://zev.lacounty.gov/images/April_08_Update_files/frame.htm

- **South King County Housing First Pilot Project** in Washington State was developed through a joint initiative of the King County Housing Authority (KCHA), King County's Department of Community and Human Services, and United Way of King County. The program is designed to successfully house 25 chronically homeless individuals in South King County. The project "bundles" KCHA housing subsidies with County and United Way service dollars in order to fund a non-profit provider to connect with, house, and maintain housing for hard-to-serve, long-term street homeless with multiple disabilities. The pilot is based on a "housing first" approach with an integrated service team model of supportive services. Support services are funded through a combination of County Mental Health Medicaid tier reimbursements, Federal Access to Recovery dollars (administered by the County), Chemical Dependency reimbursements, and United Way funds. http://www.kcha.org/documentcatalog/documents/SouthKingCountyHousingFirstPilot.pdf

- **King County joint NOFA:** Also in King County, the City of Seattle, the County, and United Way provide coordinated access to eight service, operating and capital funding programs for permanent supportive housing through a joint NOFA. The service funding component includes funding from the King County Department of Community and Human Services' Homeless Housing and Services Fund and its Mental Health, Chemical Abuse and Dependency Services Division. It also includes 5-year commitments of service funding for new permanent supportive housing for high-needs households through the United Way of King County. http://www.metrokc.gov/dchs/CSD/Housing/HomelessNOFA.htm

- **Massachusetts Aggressive Treatment and Relapse Prevention Program (ATARP**) is a specialized program to keep homeless clients with co-occurring mental illness and substance abuse disorders in housing. ATARP was jointly conceived and is jointly overseen by the Massachusetts Department of Mental Health and the Department of Public Health's Bureau of Substance Abuse Services. DMH and DPH jointly fund the services, while rent subsidies are provided through the HUD Shelter Plus Care program. Now in its ninth year, ATARP includes five programs, each serving about 11 individuals and one family at a time. All must be homeless by HUD's definition, eligible for DMH services (i.e., seriously mentally

ill), and have a recent history of substance abuse. ATARP promotes recovery by providing housing and the supports to help households retain it through flexible but intensive services, using a harm reduction approach that works on relapse management rather than on terminating participants when they relapse. http://www.urban.org/UploadedPDF/411500_special_homeless_initative.pdf

- **Employment Connections** (EC), operated in Boston by the Massachusetts Division of Career Services, provides specialized services for homeless and formerly homeless clients, operating through JOB-NET, a U.S. Department of Labor–funded One-Stop Career Center. EC gives Department of Mental Health clients employment-related assistance in a setting (the One-Stop) that integrates with other people seeking employment help. DMH Metro-Boston and the state Department of Employment and Training collaborate in running EC, which served 67 DMH clients in SFY 2006 and helped secure 34 jobs for 34 participants who worked during the year. http://www.bostonpic.org/files/resources/disability_employment_services_program_2008_Q1.pdf

- **Rhode Island Housing First Pilot Program** provides supportive services and access to permanent homes for nearly 50 chronically homeless individuals. Services are provided by an integrated service team comprised of a behavioral health service agency and a homeless service outreach organization. Initial funding for the pilot was provided through joint funding by United Way of Rhode Island and the State Office of Housing and Community Development (OHCD). Once individuals entered housing and received supports, it was found that many were eligible for Medicaid. Medicaid funding has largely replaced the United Way funding in the program's third year, while flexible OHCD funding enables the program to continue to serve individuals who have not been determined eligible for Medicaid. Based on the success of the program, the lead service provider, Riverwood Mental Health Services, was able to secure a service grant from the new HHS Services in Supportive Housing Program that will expand the pilot to additional individuals. http://www.uwri.org/news/documents/enewsNovember07Final.pdf

- **Connecticut Next Steps Supportive Housing Initiative** provides state-agency collaborative funding for permanent supportive housing through a joint RFP. Services for homeless adults with serious mental illness and/or chronic chemical dependency are funded by the Department of Mental Health and Addiction Services and services for homeless families are funded by the Department of Social Services. For projects that serve both, DSS and DMHAS have an agreement whereby DSS provides its funds for family services to DMHAS, and DMHAS contracts with the service provider on behalf of both agencies. http://www.chfa.org/Multifamily/SupportiveHousingProgram.htm

In Section VIII, we discuss some ideas for using state and county resources in new ways to provide the service funding necessary for permanent supportive housing expansion within Rochester and Monroe County.

4. Cost Summary

Table 14 represents a summary of the total estimated capital, operating and service funds that would need to be committed in each of the five years to finance the creation and operation of the 472 units of permanent supportive housing and 126 affordable housing units. For development projects, capital and operating fund expenditures typically occur two budget years *after* the funding commitment is secured; service expenditures typically occur one year after commitment. For leasing strategies, both operating and service expenditures usually occur one year following funding commitment. These delays in expenditures have been incorporated into the commitment projections.

Table 14: Supportive Housing Production Through 2013 - Summary and Timeline

Production Program Summary			
TOTAL NUMBER OF UNITS:	**598**	**TIME FRAME IN YEARS:**	**5**

Overview of Unit Production Plans by Unit Type, Unit Size, and Year

	Total Units	Unit Production by Year											
		2009		2010		2011		2012		2013		Total by Unit Size	
		0-1 BR	2-3 BR	0-1 BR	2-3 BR	0-1 BR	2-3 BR	0-1 BR	2-3 BR	0-1 BR	2-3 BR	0-1 BR	2-3 BR
Supportive Housing Units:	**472**	29	10	59	21	54	26	108	21	112	30	363	108
Affordable Housing Units:	**126**	0	0	0	0	39	0	10	20	17	40	66	60
TOTAL UNITS:	**598**	**29**	**10**	**59**	**21**	**93**	**26**	**118**	**41**	**129**	**70**	**429**	**168**

Financing Commitments Required for the Production of the Units

	Total Costs	Financing Commitments by Year					
	598	2008	2009	2010	2011	2012	2013
Leased Units - One-Time Costs	**$0**	$0	$0	$0	$0	$0	$0
Capital Financing Commitments:	**$69,081,082**	$3,120,000	$18,679,050	$20,952,775	$26,329,257	$28,953,714	$34,739,341
Operating Financing Commitments:	**$3,827,573**	$438,851	$933,370	$830,206	$1,016,046	$1,341,144	$1,702,409
Services Financing Commitments:	**$4,562,640**	$370,157	$740,313	$820,623	$1,224,054	$1,407,493	$1,918,139
TOTAL FINANCING COMMITMENTS:	**$77,471,295**	**$3,929,008**	**$20,352,734**	**$22,603,604**	**$28,569,357**	**$31,702,351**	**$38,359,890**

Note: Expenditures typically occur two budget years after a funding commitment is secured for capital and operating funds for new construction/rehabiliation, one budget year for operating and one-time costs for leased units, and one budget year for all services funding, as reflected in Table 4. Therefore, capital costs and operating costs in 2012 and 2013 include commitments for new construction/rehab units to be completed in 2014 and 2015; service and other operating costs in 2013 reflect commitments for units to be occupied in 2014 (see shaded cells). "Total Costs" reflects only those costs related to the units completed through 2013.

Financing Expenditures Required for the Production of the Units (By Year)

	Total Costs	Financing Expenditures by Year					
	598	2008	2009	2010	2011	2012	2013
Leased Units - One-Time Costs	**$0**	$0	$0	$0	$0	$0	$0
Capital Financing Expenditures:	**$69,081,082**	$0	$0	$3,120,000	$18,679,050	$20,952,775	$26,329,257
Operating Financing Expenditures:	**$9,350,620**	$0	$302,277	$932,909	$1,623,745	$2,664,116	$3,827,573
Services Financing Expenditures:	**$10,759,350**	$0	$370,157	$1,110,470	$1,931,093	$3,155,147	$4,562,640
TOTAL FINANCING EXPENDITURES:	**$89,191,052**	**$0**	**$672,434**	**$5,163,379**	**$22,233,888**	**$26,772,038**	**$34,719,470**

Note: Capital financing is one time only. Service and operating financing are annual (numbers going forward are cumulative).

VIII. Permanent Supportive Housing Creation Strategies

Identifying unit goals, costs, and potential funding sources is just the starting point for the creation of permanent supportive housing. The next step is developing workable strategies for actually producing the units. Some of these strategies focus on impacting government funding systems for housing and services. Others focus on the creation of specific initiatives to produce and deliver permanent supportive housing.

In this section and in Appendix A, we present some ideas for strategies to fund and create permanent supportive housing in Rochester and Monroe County. These ideas are offered as a means to spark local discussion and additional ideas for potential programs that could be pursued. The ideas have *not* been vetted by any government agencies, so the inclusion of an agency does not imply its endorsement.

Impacting government funding systems involves changing some preconceived notions and developing a common recognition that:

- Ending homelessness cannot happen within the sole confines of the homeless service system. Resources from mainstream systems – including primary and behavioral health, family and child welfare, criminal justice, housing, and community development – can and should be tapped to create permanent supportive housing solutions that advance the health and stability of the people to be served and the communities where they live.

- Permanent supportive housing is, first and foremost, *housing* as opposed to a program of treatment, a shelter, or a residential care facility. While services are available to the tenants of supportive housing, the right of tenancy in the housing exists separately from the program of treatment. This distinction between the housing and services means that funders of affordable housing can do what they do best (fund the housing) while funders of services can do what they do best (fund the services), and by working collaboratively they can create permanent supportive housing options that would otherwise not be possible if an agency had to do it alone.

1. Bridging Permanent Supportive Housing and Community Development

In our discussions with City officials, they expressed a strong preference for mixed income developments (those that have an income mix and that mix special needs populations with non-special needs households) over projects with 100% supportive units. They also expressed an interest in mixed use developments that provide quality first floor commercial space with housing above. Both approaches could be used effectively to create permanent supportive housing opportunities that work in the context of city neighborhoods.

City resources that could potentially assist in the creation of supportive housing include the HOME and Community Development Block Grant (CDBG)[19] programs, as well as a funds the City secures from the New York Housing Finance Agency under the new Federal Neighborhood Stabilization Program (NSP) to address foreclosed and abandoned properties. At least 25% of NSP funding must be used to benefit very low income households (those with incomes at or below 50% of area median income). This presents a potential opportunity to create permanent supportive housing through the rehabilitation of foreclosed or abandoned properties. The City plans to direct a significant portion of its HOME, CDBG and NSP funds to target neighborhoods under its new Focused Investment Strategy (FIS) initiative, although supportive housing projects would not need to occur within these areas in order to receive City support.

[19] City CDBG funds can be used for rehab but not for new construction.

One strategy idea would be to identify and rehabilitate scattered 2-family houses, with each duplex providing a permanent supportive housing rental unit for a formerly homeless family (with a project-based or sponsor-based rental subsidy) and an affordable homeownership unit. The advantage to the homeowner of this approach is that it mitigates much of the risk of leasing the apartment in the open market: 1) the rental income would be assured through the rent subsidy, 2) the tenant applicant has been prescreened by the service provider, and 3) the provider would support the tenant and be available to respond in the event of a problem. Another idea is to identify and rehab selected mixed use buildings along commercial corridors that could provide permanent supportive housing space above and office/program space on the first floor.

Creation of permanent supportive housing through these strategies would best be accomplished by a skilled community- or regionally-based nonprofit housing developer working in partnership with a service agency that has considerable experience in supporting families with complex needs in housing. The housing developer should have experience in working with City and State housing finance programs, and the partners should have or develop good relationships with neighborhood stakeholders.

2. Deploying Resources in New Ways

Rochester Housing Authority

The Rochester Housing Authority (RHA) is the leading administrator of Federal Shelter Plus Care rental subsidies in the area, with 539 subsidies in its portfolio, and is the administrator of 7,171 Section 8 vouchers in Rochester and Monroe County. This blended portfolio of subsidies enables it to think comprehensively and strategically in how it deploys subsidies to meet pressing housing needs. The RHA is currently amending its Section 8 administrative plan and, at the same time, is working with a provider collaborative to make improvements in the administration of its Shelter Plus Care program. The changes present some solid opportunities to deploy these existing resources to maximize supportive housing opportunities through:

- Establishment of a new preference in RHA's Section 8 Administrative Plan that would provide a priority on its Section 8/public housing waiting list for persons currently living in Shelter Plus Care units who are no longer in need of the intensity of supports offered through Shelter Plus Care. The Shelter Plus Care units freed up through this approach could then be targeted to homeless individuals and families with disabilities in need of permanent supportive housing.

- Project-basing a portion of existing Section 8 subsidies for new permanent supportive housing developments.

Along with these efforts, the Homeless Services Network could work with the RHA to establish a quality assurance program for the Shelter Plus Care supportive housing units. Once underway and refined, the program could then be extended to the broader network of permanent supportive housing. The program could monitor tenant outcomes (especially around housing stability), identify service practices that need retooling, and provide for accountability. The Corporation for Supportive Housing has developed materials for assessing quality in supportive housing, and their Connecticut program has established a supportive housing quality assurance program in partnership with the State of Connecticut that could serve as a potential model.[20]

Monroe County Office of Mental Health and State of New York OMH

At some point in their lives, 60% of chronically homeless people have experienced a mental health problem, and greater than 80% have experienced an alcohol and/or drug problem. [21] In Monroe County, the Office of Mental Health is the largest funder of supportive services for people

[20] For more information on the quality assurance program in Connecticut, contact CSH at 203-789-0826, or see http://www.csh.org/index.cfm?fuseaction=Page.viewPage&pageId=4275

[21] Caton, et.al. (2007)

with serious mental illness who are living in permanent housing. However, only 18% (125) of the 698 existing permanent supportive housing units targeted to the homeless are linked to services funded by OMH (through DePaul Community Services, Strong Ties, Unity Health, and VIA Health), and only 14 of these 125 units are targeted to chronically homeless individuals.

For new and existing OMH funding for housing and services, we believe that measures could be taken to direct more of these resources to serving homeless and chronically homeless people with serious mental illness, particularly people with co-occurring disorders. Here are some strategy ideas:

- **Target SRO Units:** For existing and new Community Residence Single Room Occupancy (CR-SRO) projects and any new Supported Single Room Occupancy (SP-SRO) projects funded by OMH (including the new project currently under development by DePaul), consider targeting at least 25% of the units specifically to adults with serious mental illness who are homeless.
- **Target Shelter Plus Care:** Work with the Rochester Housing Authority to transition clients with lower service needs to Section 8, and target the vacated Shelter Plus Care subsidies to higher need clients (see above discussion under Rochester Housing Authority).
- **Establish unit set-asides in housing owned by community nonprofits:** Establish memoranda of understanding with community-based service agencies that own and operate existing or new permanent supportive housing. Through the MOUs, arrange for a targeting of a portion of the units to homeless individuals or families with mental illness, in exchange for OMH's agreement (through its providers) to provide case management services to the clients in these units through the Supported Housing Program. Note that this is not the same as establishing set-asides within private sector affordable housing, but rather a deliberate targeting of units within nonprofit-operated supportive housing projects.

  While OMH may be understandably reluctant to restrict freedom of housing choice among its clients, establishing set-asides of this kind ensures the availability of decent, safe, affordable units in a tight rental market and ensures access to housing by clients who may risk rejection by private landlords due to prior rental histories. It also acknowledges that many of these projects may lease to individuals with mental illness anyway but, without proper services, high need tenants are likely to fail in the housing and return to the emergency system.
- **Use Section 811:** Encourage OMH providers with housing experience to apply to HUD for capital and operating funding through its Section 811 program[22] to create small supportive housing projects serving people with mental illness who are homeless. Use the Supported Housing program to fund service supports to the tenants.
- **Interagency collaboration – "housing first" leasing for chronically homeless individuals:** Use Supported Housing and OASAS Supportive Housing Initiative resources in tandem (especially during the first two years of tenancy) to serve chronically homeless individuals with co-occurring disorders who need intensive supports in order to stay housed. Monroe County OMH and OASAS, together with the Homeless Services Network, Continuum of Care, Rochester Housing Authority, and Coordinated Care Services, Inc. (CCSI), can take a leadership role in launching an initiative to address the needs of chronically homeless adults. A concept for an initiative of this kind is included in Appendix A.

[22] More information on Section 811 can be found at http://www.hud.gov/offices/hsg/mfh/progdesc/disab811.cfm. A bill pending in Congress - H.R. 5772, "The Frank Melville Supportive Housing Investment Act of 2008" – would make the program easier to use.

- **Interagency collaboration – "housing first" leasing for families with complex needs.** Use Supported Housing resources in tandem with OASAS and redirection of some Monroe County Department of Human Services emergency resources (see next section) to serve families with complex needs who need intensive supports in order to stay housed and ensure family stability. OMH and OASAS can take a leadership role in convening fellow agencies to devise a demonstration program to address the needs of families impacted by mental illness or substance addiction who are churning repeatedly through the emergency system. These may include families who are at risk of separation, as well those who are reuniting after out of home placement. A concept for an initiative of this kind is included in Appendix A.

Monroe County Department of Human Services

In 2007, the Monroe County Department of Human Services (MCDHS) made 9,046 emergency placements of families and individuals into emergency shelters and motels at a total cost of $4.3 million. No figures are currently maintained by the County on unduplicated households, so it is unknown how many of these placements represent the same families and individuals being placed in shelters or motels over and over again.[23] MCDHS maintains that it does not impose time limits on payments for clients in shelter as long as the individual is in compliance. However, the providers we interviewed commonly reported that MCDHS pays for only 30 days in shelter, and will sometimes extend this to 45-60 days in cases of hardship. Whichever is the case, the high number of placements (9,000) relative to the estimated annual number of homeless households (6,000) suggests that a significant number of individuals and families are experiencing multiple placements, and at a significant cost to the County.

As noted in Section III, approximately 575 families and individuals in the County are estimated to have experienced chronic homelessness last year. These are households with complex needs that have experienced four or more episodes of homelessness within the last three years or were continuously homeless for a year or more. While they represent less than 10% of homeless households, they account for the greatest costs to the system as they are caught in a cycle of crisis, short-term interventions, and re-crisis. If these households are placed into housing without adequate provision for affordability and ongoing support services, they are most likely to reappear in the emergency system again and again.

Instead of spending funds on repeated replacements of chronically homeless adults and families in shelters and motels, the MCDHS could consider a radically different approach. By way of example, here are some ideas for addressing the needs of families with complex needs:

a. Through data matching at the County level, identify 50-100 target families: these would be the families who have the highest placements in shelters and motels. The County could even cross check this data with Child and Family Services to identify those families with child welfare involvement who are at risk of out of home placement (there is likely to be a significant overlap).

b. Develop a collaborative approach within MCDHS to combine resources from emergency services (funds that would otherwise go to repeated shelter/motel placements), Child and Family Services (funds to prevent foster care placement), OMH (Supported Housing) and OASAS (Permanent Supportive Housing Initiative) to fund the services that would be provided to the families once they are in supportive housing.

c. Collaborate with the Rochester Housing Authority to move families with low services needs off of MCDHS Shelter Plus Care and onto Section 8 (see above section on Rochester Housing Authority). Place the target families in the Shelter Plus Care units with the appropriate, ongoing supportive services.

[23] The County is reportedly working on a system that will generate unduplicated data.

d. Monitor the initiative for outcomes, including housing stability, use of emergency systems, and family stability.

Some further ideas for a "Housing First Leasing Initiative for Families with Complex Needs" are presented in Appendix A.

3. Connecting Supportive Housing Efforts to Emergency System Reforms

Permanent supportive housing is only one piece of a larger community effort to transform the homeless emergency services system to a housing-based system designed to prevent and end homelessness. This larger system reform would ideally be focused on preventing entry into homelessness; rapid intervention, assessment and re-housing for those who become homeless; the provision of supports at levels appropriate to individual need to help ensure housing stability after placement; and the availability of decent, safe, affordable housing.

Permanent supportive housing is an appropriate option for families and individuals who need both housing and ongoing supports. It is an element of Housing First strategies, which are designed to engage and place chronically homeless households in permanent supportive housing directly from the streets or shelters.

Rapid re-housing strategies serve the larger number of homeless households with less complex needs. These strategies are primarily focused on providing rapid placement into permanent housing and offering transitional support services. In 2008, HUD offered new resources through its Continuum of Care programs to support the launch of local rapid re-housing strategies for families. The Rochester/Monroe County Continuum of Care plans to develop a rapid re-housing pilot program and apply to HUD for partial funding as part of its 2009 application.

HUD funding for rapid re-housing requires the establishment of a central intake mechanism (which could be virtual, using web technology) and 2) a uniform means of assessing the needs of the families so that an appropriate response can be made[24]. These intake and assessment processes could also be useful in identifying the subset of families who need permanent supportive housing. The Monroe County Department of Human Services could and should play a central role in helping to develop (and fund) the intake process and assessment tool - including incorporation of assessment factors that could be informed by its own data, such as histories of homeless placements.

4. Interagency Funding Partnerships

Interagency partnerships that braid service resources from different agencies enable the agencies to leverage each other's expertise, networks, and funding capacity in ways that a single agency cannot, particularly during an economic downturn. Agency partnerships also eliminate the need for provider organizations to try to cobble together resources from disparate agencies on a project-by-project basis.

The initiative ideas discussed in the previous sections, and those that are more fully described in Appendix A, all involve partnerships between government agencies to coordinate and direct existing or new resources. These partnerships will require coordination:

- Among units within the Monroe County Department of Human Services on data sharing and on assembling and layering service resources;
- Between the County and the State, primarily through OMH, OASAS and OTDA, to assemble and layer State and County service resources;

[24] The National Alliance to End Homelessness (www.naeh.org) has information and resource materials on rapid re-housing efforts in a variety of communities.

- Between the County and the City of Rochester, Rochester Housing Authority, and Continuum of Care on linking service resources and capital and operating subsidies;
- Between the City housing department and the state Department of Housing and Community Resources (DHCR) to assemble and layer capital resources;
- Between the City, County and philanthropy (philanthropy may be able to bring "venture capital" resources to the table to get an initiative off the ground).

Advancing cross agency partnerships of this kind requires commitment, leadership, and organization – the latter usually in the form of a funders council or working group. Helpful resources on advancing interagency partnerships can be found on the Corporation for Supportive Housing's website at http://www.csh.org/e-Manual

5. Advocacy and Leadership

While aspects of the ideas presented in this report can be pursued using existing resources in new or more coordinated ways, ultimately new resources – particularly for service supports – will be needed to reach the five and ten-year supportive housing production targets. The idea of new resources seems like a radical notion in a period of serious economic restraint. On the other hand, periods of recession are often good times for agencies to engage in collaborative planning. It can take several months for multiple agencies to reach consensus on a vision, a set of goals, and an implementation strategy for a joint initiative - all of which can happen in anticipation of better times ahead.

The motivating force for this planning, however, must be leadership within City, County, and/or State government. In some communities, such as New York City and Denver, this leadership has come from the Mayor; in others (such as Hennepin County, Minnesota) it has come from the County Commissioner. But leadership can happen on many levels. In Connecticut, key department heads within the State's mental health, social service, and housing agencies crafted innovative funding initiatives for supportive housing creation that have served as national models for interagency collaboration. The commissioners of these agencies played important roles in engaging successive governors and legislators to support the initiatives with funding, but it was key agency staff that served as the day to day drivers for the programs. In Washington, department leaders within agencies of King County, the City of Seattle, and the local United Way operate in much the same fashion, coordinating their efforts to provide access to housing and service funding programs through a joint NOFA.

Philanthropy can play an important role as a catalyst to spur attention and focus by government. In some communities, such as in Rhode Island, the United Way has been critical in engaging leadership, bringing the parties to the table, and shepherding a common plan.[25] In other communities, family foundations and community foundations have played this catalyst role.[26]

Advocacy is essential to garnering political and civic support for supportive housing efforts. Anyone – not just those directly involved in serving people who are homeless - can be an advocate, and the more voices the better. However, it is helpful to have a central body that will organize advocates toward key targets with a common message. The Supportive Housing Network of New York (SHNNY) and the Housing First! campaign are effective vehicles for organizing and channeling advocacy efforts at the State agency and legislative levels for supportive and affordable housing resources. Locally, the Homeless Services Network could potentially play this role, working in close coordination with SHNNY.

[25] The United Way of Rhode Island took a leadership role in launching a collaborative Housing First Pilot Initiative. See http://www.uwri.org/work/documents/Housing_First_RI_Report_Full.pdf

[26] In Connecticut, the Melville Charitable Trust provided early leadership in challenging State government to invest in supportive housing. They also provided important predevelopment funding and capacity-building assistance (through CSH) to launch the development of projects.

6. Models and Ideas

In Appendix A, we present some ideas for four pilot programs or demonstration initiatives to help address the needs of chronically homeless adults, homeless families with complex needs, and homeless young adults. The ideas for these models were drawn from needs identified in the Ten-Year Plan and in stakeholder interviews, as well as successful efforts in Monroe County and in other locales. As noted earlier, the reason for presenting these ideas is to spark local discussion of what might be possible if government agencies and the provider community pulled together to aggressively achieve common targets within the next 3-4 years. The local community already has pieces of these "models" already in place – the goal is to build on those experiences, expand what works, and bring funders (and providers) together in new ways.

Appendix A:
Strategy Concepts

This section offers concepts for four collaborative initiatives that could fund and create supportive housing options. The ideas for these models were drawn from needs identified in the Ten-Year Plan and in stakeholder interviews, as well as successful efforts in Monroe County and in other locales. The ideas are offered as a means to spark local discussion and additional ideas for potential programs that could be pursued. The local community already has pieces of these concepts already in place – the goal is to build on those experiences, expand what works, and bring funders and providers together in new ways. These concepts and ideas have not been vetted by any government agencies, so the inclusion of an agency does not imply its endorsement.

Strategy Concept 1: Housing First Leasing for Chronically Homeless Adults

1. Goal: Create at least 60 units over three years of permanent supportive housing serving chronically homeless adults through the use of existing, privately owned apartments. Supportive housing is permanent, independent and affordable housing combined with on-site or visiting case management, support and employment services.

2. Purpose of the Initiative: The purpose of the initiative is to end long-term homelessness, reduce usage of high-cost emergency and crisis services, and foster improved health, self-reliance and employment among adults who are repeatedly or persistently homeless.

3. Initiative Philosophy: The Initiative is grounded in the concepts of "housing first" and "low demand" housing. The goal of "housing first" is to immediately house people who are homeless. Housing comes first no matter what is going on in the person's life, and the housing is flexible and independent so that the individual is housed easily and stays housed. "Low demand" housing emphasizes ease of entry into housing and ongoing access to services with minimal requirements. Both approaches have been found to be highly effective in addressing the needs of people experiencing long-term homelessness.

4. Target Population of the Initiative: The target population for the initiative is adults (age 18 and older) who:

- are experiencing an extended or repeated pattern of homelessness (sleeping in places not meant for human habitation or in emergency homeless shelters);
- have disabling health, mental health, and/or or substance use issues that may impact their ability to function in housing; and
- at the time of placement in the housing are not already receiving intensive case management services funded by OMH.

Referrals to the initiative may come from any source. The service provider will also conduct in-reach into shelters to identify and engage eligible persons, and will determine the eligibility of persons for the initiative.

5. Housing Approach: The supportive housing units will be created through the use of available apartments. Private housing owners will reserve existing apartments for occupancy by the target population through a written agreement with the service provider. The service provider will identify housing units for the initiative that meet the standards below.

General standards of housing units. All housing units in the initiative will be:

- Private apartments with leases (no licensed or program facilities). Apartments will be single room occupancy size or larger containing, at minimum, a private kitchen and/or private bathroom. Efficiency and one-bedroom apartments will be preferred over SRO or shared units.
- Affordable to the target population. Tenants pay no more than 30% of their income for housing costs.
- Good quality (meet HUD housing quality standards).
- Accessible to public transportation.
- Provide for the safety and security of the tenants.
- Located within Monroe County.

Other considerations in the selection of housing units

- The housing selected should not make tenancy conditional on sobriety or the tenant's participation in services. As in other rental housing, landlord/tenant law applies and the tenant is responsible for compliance with the lease.
- The funding for the housing will determine certain eligibility requirements for tenancy. It is important to have a mix of settings to provide flexibility in placement.

6. Supportive Service Approach

- The supportive services to the tenants of the housing units will be provided by an integrated service team (the "Provider"). The team will be a collaboration between a homeless service provider and a behavioral health agency. The benefit of this collaboration is to draw on the expertise, cultural competence, and practical experience of each agency in engaging and assisting chronically homeless adults and in supporting people with behavioral health challenges (particularly co-occurring disorders) in permanent housing.

- The integrated service team will offer a combination of outreach, case management, peer support, service coordination, vocational services, money management, and linkages to primary health and behavioral health care to the tenants of the supportive housing units. The services funded through the initiative are not meant to be duplicative of community-based services already available to the target population. The integrated service team is similar in many respects to an ACT (Assertive Community Treatment) team, but

would not be staffed as intensively. The primary focus of the team is to assist the individual tenant to be successful in their housing.

- To encourage participation in services, the Provider will utilize strategies to engage tenants, build trust, and make services attractive and accessible. Through formal and informal contacts with tenants, Provider staff will build relationships and encourage tenants to take advantage of available services.

- The Provider will base its approach to services on promising and evidence-based practices (including, but not limited to, service integration, critical time intervention, trauma-informed services, and motivational interviewing) delivered to the client where he or she lives.

- Services will:
  - Link with and support existing case management systems within the community and region, and not be duplicative of such services;
  - Provide for adequate linkages to the treatment system, particularly in regard to relapse prevention and relapse management; and
  - Link with employment and educational supports within the region.

- The desired average staff to client ratio of the Provider team is 1:10-15. The caseload can be larger for clients once they have begun to stabilize in the community.

7. Provider Capacity and Experience

- The Provider team must have the ability and capacity to deliver services across Monroe County.

- There needs to be a clear delineation of the team structure and roles and responsibilities of the team members, and a clear identification of which organization will be the team leader and responsible for the day-to-day supervision of the team and overall functioning of the initiative.

- The Provider must demonstrate a positive track record in the delivery of services to people experiencing long-term or repeated homelessness and people with substance addiction and mental illness. The team must also demonstrate a positive track record in supporting people with complex needs in permanent housing.

- The Provider's proposed service approach must be consistent with the Initiative philosophy and with the service initiative guidelines. The Provider must demonstrate an understanding and commitment to the goals of the Initiative and to "housing first" and "low demand" housing approaches.

- The Provider's service approach must also:
  - Reflect the importance and value of connecting tenants with mainstream resources, including employment and training programs, federal and state entitlement programs, and healthcare programs. The service plan should describe existing and planned linkages with vocational, educational and healthcare providers.
  - Incorporate natural supports (families, peers, faith communities, etc.);
  - Articulate strategies for relapse prevention and management and linkages to treatment that will be developed to support these.
  - Ensure that services are available for as long as is needed by the individual tenant. The service plan should articulate under what circumstances, if any, a client would be "discharged" from Initiative services.

- The Provider must demonstrate the ability to deliver services in the most cost-effective manner possible while remaining true to the service model.

- The Provider must be willing to participate in a structured evaluation of the initiative, which may include the development of outcome measures, tracking of client outcomes, documentation of units of service, and costs of services delivered.

8. Service Funding Coverage

- Service funds will be used to cover the cost of support services only. The service funds may not be used to cover rental assistance or to fund the costs of operating, acquiring, constructing or rehabilitating housing.

- Services to be provided or coordinated by the Provider team and its contractors may include:

  - Primary medical care delivered regularly by a mid-level practitioner (such as a nurse), physician, psychiatrist, a health outreach worker, and/or a health educator.
  - Behavioral health care delivered by a licensed clinical social worker and other professional staff with strong clinical skills and linkages to mental health and substance use treatment services;
  - Case management;

- Training in independent living skills;
- Peer support from a team member who has personal experience with homelessness, mental illness, recovery from drug or alcohol addiction, and/or HIV/AIDS;
- Vocational, pre-employment and employment retention services sensitive to the needs of people with multiple barriers to employment;
- Service coordination to facilitate effective teamwork and coordination with property management staff of the housing to prevent crises and intervene quickly to prevent loss of housing;
- Community-building, social, cultural, and recreational activities;
- Money management;
- Outreach and engagement (to bring eligible persons into the housing);
- Housing coordination (coordination with landlords, unit inspections, apartment search, etc.);
- Client support (transportation, furnishings, etc.) where there is no available funding from other sources;
- Benefits consultations and assistance with applications.

9. Proposed Sources for Service Funding

- The total proposed funding for support services is approximately $12,000 per client per year through the client's first two years in housing (not including potential reimbursements through Medicaid); this reduces to $10,000 after the second year.

- **Funding Concept 1: State/County Interagency Collaboration**
  This first approach proposes a funding collaboration between three State agencies: OMH, OASAS, and OTDA. OMH would be lead, and the other two agencies would provide their funds to OMH via an interagency agreement. The three agencies would issue a joint RFP, and OMH would contract with the selected Provider for the pooled funds from the three agencies.

  Here are the amounts that would be allocated from the three agencies:

  a. **Office of Mental Health:** special allocation of 60 Supported Housing slots (20 per year in each of 3 years) at $5,000/person/year
  b. **Office of Alcohol and Substance Abuse Services:** special allocation of 60 Permanent Supportive Housing Initiative slots (20 per year in each of 3 years) at $5,000/person/year
  c. Office of Temporary and Disability Assistance: special allocation through Homelessness Intervention Program of $2,000/client/year through the client's first two years in permanent housing. Payment linked to outcomes related to retention of the target population in permanent housing.

- **Funding Concept 2: SAMHSA Services in Supportive Housing**
  This second approach proposes pursuing funding from HHS through its Services in Supportive Housing Program. The SSHP, which is administered by the Substance Abuse and Mental Health Services Administration (SAMHSA), is currently funded at $10 million/year; funds are awarded through a national competition. Only twelve provider programs for supportive housing services were awarded nationally in 2008. One of these awards, to Riverwood Mental Health Services in Rhode Island, is supporting expansion of a Housing First Pilot Initiative similar to the one proposed here.

10. Proposed source for Rental Assistance: New HUD Shelter Plus Care tenant and/or sponsor-based subsidies (Shelter Plus Care is more flexible than Section 8 for this population, and projects serving the chronically homeless are eligible for the Samaritan bonus). Applications for subsidies would be filed over three consecutive years. Rochester Housing Authority would be the applicant and administrator of the subsidies.

11. Roles for Philanthropy

The provider community could ask local philanthropy to contribute to the effort in the following ways:

- **Housing success fund:** one or more local foundations or giving circles could create a special fund that could be used by the Provider for one-time expenses to assist clients in moving into apartments (such as first month's rent, security deposits, furniture, etc.). The funds could also be used for one-time expenses relating to apartment repair prior to or after client occupancy in order to establish and maintain positive relationships with landlords.

- **Evaluation**: A local foundation could fund an independent evaluation of outcomes and cost impacts during the first the first two years of the initiative. The evaluation could be conducted by a local university.

- **Training**. For provider staff, the shift from supporting people while they are homeless to supporting them in housing can be challenging, as it calls for new methods of engaging and supporting clients. A local foundation could fund a set of local trainings for staff of the provider team on critical issues they will face in the first year. The Corporation for Supportive Housing and Center for Urban Community Services

(based in New York City) are excellent resources for these trainings.

12. Existing resources already in place that could be linked to or coordinated this initiative:

- **Outreach and engagement**
  - Salvation Army Safe Haven
  - Seasonal shelters, such as St. Joseph's House of Hope - these often serve as refuge in winter for individuals who would otherwise live on the streets.
  - Homeless Outreach Team

- **Health and Behavioral Health Care**

  - Unity Health operates a Healthcare for the Homeless program funded by HHS, and additional health services to homeless persons funded through the HUD Supportive Housing Program. This resource could potentially be tapped for health services to chronically homeless persons participating in the initiative, especially during the period of outreach and engagement and during their first year in housing

  - Unity also has operated HOPE, the Homeless Outreach Project and Evaluation. HOPE is focused on assisting eligible, chronically homeless individuals in applying for SSI and SSDI benefits.

  - Strong Memorial Hospital through Strong Ties operates the area's only Assertive Community Treatment (ACT) team that works with people with serious mental illness, many of whom have been homeless and have co-occurring disorders.

  - Strong Ties also operates Project Link, a program providing primary and behavioral health services and case management to individuals leaving jails or prisons. Some of the individuals served by Project Link (especially those leaving jail) may be chronically homeless and could benefit from the initiative.

13. Examples and Models

- **Housing First Pilot, Rhode Island** – similar model to that proposed here
  - http://www.csh.org/_data/global/images/pshfirstyeareval2.pdf
- **Health, Housing and Integrated Services Network, California** – inspiration for the Rhode Island pilot through its use of integrated service teams that tapped behavioral health and homeless service providers. Link is to a publication on lessons learned and best practices from the initiative.
  - http://www.knowledgeplex.org/showdoc.html?id=139245
- **Community Engagement Program, Portland, Oregon** – a similar model using Shelter Plus Care, ACT team, street outreach, and customized employment services
  - http://www.centralcityconcern.org/CEP.htm
  - http://documents.csh.org/documents/ke/toolkit-ending-homelessness/cep.pdf
- **Downtown Emergency Service Center, Seattle, WA** – long time provider of supportive housing for chronically homeless adults using Housing First approach
  - http://www.desc.org/documents/DESC_Housing_First_Principles.pdf
- **Pathways to Housing, New York** – spearheaded the Housing First approach
  - http://www.csh.org/index.cfm?fuseaction=Page.viewPage&pageId=502
- **Denver Housing First Collaborative** – evaluation report on Housing First initiative
  - http://www.shnny.org/documents/FinalDHFCCostStudy.pdf

Strategy Concept 2: Blended Housing for Families

1. Goal: Create 45 units over five years of new permanent supportive housing for homeless families facing multiple barriers to stability in their housing and employment. These supportive apartments would be blended within 3-4 new multi-family development projects offering 106 affordable rental units for families. Supportive housing is permanent, independent and affordable housing combined with on-site or visiting case management, support and employment services.

2. Purpose of the Initiative: The purpose of the initiative is to end homelessness and restore/preserve family unity among the most vulnerable families, and foster their improved health, self-reliance and employment.

3. Guiding Principals: The initiative is grounded in the following principles:

- Children grow best in their own families. Families should receive the support they need to make informed decisions and raise their children at home.
- Supports should be family-centered. Services should be designed to meet the complex and changing needs of the whole family (parents and children), delivered in a culturally-competent manner.
- Housing must be permanent and integrated. When combined with natural supports, connection with the broader community, and new resources, permanent affordable housing is the key to stability.
- Housing First. The housing comes first no matter what is going on in the family's life, and the housing is flexible and independent so that the family is housed easily and stays housed.

4. Target Population of the Initiative: Families (one or more adults with at least one dependent child) who:

- have been repeatedly homeless;
- meet the eligibility criteria under the Federal Temporary Assistance for Needy Families ("TANF") Program, including families that have become ineligible or are at risk of ineligibility for TANF cash assistance;
- have multiple barriers to housing stability (for example, head of household with cognitive limitations, history of trauma, mental illness and/or chemical dependency);
- may have present involvement in the child welfare system, either in protective services or voluntary services, and/or are reuniting after out-of-home placement; and
- have incomes at or below 50% of area median income at the time of entering the housing.

Referrals to the initiative may come from any source. A common assessment form (to be developed) will be used to help identify the families who are most in need of intensive supports.

5. Housing Approach: The housing units will be created through development (acquisition of property and new construction or rehabilitation). Within each building, approximately 40-50% of the apartments will be occupied by target families with special needs; the other 50-60% will serve other families in need of affordable housing.

There is a strong preference for developments that contribute to neighborhood revitalization efforts, including single or scattered developments that renovate blighted, abandoned or foreclosed properties or that construct quality infill units. Support services staff will be based on site or in a proximate location.

This initiative provides an excellent opportunity for organizations skilled in affordable housing development to partner with experienced providers of support services to families.

6. General standards of housing units. All units developed will be permanent housing (no time limits on occupancy), where families have leases and where continued occupancy is not contingent upon receipt of services. Developments will incorporate design that:

- Provides private 2-4 bedroom apartments; incorporation of some 0-1BR apartments is also desirable for single parents who are working to reunite with their children;
- Maximizes integration with other families and the broader community;
- Is in close proximity to needed services, such as public transportation, schools, shopping and recreational facilities;
- Is of good quality and provides for the safety and security of the tenants;
- Includes, where feasible, common areas and space for on-site services and recreation;
- Is located within Monroe County.

Supportive housing units must be affordable to the target population: tenants should pay no more than 30% of their income for housing.

7. Supportive Service Approach

- Services must be individually designed and comprehensive enough to support adults and children, promoting self-sufficiency, family and housing stability, and employability. Providers will need to demonstrate successful case management experience with both adults and children. Every service plan must provide:
    - o **family-focused** support, that is, support that addresses children's needs, parents' needs and the needs of the family as a whole;
    - o support, training and socialization in **family life skills** that address the everyday demands of running a household and maintaining a home and that promote the healthy and safe development of children and adults; and
    - o a plan for promoting **positive relationships** and a sense of community among adults, children and families as a whole. This may include peer support, mentoring, and collaboration with educational institutions and available community resources.

  All services must be located on or very near the housing site and be available as needed and for as long as needed.
- The service provider will offer a combination of case management, concrete assistance, and individual, group and family support and counseling. The service team will include a clinical case manager and family support specialist, and will leverage existing resources in the broader community, including volunteers, school-based services, health and behavioral health services. Services will be available during non-traditional hours, such as after-school, evenings and weekends.
- Services will be designed to maintain the integrity of families threatened by multiple stressors, including mental illness, substance abuse or addiction, family violence, cognitive limitations, neglect and homelessness.
- Services will:
  • Link with and support existing case management systems within the community and region, and not be duplicative of such services;
  • Provide for adequate linkages to the treatment system, particularly in regard to relapse prevention and relapse management; and
  • Link with employment and educational supports within the region.
- **The desired average staff to family ratio of the Provider is 1:8-12** (this is an average - some families will require intensive services, while others will need more moderate services). The caseload can be larger for families once they have begun to stabilize in the community.

8. Service Funding Coverage

- Service funds will be used to cover the cost of support services only. The service funds may not be used to cover rental assistance or to fund the costs of operating, acquiring, constructing or rehabilitating housing.
- Services to be provided or coordinated by the Provider and its contractors may include:
    - Case management;
    - Training in independent living skills, including family life management and parenting;
    - Peer support;
    - Vocational, pre-employment and employment retention services sensitive to the needs of people with multiple barriers to employment;
    - Service coordination to facilitate effective teamwork and coordination with property management staff of the housing to prevent crises and intervene quickly to prevent loss of housing;
    - Community-building, social, cultural, and recreational activities;
    - Money management;
    - Outreach and engagement (to bring eligible families into the housing);
    - Client support (transportation, furnishings, etc.) where there is no available funding from other sources;
    - Benefits consultations and assistance with applications.
- The Provider's service approach must:
    - Reflect the importance and value of connecting tenants with mainstream resources, including employment and training programs, federal and state entitlement programs, and healthcare programs. The service plan should describe existing and planned linkages with vocational, educational and healthcare providers.
    - Incorporate natural supports (families, peers, faith communities, etc.);

- Articulate strategies for relapse prevention and management and linkages to treatment that will be developed to support these.
- Ensure that services are available for as long as is needed by the individual tenant. The service plan should articulate under what circumstances, if any, a client would be "discharged" from services.

- The Provider must demonstrate the ability to deliver services in the most cost-effective manner possible while remaining true to the service model.
- The Provider must be willing to participate in a structured evaluation of the initiative, which may include the development of outcome measures, tracking of client outcomes, documentation of units of service, and costs of services delivered.

9. Proposed Sources for Service Funding

- The total proposed funding for support services is approximately $13,000 per family per year through the family's first two years in housing; this reduces to $11,000 after the second year.
- **Funding Concept 1: MCDHS/OCFS/OTDA Collaboration**

  This first approach proposes a funding collaboration between three agencies: Monroe County Dept of Human Services, the State Office of Temporary and Disability Assistance, and the State/County Office of Children and Family Services.

  Ideally, Monroe County DHS would be lead, and the other two agencies would provide their funds to the County via an interagency agreement. The three agencies would issue a joint RFP, and DHS would contract with the selected Providers for the pooled funds from the three agencies. If funds cannot be pooled, then a joint RFP could still be issued by the agencies but there would be separate contracts with each agency.

  Here are the amounts that would be allocated from the three agencies:

  - **Monroe County DHS:** new allocation of $4,000 per family per year, 45 slots. The County currently spends over $4.3 million each year to place families and individuals in emergency shelters and motels. A small portion of these funds (3%) could be used instead to enable some of the most vulnerable families to access and retain housing, and thereby reduce the costs of family recidivism through the emergency system.
  - **Office of Children and Family Services:** new allocation of $3,700 per family per year, 45 slots. Because the housing will enable families to stay together or to be reunited after out of home placement., the costs to the state will be offset by the savings that might have been incurred had the children fallen into (or stayed in) the foster care system.
  - **Office of Temporary and Disability Assistance**:
    - special allocation of 45 slots through the **Supportive Housing for Families and Young Adults** program at $3,300/family/year
    - special allocation through the **Supplemental Homelessness Intervention Program** of $2,000/family/year through the family's first two years in permanent housing. Payment linked to outcomes related to retention of the target population in permanent housing.
- **Funding Concept 2: MCDHS/OMH/OTDA Collaboration**

  This second approach proposes a funding collaboration between three agencies: Monroe County Dept of Human Services, the State Office of Temporary and Disability Assistance, and the State/County Office of Mental Health. The concept is the same as that outlined above, except that funding from OMH (or OASAS, or both) is substituted for OCFS.

10. Proposed source for Rental Assistance: Project-based Section 8 Housing Choice Vouchers through the Rochester Housing Authority.

12. Proposed sources for Capital financing: Financing will depend on the configuration of the projects (single site, scattered site, etc.), but primary sources would be:

- Low income housing tax credits (DHCD)
- Housing Trust Fund (DHCR)
- Urban Initiatives Program (DHCR)
- Homeless Housing Assistance Program (OTDA)
- City of Rochester HOME and/or CDBG
- Neighborhood Stabilization Program (NYHFA)
- Federal Home Loan Bank Affordable Housing Program
- Small projects (under 15 units) not using LIHTC may apply to the Small Projects Program (DHCR)

13. Roles for Philanthropy

The provider community could ask local philanthropy to contribute to the effort in the following ways:

- **Funds for predevelopment:** Local foundations could contribute funds to an intermediary so that they can provide early-stage predevelopment loans to project developers to cover the costs of site control, feasibility assessment, and applications for financing.
- **Evaluation**: A local foundation could fund an independent evaluation of outcomes and cost impacts during the first the first two years of the initiative. The evaluation could be conducted by a local university.
- **Training**. For provider staff, the shift from supporting people while they are homeless to supporting them in housing can be challenging, as it calls for new methods of engaging and supporting clients. A local foundation could fund a set of local trainings for staff of the provider team on critical issues they will face in the first year.

14. Existing resources already in place that could be linked to or coordinated this initiative:

- **Transitional living programs for families**
  - Mercy, Sojourner, Tempro, Wilson Commencement Park, and the YWCA all operate transitional living programs for families. For families that my not be able to successfully transition within the two year time frame, permanent supportive housing provides a viable option for continued support.

15. Examples and Models

- Broadway Housing Communities, New York City – 70 unit permanent supportive housing project service formerly homeless and low-income families; on-site Head Start program
  - Dorothy Day Apartments http://www.broadwayhousing.org/sites/dorothy_day_apartments.php
- RS Eden, Minnesota
  - Portland Village - 26 unit permanent supportive housing project serving formerly homeless families in recovery from substance abuse; sober community http://rseden.nonprofitoffice.com/index.asp?Type=B_BASIC&SEC={2B5C43C1-C306-4934-ACCC-2775C81B95EB}
  - Jackson Street Village – 24 unit permanent supportive housing project for formerly homeless families http://rseden.nonprofitoffice.com/index.asp?Type=B_BASIC&SEC={1FDC2F4F-BE9D-437C-B880-0A880B39B2DC}
- NeighborWorks New Horizons, New Haven, CT
  - Ferry Mutual Apartments – 24-unit project blending 18 affordable and 6 supportive housing units for families; supportive units serve homeless families with disabilities http://www.ctreachinghome.org/images/stories/print_pubs/csh_profile_ferrymutual.pdf
- Operation Hope, Fairfield, CT – 8 unit project providing permanent supportive housing for homeless families with disabilities
  - Jarvis Court http://www.csh.org/_data/global/images/JarvisCourt%20Profile%20FINAL.pdf

Strategy Concept 3: Housing First for Families with Complex Needs

1. Goal: Create 60 units over five years of new permanent supportive housing for homeless families through the use of existing, privately owned apartments. Supportive housing is permanent, independent and affordable housing combined with on-site or visiting case management, support and employment services.

2. Purpose of the Initiative: The purpose of the initiative is to end homelessness and restore/preserve family unity among vulnerable families, and foster their improved health, self-reliance and employment.

3. Guiding Principals: The initiative is grounded in the following principles:

- Children grow best in their own families. Families should receive the support they need to make informed decisions and raise their children at home.
- Supports should be family-centered. Services should be designed to meet the complex and changing needs of the whole family (parents and children), delivered in a culturally-competent manner.
- Housing must be permanent and integrated. When combined with natural supports, connection with the broader community, and new resources, permanent affordable housing is the key to stability.
- Housing First. The housing comes first no matter what is going on in the family's life, and the housing is flexible and independent so that the family is housed easily and stays housed.

4. Target Population of the Initiative: Families (one or more adults with at least one dependent child) who:

- are homeless;
- meet the eligibility criteria under the Federal Temporary Assistance for Needy Families ("TANF") Program, including families that have become ineligible or are at risk of ineligibility for TANF cash assistance;
- have a head of household who has mental illness, substance addiction, or HIV/AIDS;
- may have present involvement in the child welfare system, either in protective services or voluntary services, and/or are reuniting after out-of-home placement; and
- have incomes at or below 50% of area median income at the time of entering the housing.

Referrals to the initiative may come from any source. A common assessment form (to be developed) will be used to help identify the families who are most in need of intensive supports.

5. Housing Approach: The supportive housing units will be created through the use of available apartments. Private housing owners will reserve existing apartments for occupancy by the target population through a written agreement with the service provider. The service provider will identify housing units for the initiative that meet the standards below.

6. General standards of housing units. All housing units in the initiative will be:

- Private apartments with leases (no licensed or program facilities). Apartments will be large enough to accommodate the needs of the family (2-4 bedroom);
- Affordable to the target population. Tenants pay no more than 30% of their income for housing costs.
- Good quality (meet HUD housing quality standards).
- Accessible to public transportation.
- Provide for the safety and security of the tenants.
- Located within Monroe County.

7. Supportive Service Approach

- Services must be individually designed and comprehensive enough to support adults and children, promoting self-sufficiency, family and housing stability, and employability. Providers will need to demonstrate successful case management experience with both adults and children. Every service plan must provide:
    - **family-focused** support, that is, support that addresses children's needs, parents' needs and the needs of the family as a whole;
    - support, training and socialization in **family life skills** that address the everyday demands of running a household and maintaining a home and that promote the healthy and safe development of children and adults; and
    - a plan for promoting **positive relationships** and a sense of community among adults, children and families as a whole. This may include peer support, mentoring, and collaboration with educational institutions and available community resources.

  All services must be available as needed and for as long as needed.

- The service provider will offer a combination of case management, concrete assistance, and individual, group and family support and counseling. The service team will include a clinical case manager and family support specialist, and will leverage existing resources in the broader community, including volunteers, school-based services, health and behavioral health services. Services will be available during non-traditional hours, such as after-school, evenings and weekends.
- Services will be designed to maintain the integrity of families threatened by multiple stressors, including mental illness, substance abuse or addiction, family violence, cognitive limitations, neglect and homelessness.
- Services will:
  • Link with and support existing case management systems within the community and region, and not be duplicative of such services;
  • Provide for adequate linkages to the treatment system, particularly in regard to relapse prevention and relapse management; and
  • Link with employment and educational supports within the region.
- **The desired average staff to family ratio of the Provider is 1:8-12** (this is an average - some families will require intensive services, while others will need more moderate services). The caseload can be larger for families once they have begun to stabilize in the community.

8. Service Funding Coverage

- Service funds will be used to cover the cost of support services only. The service funds may not be used to cover rental assistance or to fund the costs of operating, acquiring, constructing or rehabilitating housing.
- Services to be provided or coordinated by the Provider and its contractors may include:
  - Case management;
  - Training in independent living skills, including family life management and parenting;
  - Peer support;
  - Vocational, pre-employment and employment retention services sensitive to the needs of people with multiple barriers to employment;
  - Service coordination to facilitate effective teamwork and coordination with property management staff of the housing to prevent crises and intervene quickly to prevent loss of housing;
  - Community-building, social, cultural, and recreational activities;
  - Money management;
  - Outreach and engagement (to bring eligible families into the housing);
  - Client support (transportation, furnishings, etc.) where there is no available funding from other sources;
  - Benefits consultations and assistance with applications.
- The Provider's service approach must:
  - Reflect the importance and value of connecting tenants with mainstream resources, including employment and training programs, federal and state entitlement programs, and healthcare programs. The service plan should describe existing and planned linkages with vocational, educational and healthcare providers.
  - Incorporate natural supports (families, peers, faith communities, etc.);
  - Articulate strategies for relapse prevention and management and linkages to treatment that will be developed to support these.
  - Ensure that services are available for as long as is needed by the individual tenant. The service plan should articulate under what circumstances, if any, a client would be "discharged" from services.
- The Provider must demonstrate the ability to deliver services in the most cost-effective manner possible while remaining true to the service model.
- The Provider must be willing to participate in a structured evaluation of the initiative, which may include the development of outcome measures, tracking of client outcomes, documentation of units of service, and costs of services delivered.

9. Proposed Sources for Service Funding

- The total proposed funding for support services is approximately $11,000 per family per year.
- **Funding Concept 1: DHS/OMH/OASAS Collaboration**
  This first approach proposes a funding collaboration between three agencies: Monroe County Dept of Human Services, the State/County Office of Alcohol and Substance Abuse Services, and the State/County Office of Mental Health.

Ideally, Monroe County DHS would be lead, and the other two agencies would provide their funds to the County via an interagency agreement. The three agencies would issue a joint RFP, and DHS would contract with the selected Providers for the pooled funds from the three agencies. If funds cannot be pooled, then a joint RFP could still be issued by the agencies but there would be separate contracts with each agency.

Here are the amounts that would be allocated from the three agencies:

- **Monroe County DHS:** new allocation of $5,000 per family per year, 60 slots. The County currently spends over $4.3 million each year to place families and individuals in emergency shelters and motels. A small portion of these funds could be used instead to enable some of the most vulnerable families to access and retain housing, and thereby reduce the costs of family recidivism through the emergency system.
- **Office of Alcohol and Substance Abuse Services:** special allocation of 30 (50% of families) Permanent Supportive Housing Initiative slots (10 per year in each of 3 years) at $6,000/year
- **Office of Mental Health:** special allocation special allocation of 30 (50% of families) Supported Housing slots (10 per year in each of 3 years) at $6,000/person/year

- **Funding Concept 2: MCDHS/OCFS/OASAS Collaboration**
  This second approach proposes a funding collaboration between the Monroe County Dept of Human Services, the State/County Office of Children and Family Services, and the State/County Office of Alcohol and Substance Abuse Services. The concept is the same as that outlined above, except that funding from OCFS is substituted for OMH. Because the housing will enable families to stay together or to be reunited after out of home placement., the costs to the state will be offset by the savings that might have been incurred had the children fallen into (or stayed in) the foster care system.

10. Proposed source for Rental Assistance:

Rental assistance for this initiative would come from recycling of existing Shelter Plus Care vouchers and from new HUD Family Unification vouchers through the Rochester Housing Authority (RHA). RHA would provide a preference on its Section 8 waiting list for individuals and families currently receiving rental assistance from Shelter Plus Care and who do not require ongoing support services. The Shelter Plus Care subsidies for families will then be "recycled" for this initiative.

Currently, the RHA administers 124 Shelter Plus Care subsidies on behalf of the Monroe County Department of Social Services. DHS does not provide services to the families in these units; rather, it relies on in-kind services provided by agencies that refer their clients to the program. As a result, many of the families placed in Shelter Plus Care units either do not require services or are not getting the intensity of services they may need to remain stably housed. This initiative is intended to ensure that Shelter Plus Care subsidies are directed to the most vulnerable families and that they receive the intensity of supports that they need.

11. Roles for Philanthropy

The provider community could ask local philanthropy to contribute to the effort in the following ways:

- **Housing success fund:** one or more local foundations or giving circles could create a special fund that could be used by the Provider for one-time expenses to assist families in moving into apartments (such as first month's rent, security deposits, furniture, etc.). The funds could also be used for one-time expenses relating to apartment repair prior to or after client occupancy in order to establish and maintain positive relationships with landlords.

- **Evaluation**: A local foundation could fund an independent evaluation of outcomes and cost impacts during the first the first two years of the initiative. The evaluation could be conducted by a local university.

- **Training**. For provider staff, the shift from supporting people while they are homeless to supporting them in housing can be challenging, as it calls for new methods of engaging and supporting clients. A local foundation could fund a set of local trainings for staff of the provider team on critical issues they will face in the first year. The Corporation for Supportive Housing and Center for Urban Community Services (based in New York City) are excellent resources for these trainings.

12. Existing resources already in place that could be linked to or coordinated this initiative:

- **Transitional living programs for families:** Mercy, Sojourner, Tempro, Wilson Commencement Park, and the YWCA all operate transitional living programs for families. For families that my not be able to successfully transition within the two year time frame, permanent supportive housing provides a viable option for continued support.

13. Examples and Models:

- Hearth Connection, Minnesota – a supportive housing and managed care pilot program serving, in scattered site settings, 159 families with long and complex histories of homelessness
    - http://www.hearthconnection.org/results
- Supportive Housing for Families Program, Connecticut - permanent affordable housing (in scattered site settings) coupled with supportive services to families involved with the Connecticut child welfare system. The program centers on a commitment to improving child welfare by preserving families at risk of separation, reunifying families who have been separated, preserving and renewing parent-child relationships
    - http://www.endhomelessness.org/content/general/detail/1125

Strategy Concept 4: Permanent Supportive Housing for Young Adults

1. Goal: Create 24 units over five years of new permanent supportive housing targeted to homeless and transitioning young adults (ages 18-25) who are facing multiple barriers to housing stability. Fourteen of these supportive apartments would be created through the development of one or more existing buildings; the other 10 units would be created through the leasing of existing apartments within the same neighborhood. Supportive housing is permanent, independent and affordable housing combined with on-site or visiting case management, support and employment services.

2. Purpose of the Initiative: The purpose of the initiative is to end and prevent homelessness among young adults with special needs and to foster their improved health, self-reliance and employment.

3. Initiative philosophy: This initiative is grounded in the concepts of "housing first" and "low demand" housing. The idea is to engage and place young adults with special needs in permanent supportive housing directly from the streets, shelters, or institutional care. "Low demand" housing emphasizes ease of entry into the housing and ongoing access to services with minimal requirements. The focus is on helping the tenants to retain their housing and move toward greater independence without layering the housing with various participation requirements. Intake processes should be streamlined and require as few appointments and as little follow-up by the young adult as possible. Intake and admission processes that allow youth to change their minds regarding whether to accept an apartment, and that do not emphasize statements of interest in services programming as a criteria for admission, will best serve young adults.

While the housing is structured as permanent (each tenant holds a lease and there are no imposed limits on length of stay), there is also a recognition that young people are in a transitional phase of their lives. For this reason, the initiative is structured to provide both single-site apartments with on-site supports and more independent scattered apartments where visiting services can modulate as tenant needs change over time.

4. Target Population of the Initiative: unaccompanied young adults ages 18-25 (upon entry into the housing) who:

- are homeless or at high risk of homelessness (for example, exiting the child welfare system with no place to go);
- have multiple barriers to housing stability (for example, mental illness and/or chemical dependency, cognitive limitations, history of trauma);
- may be runaway or have a history of foster care; and
- have incomes at or below 50% of area median income at the time of entering the housing.

This initiative is designed to address the needs of young adults who are likely to need longer-term supports and for whom transitional living programs would be of limited effectiveness due to their limited duration and service requirements. Referrals to the initiative may come from any source. Emancipated youth under the age of 18 may be eligible for occupancy if the service provider holds the lease on the unit.

5. Housing Approach:

Development: 14 of the housing units will be created through development (acquisition of property and new construction or rehabilitation). This would be accomplished through the renovation or construction of a single building or two adjacent structures.

There is a strong preference for development that contributes to neighborhood revitalization efforts, such as one that would renovate a blighted, abandoned, vacant or foreclosed property. This initiative provides an excellent opportunity for an organization skilled in affordable housing development to partner with an experienced provider of support services to young adults.

Services staff would be based on site, and would provide support to tenants of the development as well as those in the scattered units.

Leasing: 10 of the housing units will be created through the leasing of existing, privately-owned apartments. The goal is to identify apartments within the same neighborhood or area as the single site development to sustain tenant connections to supports, mentors and peers.

6. General standards of housing units. All units in the initiative will be permanent housing (no time limits on occupancy, tenants have leases). The units will be:

- Private or shared apartments, each with a private kitchen and bathroom.
- Affordable – tenants pay no more than 30% of their income for housing costs;
- In close proximity to needed services, such as public transportation, schools, shopping and recreational facilities;
- Of good quality and will provide for the safety and security of the tenants;
- Include, where feasible, common areas and space for on-site services and recreation;

- Located within Monroe County.

7. Supportive Service Approach[27]

- When provided with decent, safe and affordable rental housing, along with access to relevant, flexible and responsive services, young people can begin to heal from past traumas, create community connections, and build the skills they will need to live stable, independent lives. Each service plan should ensure the following:
  - A relationship with at least one responsible, trustworthy adult (ideally, a mentor), and consistent emotional support;
  - Opportunities to learn and practice independent living skills, including grooming, financial management, shopping, cooking, communication skills, and conflict resolution skills. Certain youth may also need medication management skills training or parenting skills training;
  - Comprehensive employment services, which could include career counseling, job readiness and job-seeking skills training, job placement services and job retention services;
  - Continuing education, which may include GED, ABLE or ESL programming, as well as opportunities for developing vocational skills or attending college;
  - Assistance and advocacy with accessing public benefits for which they are eligible;
  - Medical care, dental care, and preventative health services;
  - Access to mental health and substance abuse recovery services;
  - Social and recreational activities.
- The service provider should use a positive youth development services model that focuses on providing youth with opportunities to develop the skills they need. The model assumes that young people will make good choices if they have the opportunity to develop social, moral, emotional, physical and cognitive competencies. It will be important to engage the tenants as partners in program development and service delivery. The service provider should provide for ongoing opportunities for young adults to provide input and practice leadership through mentoring of other tenants, serving on an advisory board, and other means.
- The service provider will offer a combination of case management, concrete assistance, and individual and group support and counseling. Services will be available during non-traditional hours, such as after-school, evenings and weekends.
- **The desired average staff to client ratio of the Provider is 1:10.** The caseload can be larger for clients once they have begun to stabilize in the community.

8. Service Funding Coverage

- Service funds will be used to cover the cost of support services only. The service funds may not be used to cover rental assistance or to fund the costs of operating, acquiring, constructing or rehabilitating housing.
- Services to be provided or coordinated by the Provider and its contractors may include:
  - Case management;
  - Training in independent living skills;
  - Peer support;
  - Vocational, pre-employment and employment retention services sensitive to the needs of young people with multiple barriers to employment;
  - Service coordination to facilitate effective teamwork and coordination with property management staff of the housing to prevent crises and intervene quickly to prevent loss of housing;
  - Community-building, social, cultural, and recreational activities;
  - Money management;
  - Outreach and engagement (to bring eligible persons into the housing);
  - Client support (transportation, furnishings, etc.) where there is no available funding from other sources;
  - Benefits consultations and assistance with applications.
- The Provider's service approach must:

[27] Source: "Supportive Housing for Youth: An Overview of Key Considerations," Corporation for Supportive Housing, January 2007. www.csh.org

- Reflect the importance and value of connecting tenants with mainstream resources, including employment and training programs, federal and state entitlement programs, and healthcare programs. The service plan should describe existing and planned linkages with vocational, educational and healthcare providers.
- Incorporate natural supports (families, peers, faith communities, etc.);
- Articulate strategies for relapse prevention and management and linkages to treatment that will be developed to support these;
- Ensure that services are available for as long as is needed by the individual tenant. The service plan should articulate under what circumstances, if any, a client would be "discharged" from services.

- The Provider must demonstrate the ability to deliver services in the most cost-effective manner possible while remaining true to the service model.
- The Provider must be willing to participate in a structured evaluation of the initiative, which may include the development of outcome measures, tracking of client outcomes, documentation of units of service, and costs of services delivered.

9. Proposed Sources for Service Funding

- The total proposed funding for support services is approximately $9,000 per client per year.
- **Funding Concept (Development Project): HUD Supportive Housing Program**

  This first approach proposes pursuing service funding from HUD under the Supportive Housing Program (SHP), and from the New York State Office of Temporary and Disability Assistance (OTDA) through the Supportive Housing for Families and Young Adults program.

  The HUD SHP funds must be applied for through the annual Continuum of Care NOFA process. Continuum of Care funds are highly competitive, and a project serving young adults would not qualify for the number one ranking since it would not serve chronically homeless individuals. However, since this project would provide permanent supportive housing for an underserved population, and the project is small in size (14 units), a strong case could be made for a high ranking in a year when the Continuum prorata share allows for the submission of new projects. Note that, to be eligible for HUD SHP funding, the assisted units must serve people who are both homeless and disabled.

  Here are the amounts that would be sought from the agencies:

  - **HUD Continuum of Care:** 14 slots at $5,700/person/year
  - **Office of Temporary and Disability Assistance:** 14 slots at $3,300/person/year

- **Funding Concept (10 Leased Units): MCDHS/OCFS/OMH Collaboration**
  This second approach proposes a funding collaboration between the Monroe County Dept of Human Services, the State/County Office of Children and Family Services, and the State/County Office of Mental Health.

  Here are the amounts that would be allocated from the agencies:

  - **Monroe County DHS:** new allocation of $5,000 per client per year, 10 slots. The County currently spends over $4.3 million each year to place families and individuals in emergency shelters and motels. In 2007, 777 youths (16-21, unduplicated) were placed in emergency housing. As 621 of the youths had multiple bouts of homelessness, the MCDHS made 1,398 placements for homeless youth in 2007. Forty-three percent of the placements were in the youth shelter system, 37% were placed in the adult shelter system and 20% were placed in hotels.

    A small portion of MCDHS funds (1%) could be used instead to enable some of the most vulnerable youth to access and retain housing, and thereby reduce the costs of youth recidivism through the emergency system.
  - **Office of Children and Family Services:** new allocation of $4,000 per client per year, 5 slots (50% of the units). OCFS funding would enable young adults to successfully age out of their system and potentially prevent their return to the child welfare system as parents.
  - **Office of Mental Health:** special allocation of 5 Supported Housing slots (50% of the units) at $4,000 per client per year to ensure supportive housing services to homeless young adults with mental illness.

10. Proposed sources for Rental Assistance:

- *Development project:* Project-based Section 8 Housing Choice Vouchers through the Rochester Housing Authority or HUD Supportive Housing Program operating funds

- *Leased units:* Rental assistance for these 10 units would come from the recycling of existing Shelter Plus Care vouchers. The Rochester Housing Authority would provide a preference on its Section 8 waiting list for individuals and families currently receiving rental assistance from Shelter Plus Care and who do not require ongoing support services. Ten of the Shelter Plus Care subsidies would then be "recycled" for this initiative.

11. Proposed sources for Capital financing: Financing will depend on the configuration of the project, but primary potential sources would be:

- Small Projects Program (DHCR)
- Housing Trust Fund (DHCR)
- Homeless Housing Assistance Program (OTDA)
- City of Rochester HOME and/or CDBG
- Neighborhood Stabilization Program (NYHFA) (if it involves an abandoned or foreclosed property)
- Federal Home Loan Bank Affordable Housing Program

Another option is the HUD Section 811 program, which provides both capital and rental assistance for projects serving people with disabilities.

12. Roles for Philanthropy

The provider community could ask local philanthropy to contribute to the effort in the following ways:

- **Funds for predevelopment:** A local foundation could contribute funds to cover early-stage predevelopment costs of site control, feasibility assessment, and applications for financing.
- **Evaluation:** A local foundation could fund an independent evaluation of outcomes and cost impacts during the first the first two years of the initiative. The evaluation could be conducted by a local university.
- **Training:** For provider staff, the shift from supporting young adults while they are homeless to supporting them in housing can be challenging, as it calls for new methods of engaging and supporting clients. A local foundation could fund a set of local trainings for staff of the provider team on critical issues they will face in the first year.

13. Existing resources already in place that could be linked to or coordinated this initiative:

- **Transitional living programs for young adults**
  The Center for Youth, Hillside Children's Center, and the Salvation Army currently operate transitional living programs for homeless youth and young adults. For youth that my not be able to successfully transition to independence within the two year time frame of these programs, permanent supportive housing provides a viable option for continued support.

14. Examples and Models
(examples in **bold** are similar in many respects to the target population and single site model proposed here)

- Edwin Gould Academy, New York City
  - Edwin Gould Residence – 50 unit permanent supportive housing project for young adults aged 18-26 who have aged out of foster care, including parenting young adults http://documents.csh.org/documents/profiles/EdwinGouldFINAL.pdf
- Fred Finch Youth Center, Oakland, CA
  - Coolidge Court Apartments – 18 unit permanent supportive housing project for young adults with psychiatric disabilities who are exiting the foster care system http://documents.csh.org/documents/profiles/CoolidgeCourtFINAL.pdf
- Institute for Community Living, Brooklyn, New York
  - Steppingstone CR-SRO – "extended stay" transitional housing for 20-30 young adults with mental illness, some with histories of homelessness http://documents.csh.org/documents/profiles/SteppingStoneFINAL.pdf
- The Lantern Group, New York City
  - Schafer Hall – 91-unit permanent supportive housing building with 25 studio apartments set aside for young adults age 18-23 who have aged out of foster care http://documents.csh.org/documents/profiles/SchaferHallFINAL.pdf
- **Larkin Street Youth Services, San Francisco**
  - Ellis Street Apartments – 24 unit permanent supportive housing project serving homeless young adults, age 18-24; 6 units reserved for young adults with HIV/AIDS http://www.larkinstreetyouth.org/programs/ellisstreet.php
- **Robin's Nest Supportive Housing, New Jersey –**
  - Robins Nest - 30 apartments serving young adults aged 18-21 who have aged out of foster care or are homeless http://documents.csh.org/documents/profiles/RobinsNestFINAL.pdf

- **RS Eden, Minnesota**
  - **Lindquist Apartments, Minneapolis** – 24 units of permanent supportive housing for young adults, most of whom are homeless and disabled; sober community http://www.rseden.org/index.asp?Type=B_BASIC&SEC=%7B9BC045D6-F0C4-4435-B5A0-DC78503A65B8%7D
  - **Seventh Landing, St. Paul** – 12 units of permanent supportive housing for young adults with histories of out of home care (foster care, group homes) who are homeless; ground floor coffee shop provided employment opportunities for residents http://www.rseden.org/index.asp?Type=B_BASIC&SEC={CA9C0C20-52A8-49F0-80F6-540B94674F35}

Appendix B:
Supportive Housing Funding Options

Rochester/Monroe County

Supportive Housing Funding Options

December 2008	**Purpose**	**Application Limits**	**Population**
Capital Funding Sources			
NYS Division of Housing and Community Renewal (DHCR)			
Federal Low Income Housing Tax Credits (9%)	Allocation of federal tax credit which provides a dollar for dollar reduction in fedral tax liability for eligible applicants/owners who develop qualified low income rental housing projects. Available to project owners who acquire, construct, and/or rehab rental housing reserved for low-income households.	See annual Qualified Allocation Plan for rating and ranking criteria. 2008 cap of $1.5 million/project for supportive housing	Projects must contain a minimum number of low income units (20% at 50% of area median income (AMI) or below or 40% at 60% AMI or below)
New York State Low-Income Housing Credit Program (SLIHC)	Owners/investors in eligible housing projects serving low income households can receive a dollar for dollar reduction in certain New York State income taxes to be taken over a 10-year period.	Uses same Qualified Allocation Plan and eligibility criteria as federal program. Most scoring points are awarded for projects demonstrating community impact, financial leveraging, strong sponsorship, green building, income mix, and long-term affordability.	At least 40% of units serve households at or below 90% of AMI. Scoring preference given to projects serving multiple income bands. For projects not jointly financed with federal tax credit, no more than 40% of the units assisted by SLIHC can serve households with incomes at or below 60% AMI.
Homes for Working Families (HWF)	Provides financing for new construction/rehab of senior and non-senior rental projects. Permanent loan financing: 30 yr, 1% interest payable from cashflow.	Maximum financing of $35,000 per unit. More than 50% of project cost must be financed with tax-exempt bonds and 4% low income housing tax credits. Submit joint application for HWF and 4% tax credits from the Housing Finance Agency.	HWF-assisted units must serve households at or below 60% of AMI, but 20% of project units must serve households above 60% AMI
Housing Trust Fund (HTF)	Payments, grants, loans to eligible applicants to develop and complete housing projects for occupancy by low income persons in eligible areas. New construction and rehab are eligible.	$125,000/unit; 2008 RFP specified max award of $2.2 milion for supportive hsg projects serving special populations. Max 25% for acquisition. Must be in area designated as blighted, deteriorated/ing. Property must be vacant or under-occupied residential property, portions of residential properties less than 60% occupied, vacant non-residential property, or new construction.	below 90%AMI; incentives to serve special needs populations. Can be used for permanent supportive housing and transitional.
New York State HOME Program	Loans and grants to eligible applicants to undertake acquisition, new construction, substantial rehab and/or moderate rehab of rental housing serving low income households; also funds home repair and purchase for homeownership by low income buyers.	80% of the State's HOME funds must be spent outside participating jurisdictions (such as Rochester); HOME subsidy cost per unit for project location applies. Use of HOME for Local Program is capped at $30,000 per unit.	Must serve households at or below 80% of AMI; rental projects must primarily serve households at or below 60% AMI.
Rural Area Revitalization Program (RARP)	Grants to nonprofit organizations for revitalization and improvement of housing and commercial or service facilities in towns with population of 25,000 or less	2008 RFP had maximum grant of $200,000	Must serve households at or below 90% of AMI; non-residential projects must benefit towns or area in which at least 50% of population is below 90% AMI

December 2008	**Purpose**	**Application Limits**	**Population**
Capital Funding Sources			
NYS Division of Housing and Community Renewal (DHCR)			
Small Projects Program of NYS Housing Trust Fund Corporation	Financial assistance to nonprofit applicants who will act as the owner of completed affordable rental project. In form of 0% interest balloon loans, and funding can come from either the HTF or HOME capital programs. Primarily used for permanent financing.	Maximum $125,000/unit, limited to the HOME subsidy costs/unit for the project location; no Federal or State Tax Credit projects; residential rental only, 15 or less units; new construction or rehab of vacant, under-utilized or distressed residential properties or conversion of vacant or underutilized non-residential properties to residential use; up to 10% of space for community service facility possible; up to 50% may be used for acquisition costs	HOME or HTF income restrictions apply, depending on source
Urban Initiatives Program	Grants to nonprofit organizations for revitalization and improvement of housing and commercial or service facilities in defined neighborhoods in cities with populations of 53,000 or more	2008 RFP had maximum grant of $100,000	Must serve households at or below 80% of AMI; non-residential projects must benefit towns or area in which at least 50% of population is below 80% AMI
NYS Housing Finance Agency			
Federal Low Income Housing Tax Credits (4%)	As-of-right tax credits used in conjunction with tax-exempt bond financing. See description under 9% credit (DHCR)	See annual DHCR LIHTC Qualified Allocation Plan for rating and ranking criteria.	Projects must contain a minimum number of low income units (20% at 50% of AMI or below or 40% at 60% AMI or below)
Infrastructure Development Demonstration Program (IDDP)	Infrastructure improvements associated with affordable housing projects that have applications for construction/rehab pending with or approved by fed, state, local governments.	$5,000/unit.	
Neighborhood Stabilization Program (NSP)	New program authorized by the US Housing and Economic Recovery Act of 2008. NSP was established to provide emergency assistance to state and local governments to assist in the redevelopment of foreclosed and abandoned properties that might otherwise become sources of abandonment and blight.	Funds for purchase and redevelopment of foreclosed homes and residential properties; establishing land banks for foreclosed homes; demolishing blighted structures; and redeveloping demolished or vacant properties.	At least 25% of NSP funds must serve households with incomes at 50% or less of AMI; preference given to these projects.
NYS Office of Temporary and Disability Assistance (OTDA)			
Homeless Housing Assistance Program (HHAP)	Grants or loans to acquire, construct or rehab housing to expand the supply of housing for low income persons who are, or would otherwise be, homeless.	$ based on cost analysis; generally $100,000/unit or less. Projects should have support services; networking with local providers encouraged. Priority in 08 for NYC applicants part of NYNYIII. Must notify planning board, local dept of social services. Encourage mixed housing, multiple populations, mixed funding sources. $ only for portion that serves homeless.	Homeless individuals and families. Project may be required to take all or most referrals from local shelters, motels or emergency housing

December 2008	**Purpose**	**Application Limits**	**Population**
Capital Funding Sources			
NYS Office of Mental Health (OMH)			
Community Residence Single Room Occupancy (CR-SRO) - licensed	Capital funding for property acquisition, construction and/or rehabilitation. OMH funding covers debt service on tax-exempt bonds issued by NYS Housing Finance Agency; used in conjunction with federal 4% low income housing tax credits.	SROs considered "extended stay" rather than permanent housing Not eligible for HHAP unless can demonstrate population is homeless.	Chronically homeless single adults with Serious Mental Illness (SMI) or Mental Illness and Chemical Addiction (MICA), single adults presently living in NYS-operated psychiatric centers or transitional residences, young adults (18-24) diagnosed with SMI and being treated in NYC licensed RTF or psych facility (hsg for young adults is transitional and must be discrete area within larger SRO)
Supported Single Room Occupancy (SP/SRO) - non-licensed	Capital funding for property acquisition, construction and/or rehabilitation. OMH funding covers debt service on tax-exempt bonds issued by NYS Housing Finance Agency; used in conjuction with federal 4% low income housing tax credits.	Min 45 individuals, max of 60. Projects can be mixed-population, but OMH $ only for persons with serious mental illness (SMI).	Chronically homeless single adults with SMI or MICA, single adults presently living in NYS-operated psychiatric centers or transitional residences
US Department of Housing and Urban Development (HUD)			
Supportive Housing Program	Capital funding for property acquisition, rehab, or new construction for supportive housing serving homeless persons.	$400.000 maximum - requires match	homeless persons with disabilities
Section 811	interest-free capital advances to nonprofit sponsors to help them finance the development of rental housing with the availability of supportive services for persons with disabilities. The capital advance can finance the construction, rehabilitation, or acquisition with or without rehabilitation of supportive housing.	Ave award $43,000-$90,000/unit; Limited by allocation to Buffalo regional office. Projects in 2008: 5-14 units in size; must submit plan for services	low income persons with disabilities
Federal Home Loan Bank			
FHLB Affordable Housing Program	Gap financing via a subsidized loan and/or direct subsidy (grant) for projects serving low income households.	No more than $400,000 direct subsidy/project; maximum $800,000 total request/project. Two funding cycles per year specify application and ranking criteria. Applications are made in partnership with a FHLB member financial institution. Average subsidy per unit in 2006 was $6,776.	At least 20% of rental units must be for households earning 50% or less of AMI. Developments serving homeless, special needs receive additional points in scoring process.
City of Rochester			
CDBG	City CDBG funds are used to support capital, community development (most of which is used for housing development and rehab), economic development, and human service programming for the benefit of low to moderate income persons or areas of the city. Cannot fund new construction.	City plans to allocate 20% of their CDBG allocation to projects in Focused Investment Strategy areas – 3-5 projects per year.	Must benefit low or moderate income persons or areas

December 2008	**Purpose**	**Application Limits**	**Population**
Capital Funding Sources			
City of Rochester			
HOME	Loans and grants to eligible applicants to undertake acquisition, new construction, substantial rehab and/or moderate rehab of rental housing serving low income households; also funds home repair and purchase for homeownership by low income buyers.	HOME subsidy cost/unit for project location applies. City generally allocates 1/3 for multi family, 2/3 for owner occupied housing. HOME process for multi family is 1x per year RFP. City typically gets 20 applications. Priority for City is diversity of income and location (highly visible, near other major investments, in FIS area), developer experience.	Must serve households at or below 80% of AMI; rental projects must primarily serve households at or below 60% AMI.
Service Funding Sources			
NYS Office of Temporary and Disability Assistance (OTDA)			
Homelessness & Supplemental Homelessness Intervention Program (HIP/SHIP)	Grants for the provision of supportive services to stabilize households and prevent homelessness; and for those who are curently homeless, to facilitate the transition from homelessness to permanent housing.	Payment linked to outcomes related to maintenance or retention of target population in permanent housing. Reimbursement maximums go up to 1 year retention. 25% match. Eligible services include employment, child care, behavioral health services, living skills training, budgeting, and others.	HIP - homeless or at risk, <200% poverty. SHIP - famlies & young adults eligible for TANF. Priority for families and individuals transitioning from shelters and emergency hsg (including motels)
Single Room Occupancy (SRO) Support Services Program	Funding for essential services in supportive housing, including case management, substance abuse counseling, front desk security and daily living skills assistance, so that low-income and formerly homeless single adults can live independently in permanent housing.	Up to $200/tenant/month; 100% cash/in-kind match. SROs and efficiencies, no shared units; shared common areas. 100% match thru cash or in-kind. Will not fund intensive services such as health, mental health, or personal supervision that should be provided by State-licensed/certified program such as OMH Community Support Services. Perm supportive housing and transitional housing.	Singles only, incl victims of domestic violence, mentally disabled, substance users, ex-offenders, indivs with life-threatening illness. Separate applications must be made for different populations (ie, single adults vs. famillies vs. young adults)
Supported Housing for Families and Young Adults Program (SHFYA)	Funding for services in supportive housignng programs serving at-risk families and young adults age 18-25. Funded with federal Temporary Assistance to Needy Families (TANF) dollars in the state budget.	Fam: $275/unit/month. YA: $275/bed/month. Will not fund intensive services such as health, mental health, or personal supervision that should be provided by State-licensed/certified program such as OMH Community Support Services. Won't fund costs that would constitute "assistance" under TANF; no childcare or transportation costs.	Families in need of supported housing - TANF eligible, multiple barriers to employment/housing stablity, at risk of foster care placement or reuniting; homeless, etc; Young adults 18-25- aging out of foster care, runaway/homeless, at risk of incarceration.

December 2008	**Purpose**	**Application Limits**	**Population**
Service Funding Sources			
NYS Office of Mental Health (OMH)			
Community Residence Single Room Occupancy (CR-SRO) - licensed	Service and operating funding for CR-SROs	Approximately $22,000/bed for on-site services and operating costs; additional funding available to pay debt service on OMH capital funding; requires licensure. Not eligible for HHAP unless can demonstrate population is homeless.	Chronically homeless single adults with SPMI or MICA, single adults presently living in NYS-operated psychiatric centers or transitional residences, young adults (18-24) diagnosed with SMI and being treated in NYC licensed RTF or psych facility (hsg for young adults is transitional and must be discrete area within larger SRO) - no young adult-only residences
Supported Single Room Occupancy (SP/SRO) - non-licensed	Service and operating funding for SP-SROs	Approximately $18,000/bed for on-site services and operating; additional funds available for debt service on OMH capital financing. Min 45 individuals, max of 60. 24 hour desk coverage required and some on-site services.	Chronically homeless single adults with SPMI or MICA, single adults presently living in NYS-operated psychiatric centers or transitional residences.
Supported Housing	Service and operating funding that allows nonprofit agencies to secure apartments in the community for mental health consumers to live in and provide them with case management and other support services	Rate is currently is about $8,000 in Monroe County. Can pay for support services and/or operating.	Individuals with serious mental illness who are homeless, ready to leave certified community residences, or are discharge ready from psychiatric centers.
NYS Office of Alcohol and Substace Abuse Services (OASAS)			
Permanent Supportive Housing (PSH) Initiative	Funds for rent subsidies, case management services and employment counseling services to increase permanent supportive housing options for people in recovery facing homelessness	$12,500/unit/year for services and operating - case management, employment counseling, rent subsidies and other occupancy costs. Short turnaround. Counties >100,000 = 20 units; smaller counties = 5-10; can be combined with other rent subsidies.	Individuals and families in recovery who have been homeless or at risk of homelessness
US Department of Housing and Urban Development (HUD)			
Supportive Housing Program	Services and operating funds for supportive housing serving the homeless	2-3 year grant initially; 20% services match	Homeless persons with disabilities
Veterans Affairs Supportive Housing (VASH)	See Operating Funding Sources		homeless veterans

December 2008	**Purpose**	**Application Limits**	**Population**
Service Funding Sources			
US Department of Health and Human Services - Substance Abuse and Mental Health Services Administration (HHS-SAMHSA)			
Services in Supportive Housing Program	New program offering funding for services in permanent supportive housing	12 5-year grants made in 2008 through national competition. Average grant of $400,000 each year for 5 years.	chronically homeless individuals and homeless families impacted by mental illness and/or substance addiction
Operating Funding Sources			
NYS Office of Mental Health (OMH)			
	See CR/SRO and Supportive SROs above		
NYS Office of Alcohol and Substace Abuse Services (OASAS)			
	See Permanent Supportive Housing (PSH) Initiative under Services Funding		
US Department of Housing and Urban Development (HUD)			
Shelter Plus Care	Rental subsidies for housing serving persons who are homeless and disabled	5 year grant initially; 100% services match	Homeless disabled
Supportive Housing Program	See Supportive Housing Program under Services Funding		
Veterans Affairs Supportive Housing (VASH)	The 2008 Consolidated Appropriations Act provided $75 million dollars of funding for the HUD-VASH voucher program. The program combines HUD housing choice voucher rental assistance for homeless veterans with case management and clinical services provided by Veterans Affairs at its medical centers and in the community	VASH vouchers are administered by local housing authorities.	homeless veterans
Rochester Housing Authority (RHA)			
Shelter Plus Care	see above under HUD		
Section 8	The Section 8 Rental Voucher Program increases affordable housing choices for very low-income households by allowing families to choose privately owned rental housing. RHA pays the landlord the difference between 30 percent of household income and the fair market rent (FMR).	HUD allows housing authorities to project-base up to 20% of its Section 8 vouchers for affordable housing projects. Provision of these vouchers is at the discretion of the housing authority.	Households with incomes at or below 50% of AMI

Appendix C:
Calculating an Annual Estimate of Homelessness

Rochester/Monroe County Ten Year Plan to End Homelessness
Projecting an Annual Estimate of People Experiencing Homelessness

Calculating the Total Number of People who are Homeless Over the Course of a Year - 2007

	Point in Time Counts			Annual Calculation
Population	Number that are Homeless at a Point in Time*	homeless adults and children who were counted in emergency shelters only	The number of adults and children who had more than one non-consecutive emergency shelter stay during a 12 month period*	Number of People Who are Homeless Over the Course of a Year
Single adults	266	Note 1	Note 3	Note 4
Unaccompanied youth	54			
Persons in families (adults and children)	275			
TOTAL PEOPLE	595	378	132	8,188

*Not including those living in permanent supportive housing. * Either returning to the same shelter or going to a different one.*

POINT IN TIME Estimates of Number of PERSONS Experiencing Homelessness and Chronic Homelessness - 2007

	Total Homeless		NOT Chronically Homeless		
Population	Number that are Homeless at a Point in Time*	Percentage of total homeless population	Number Among Population that are NOT Chronically Homeless	% of Population that are NOT Chronically Homeless	Population's NOT Chronically Homeless as % of Total NOT Chronically Homeless
Single adults	266	45%	186	70%	41%
Unaccompanied youth	54	9%	51	94%	11%
Persons in families (adults and children)	275	46%	220	80%	48%
TOTAL PEOPLE	595	100%	457	77%	100%

Not including those living in permanent supportive housing.

ANNUAL Estimates of Number of PERSONS Experiencing Homelessness and Chronic Homelessness - 2007

	Total Homeless		NOT Chronically Homeless		
Population	Number that are Homeless Over the Course of a Year	Percentage of total homeless population	Number Among Population that are NOT Chronically Homeless	% of Population that are NOT Chronically Homeless	Population's NOT Chronically Homeless as % of Total NOT Chronically Homeless
Single adults	3,527	43%	3,071	87%	41%
Unaccompanied youth	915	11%	842	92%	11%
Persons in families (adults and children)	3,745	46%	3,633	97%	48%
TOTAL PEOPLE	8,188	100%	7,547	92%	100%

ANNUAL Estimates of Number of HOUSEHOLDS Experiencing Homelessness and Chronic Home — Average number of persons per family: **2.46** Note 10

	Total Homeless		NOT Chronically Homeless		
Population	Number that are Homeless Over the Course of a Year	Percentage of total homeless households	Number Among Population that are NOT Chronically Homeless	% of Population that are NOT Chronically Homeless	Population's NOT Chronically Homeless as % of Total NOT Chronically Homeless
Single adults	**3,527**	59%	**3,071**	87%	57%
Unaccompanied youth	**915**	15%	842	92%	16%
Families	**1,525**	26%	1,480	97%	27%
TOTAL HOUSEHOLDS	**5,968**	100%	5,393	90%	100%

Rochester/Monroe County Ten Year Plan to End Homelessness
Projecting an Annual Estimate of People Experiencing Homelessness

Notes to Tables:

Note 1: Source: 2008 PIT Count

Note 2: Source: Monroe County Homeless 2007 Annual Report, adjusted. Ave length of stay in shelter for families = 10 days, ave length for singles = 7 days. However, single shelter figures do not include St. Joseph's House of Hospitality and Dimitri House - both of these are seasonal shelters where the average length of stay is 60 days. County figures also do not include Open Door Mission. It is estimated that at least 15 of 40 beds are occupied by persons who have an average lengh of stay of 60 days. When these are factored in, total average length of stay in shelters is approximately 12 days. Length of stay is shorter in Rochester than in many cities because DHS places time limits on shelter stays. Families and individuals revolve through several shelters.

Note 3: The number of adults and children with more than one non-consecutive stay in emergency shelter during 2007: The 2008 PIT count collected data from survey respondents on "How many residents of your shelter/program on 1/29/08 have been in your shelter within last year and are readmissions (ie, were there in January 2007, left and have now returned)." Total responses were equal to 44 people (27 adults, 17 persons in families). However, due to DHS time limits on shelter stays, it is highly likely that there are individuals and families who were in shelter in January 2007 but ended up in a different shelter a year later, and are therefore not reflected in these numbers. For that reason, the number has been multiplied by three (3) on the assumption that three times as many people were readmissions than are reflected in the PIT numbers. This brings the total estimated number of persons who had at least one non-consecutive stay in emergency shelters over the past 12 months to approximately 35% of all persons counted in shelters.

This is a conservative estimate: The 2007 HMIS report notes that approximately half of the individuals and families counted in 2007 were homeless 1-2 times in the past, or four or more times in the past three years (see chart on page 12).

Note 4: The number of people who are homeless over the course of a year is calculated with the following formula: A + ((B*365/C) * (1-D)) = annual estimate, where "A" = PIT count of currently homeless people, including adults and children, "B" = number of currently homeless adults and children who were counted in emergency shelters only, and "C" = average length of stay for all emergency shelters contributing people to the PIT count. "D" is a correction factor for more than one emergency shelter stay during a 12-month period, either returning to the same shelter or going to a different one.

Source of calculation: Martha R. Burt and Carol Wilkins, *"Estimating the Need: Projecting from Point-in-Time to Annual Estimates of the Number of Homeless People in a Community and Using this Information to Plan for Permanent Supportive Housing"* , Corporation for Supportive Housing, March 2005.

Note 5: 2008 PIT Count identified 83 single individuals (total adults and youth) as chronically homeless

Note 6: This figure represents an estimate of the number persons in families that had at least one non-consecutive stay in emergency shelters over the past 12 months. See Note 3 for methodology in arriving at this estimate.

Note 7: Single adults:
According to HMIS 2007 report, approximately 13% of individuals were homeless 4 or more times in the past 3 years or were homeless continuously for 1 year or more. This figure is adjusted to factor in the two seasonal shelters of 17 beds (with 100% chronic homeless) and the 40 bed Open Door MIssion shelter with an estimated 38% chronic homeless (15 of 40 persons). The combined total percentage is approximately 15%. The unaccompanied youth figure is subtracted from this number.

Note 8: Unaccompanied youth:
According to the HMIS 2007 report, approximately 8% of unaccompanied youth were homeless 4 or more times in the past 3 years or were homeless continuously for 1 year or more.

Note 9: Families:
According to the HMIS 2007 report, approximately 3% of families were homeless 4 or more times in the past 3 years or homeless continuously for 1 year or more.

Note 10: Source for average number of persons per family is 2008 PIT count (number of persons in families divided by the number of families)

Appendix D:

Calculating Supportive Housing Unit Needs

Rochester/Monroe County Ten Year Plan to End Homelessness
Calculating Permanent Supportive Housing Unit Needs

Estimating the Total Number of Permanent Supportive Housing (PSH) Units Needed in the Community

	Number of Households that are Homeless Over the Course of a Year	Percent of Homeless Population	Percentage of Population Group that Needs PSH	Number of PSH Units Needed	Number of Existing PSH Units	Annual Turnover Rate	PSH Units Available This Year	TOTAL PSH Units Needed
			Notes 1 & 2	Note 3	Note 4	Note 5		
Single Individuals:	**4,443**	**74%**	**27%**	**1,161**	**425**	**15%**	**62**	**1,099**
Single Adults:	3,527	59%	32%	1,088	425	15%	62	1,026
Chronically Homeless:	456	8%	100%	456	62	15%	9	447
NOT Chronically Homeless:	3,071	51%	22%	632	363	15%	53	579
Unaccompanied Youth:	915	15%	8%	73	0	0%	0	73
Families with Children:	1,525	26%	19%	340	273	9%	23	316
TOTAL (Annual Homeless Estimate):	**5,968**	**100%**	**25%**	**1,501**	**698**	**12%**	**85**	**1,416**

Note 1:
Single Adults:
According to HMIS 2007, 27% of individuals had mental health issues. If this percentage is applied to the annual estimate for single adults, 950 persons at minimum would need supportive housing. Subtracting chronically homeless adults and youth in need of supportive housing from this figure leaves approx 420 adults who are not chronically homeless who are still in need of supportive housing, or 14%. In HMIS 2007, 37% of individuals had substance use issues. If only 20% of these adults (260 persons) need supportive housing (and assuming they are not included under the mental health category), the percentage of non-chronically homeless adults in need of supportive housing increases to 22%. In the PIT count, respondents estimated that 29% of counted individuals on that day were in need of permanent supportive housing.

Note 2:
Families:
According to HMIS 2007, 16% of homeless adults in families had mental health issues. If this percentage is applied to this annual estimate for families, 244 families at minimum would need supportive housing. 14.5% of homeless adults in families had substance use issues. If only 20% of these adults need supportive housing (and assuming they are not counted under the mental health category), the percentage of families in need of supportive housing increases to 19%. In the PIT count, respondents estimated that 43% of counted families on that day were in need of permanent supportive housing.

Note 3: The Number of Permanent Supportive Housing Units needed for Single Adults who are not chronically homeless has been reduced by 50 units, while the number for Families has been increased by 50 units. This adjustment was made to account for homeless single women who are able to reunite with their children upon entry into supportive housing, and therefore need a family-size unit. The figure of 50 is based on the following: Per 2007 HMIS, 33% of homeless adults were women between the ages of 18-50 - 33% of 3527 = 1,163. Per Encyclopedia of Homelessness (2004, David Levinson, editor), several studies have found that approximately 70% of homeless women are mothers - 70% of 1163 = 814. The Encyclopedia also notes that studies have also indicated that between 20-31% of unaccompanied homeless mothers were previously homeless with children - 30% of 814 = 244. Per Note I, we estimate that 22% of non-chronically homeless adults are in need of supportive housing - 22% of 244 = 54. Based on these calculations, we estimate approximately 50 unaccompanied homeless mothers would reunite with their children via supportive housing and would need a family-size unit.

Note 4: Source: Housing Inventory Chart: Permanent Supportive Housing, Rochester/Monroe County Continuum of Care Exhibit 1 2009

Note 5: Turnover Rates are based on the ratio of exits to numbers served in Shelter Plus Care units in 2007. Individuals: 75/516 = 14.5%; Families: 19/222 = 8.6%. Source: Homeless Continuum of Care Team

Appendix E:

Inventory of Existing Permanent Supportive Housing in Rochester and Monroe County

The following table is adapted from Exhibit 1 of the 2008 Rochester/Monroe County Continuum of Care application to the U.S. Department of Housing and Urban Development.

Rochester/Monroe County Continuum of Care 2008
Permanent Supportive Housing Inventory

Provider	Facility Name	Target Popu-lation	Family Units	Individual Beds	Total	# of Individual Beds for CH
Catholic Family Center	Lafayette Housing	SMF+HC	7	6	13	1
DePaul Community Services	Carriage House	SMF	0	6	6	1
DePaul Community Services	Cornerstone	SMF	0	16	16	2
NYS Office of Mental Health/DePaul Community Services	Shelter + Care	SMF+HC	2	18	20	1
NYS Office of Alcohol and Substance Abuse Services/Providence Housing Development Corp.	Shelter + Care	SMF+HC	11	40	51	10
Rochester Housing Authority/ Monroe County Dept of Human Services (MCDHS)	S+C 5	SMF+HC	106	144	250	
Rochester Housing Authority/ MCDHS	S+C 9	SMF+HC	18	21	39	
Rochester Housing Authority/ Salvation Army	S+C 3	SMF+HC	55	59	114	6
Rochester Housing Authority/ Strong Ties	S+C 8	SMF+HC	4	20	24	
Rochester Housing Authority/ Unity Health	S+C 7	SMF+HC	14	27	41	5
Rochester Housing Authority/ Veterans Outreach Center	S+C 6	SM-VET	0	10	10	
Rochester Housing Authority/ VIA Health	S+C 11	SMF+HC	3	15	18	5
Rochester Housing Authority/ Sojourner House/YWCA	S+C 10	SFHC	5	9	14	
Sojourner House	Fairchild Place	HC	12	0	12	
Sojourner House	Monica Place	SFHC	18	3	21	
Sojourner House	Nancy Watson Dean Place	HC	7	0	7	
Tempro/Sojourner House	Holyoke Apartments	HC	11	0	11	
Rochester Housing Authority/ Salvation Army	S+C for CH	SM	0	20	20	20
Volunteers of America	Permanent Housing for the Chronically Homeless	SM	0	11	11	11
Total			273	425	698	62

KEY: Inventory type
C: Current Inventory
N: New Inventory
U: Under development

KEY: Target Populations
CH: chronically homeless individuals
SM: single males SF: single females SMF: single males and females
CO: couples only, no children
SMHC: single males and households with children SFHC: single females and households with children
HC: households with children
SMF + HC: Single male and female plus households with children
YM: youth males YF: youth females YMF: youth males and females
DV - Domestic Violence victims only
VET - Veterans only
HIV - HIV/AIDS populations only

Appendix F:

Persons Interviewed

Persons Interviewed in the Development of This Plan

Alma Balonon-Rosen, Upstate New York Program Director, Enterprise Community Partners

Bill Camp, Program Manager, Alternatives for Independent Youth, Hillside Children's Center

Carl Hatch, Vice-President, Government and Community Affairs, Catholic Family Center

Carla Foos, Program Manager, Catholic Family Center

Carol Wheeler, Manager of Housing, City of Rochester Department of Community Development

Cheryl Lynn Martin, Coordinator of Access, Retention and Transition for Persons with Substance use and Co-occurring Disorders, Monroe County Office of Mental Health

Christopher Tolhurst, Program Director, DePaul

Connie Sanderson, Administrator, Rochester/Monroe County Homeless Continuum of Care Team

Dan Condello, Monroe County Department of Human Services

Dianna Newhouse, Executive Director, Volunteers of America of Western New York

Elaine Spaull, Executive Director, The Center for Youth

Florence Koenig, Special Projects Manager, YWCA of Rochester & Monroe County

George McVey, St. Joseph's House of Hospitality

Joan Bickweat, RHY Coordinator, Youth Bureau, Monroe County Department of Human Services

John Wegman, Coordinator of Case Management Services, Strong Ties Community Support Program, University of Rochester Department of Psychiatry

Katrina Allen, The Center for Youth

Kevin O'Hagan, Homeless Coordinator, Rochester VA Outpatient Clinic, VA Medical Center

Kevin Zwiebel, Manager, Contract Services, City of Rochester Department of Recreation and Youth Services

Major Charles Deitrick, Area Coordinator, The Salvation Army – Rochester Area Services

Mark Fuller, President, DePaul Community Services

Mary Richards, Program Manager – SPOA, Coordinated Care Services, Inc.

Melissa Woods, Assistant Coordinator of RHY Services, The Center for Youth

Monica McCullough, Executive Director, Providence Housing Development Corporation

Neilia Kelly, Administrator, Office of Mental Health, Monroe County Department of Human Services

Pam Smith, Alternatives for Independent Youth, Hillside Children's Center

Ruth Nieboer, Vice-President of Community and Residential Services, Volunteers of America

Sandra Mindel, Senior Community Development Specialist, Monroe County Department of Planning and Development

Sharlene LeRoy, Senior Director of Operations, Rochester Housing Authority

Steve Piasecki, Upstate Member Services Coordinator, Supportive Housing Network of New York

Ted Houghton, Executive Director, Supportive Housing Network of New York

Zina Lagonegro, Senior City Planner, City of Rochester Department of Community Development

Group interviews

Rochester/Monroe County Continuum of Care Team, 10/7/08

Homeless Services Network, 10/15/08

Additional persons interviewed for this plan by consultant Jay Marcus in early 2008:

Chris Wilkins, Vice President, DePaul Addiction Services

Germaine Knapp, Executive Director, Sojourner House

Jen Higgins, Dotty Lebuke, United Way of Greater Rochester

Julie Everitt, Director of Development, Rural Opportunities, Inc.