

# **Supportive and Service-Enriched Housing For Families**

Presented by  
The Task Force on Housing and Services for Families

**A Collaboration Between  
The Council on Homeless Policies and Services  
&  
The Supportive Housing Network of New York**

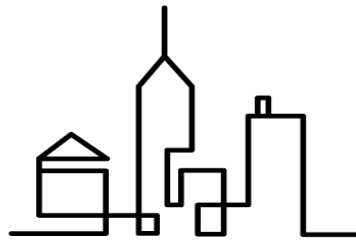
**July 2003**

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## **The Task Force on Housing and Services for Families**

Dear Colleague,

The Task Force on Housing and Services for Families is a collaboration between the Council on Homeless Policies and Services (formerly known as the ASPHA/Tier II Coalition) and the Supportive Housing Network of New York. These two associations represent over 160 nonprofit organizations that provide emergency, transitional and permanent housing and service programs to homeless families and individuals in New York City. The task force benefited from the additional participation of respected leaders of the academic and children services communities (a list of task force members is included in *Appendix A* of the enclosed report). Recognizing the exponential increase of families in the New York City shelter system and the glaring lack of permanent affordable housing with support services for those unable to exit or remain free of institutional settings such as shelters and foster care, the task force was formed in the spring of 2002 with encouragement and funding from the FAR Fund.

This report reflects the work of the task force during the past year and provides a discussion and recommendations regarding the extent of the need for service-enriched and supportive housing among families, the range of housing/service models that should be made available, and the funding mechanisms that will be necessary to meet the challenges ahead. The report is intended to educate policy makers, legislators and other stakeholders interested in meeting the needs of homeless and other low-income families. We also want to emphasize our gratitude to the members of the task force for sharing their time and expertise and to Ted Houghton, whose invaluable writing and analytical skills were essential to the completion of this report.

Supportive Housing – permanent, affordable housing linked to flexible, on-site or off-site services – has proven highly effective over the past twenty years in addressing the needs of disabled and other low-income individuals who are homeless or have special needs. In recent years, similar successes have also been demonstrated in supportive and service-enriched housing models for families. We hope this report helps to further the expansion and production of housing resources available to families in need.

Sincerely,

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# Supportive and Service-Enriched Housing for Families

## EXECUTIVE SUMMARY

More families are homeless today than at any other time in New York City history. In April 2003, an average of 9,261 families – including 16,685 children – slept in the municipal shelter system each night.

Many of these homeless families have multiple barriers to independence that prolong their homelessness. An expansion of the availability of *service-enriched* and *supportive housing* – permanent, affordable housing models that link residents to flexible, easily accessible social services and other supports – can help a significant number of homeless and at-risk families achieve stability and greater independence.

Many homeless families have histories of substance abuse or serious and persistent mental illness, chronic health problems, AIDS, involvement with the child welfare system, domestic violence, chronic unemployment and other issues that hinder their ability to return to permanent housing. These barriers can considerably extend families' homeless episodes or cause families to cycle in and out of shelter repeatedly. Today, approximately 16% of all currently homeless families have resided in the shelter system for more than eighteen months. Over the past ten years, more than 30% of homeless families placed into permanent subsidized housing have returned at least once to the emergency shelter system.

Extended, multiple homeless episodes and over-reliance on other emergency services can extract enormous human and economic costs. Studies have repeatedly shown how homelessness and other crises disrupt families' lives and harm children's health, education and emotional well-being, often with devastating long-term effects. In city fiscal year 2003, New York City will spend \$317 million on emergency shelter for families, with the average family's stay in a municipal shelter now lasting 315 days and costing over \$35,000.

Homeless families with extended or multiple homeless episodes caused by serious and persistent mental illness, substance abuse and other barriers to independent living comprise the most easily identifiable group of families who would benefit from service-enriched or supportive housing. But two other groups of families can also be assisted with service-enriched and supportive housing, namely families separated by foster care and incarceration and housed families at risk for homelessness.

Over 23,000 children now reside in the city's foster care system; at least half of the 1,900 women in emergency shelters for single adults have minor children not in their care. Another 2,549 New York City mothers are incarcerated in the city and state correctional systems. Provider experience over the past decade has shown that supportive housing offers the effective, ongoing support necessary for lasting reunifications among families separated by foster care and/or incarceration. Similarly, many housed low-income

families with extensive service needs experience the same problems and social disruptions as homeless families but manage to stay out of the shelter system. With proper assessment, at-risk families can be identified and provided support before their instability is manifested in a prolonged shelter stay.

Successful pilot programs and other initiatives in New York City containing over 1,600 housing units for City families have demonstrated the strength and potential utility of *supportive housing and service-enriched housing*. These two housing models are closely related and often loosely defined, with supportive housing programs generally offering a wider array of services on-site and service-enriched housing programs depending more on linkages to outside programs. Studies of homeless individuals in supportive housing suggest that families placed in service-enriched and supportive housing would sharply reduce their use of emergency services, making these housing models extremely cost-effective.

Service-enriched and supportive housing programs vary greatly in size, physical configuration, the characteristics and needs of the families they serve, as well as the intensity and range of services offered. Often, the wide variations in service program design blur distinctions between programs that identify themselves as “supportive” versus programs known as “service-enriched,” though supportive models typically have more intensive staffing patterns. As the supportive housing model for families matures, these distinctions will no doubt become more formalized. Currently, these housing models can be broken down into four main categories that define the general scope of service-enriched and supportive housing. They include:

- Single-site residences with on-site services for families with special needs
- Single-site residences with on-site or off-site services for a mixed tenancy with varied levels of service needs
- Scattered-site apartments with visiting services, and
- Affordable housing developments with strong linkages to community-based services and referral programs available for tenants.

Over the past decade, pioneering supportive housing providers have helped hundreds of families with extensive service needs remain stably housed. Provider experience combined with the unmet and growing need among homeless and at-risk families argues for a significant expansion of service-enriched and supportive housing for families in New York City over the next few years.

Further, the New York City Department of Homeless Services (DHS), Human Resources Administration (HRA) and the Administration for Children’s Services (ACS) presently offer a variety of rental subsidy and support programs that place thousands of homeless or housing-needy families into permanent housing each year. While these programs are intended to address and prevent homelessness, their structure and lack of coordination are sometimes problematic.

In sum, the Task Force on Housing and Services for Families recommends the following:

**Create 2,000 units of service-enriched and supportive housing for families over the next three years, including:**

- Constructing 500 new supportive housing units in capital projects.
- Developing 500 new supportive housing units by combining rental subsidies with support services in existing housing stock.
- Developing 1,000 units of service-enriched housing by linking services to existing rental subsidies or new affordable housing projects.

Together, these three efforts will significantly expand the existing stock of service-enriched and supportive housing for families. A pilot initiative of this size will allow New York City to build new housing units for the long-term and make existing units immediately accessible to families with service needs. It will also allow the city and nonprofit housing providers to develop a range of effective new models of service-enriched and supportive housing for homeless and at-risk families who require varying levels of service intensity. Funding sources for such a development initiative are reviewed in Section V of this report.

**Implement policy changes to make existing rental subsidy programs more effective and efficient, including:**

- Evaluate and improve the coordination and design of New York City rental assistance subsidy programs and establish an information clearinghouse to explain the various subsidy programs.
- Make rental assistance subsidies more accessible to low-income families who are not homeless, in the foster care system, or in danger of eviction.
- Streamline the application process for rental subsidy programs administered by New York City Administration of Children’s Services and Human Resources Administration.
- Increase the flexibility of rental assistance programs to accommodate family emergencies, variance in household composition, change in employment status and other changes families typically experience.
- Maximize New York City’s allocation of rental subsidies in the Shelter Plus Care program of the annual McKinney Continuum of Care process. Renewals of these subsidies are provided by the federal government annually and are essential for creating and maintaining permanent affordable housing.

An expansion of service-enriched and supportive housing for families by itself will not address the affordable housing shortage and other economic causes of homelessness. But it *will* help many families remain housed who would otherwise become homeless. It will also reduce reliance on shelters and other expensive emergency interventions among families who use the largest share of these resources. For these reasons, a major service-enriched and supportive housing initiative is a necessary and reasonable response to the current rise in homelessness among families.

# Supportive and Service-Enriched Housing for Families

## INTRODUCTION

### Homelessness Among Families is at an All-Time High

More families are homeless today than at any other time in New York City history. In April 2003, an average of 9,261 families – including 16,685 children – slept in the municipal shelter system each night. After an unprecedented increase of 66% over the past two years, the family shelter census is now almost twice as large as it was at its height in the 1980s.<sup>1</sup>

Homelessness has soared because New York City is experiencing an economic downturn during its worst housing shortage in decades. Homelessness among families has risen particularly high, in all likelihood because years of cutbacks to entitlements, support programs and affordable housing development have fallen disproportionately on families and children.<sup>2</sup> Research shows that the stability provided by a subsidized apartment and existing community supports enable most formerly homeless families to avoid returning to the shelter system again.<sup>3</sup>

To reduce homelessness we must expand the supply of permanent housing and ensure that poor households have adequate incomes to afford rent and other basic needs. While New York City has made important efforts to increase housing development, much more needs to be done. Without an increase in city, state and federal support for affordable housing development, improvements to emergency shelter and services to homeless people will do little to reduce homelessness in New York City.

### Homeless Families with Extensive Service Needs

A significant number of homeless families also face other, non-economic barriers to independent living. These families have histories of substance abuse or mental illness, chronic primary healthcare problems, AIDS, involvement with the child welfare system, chronic unemployment and other issues that hinder their ability to return to permanent housing. These barriers can considerably extend homeless episodes. Today, over 692 homeless families have resided in the shelter system for more than two years.<sup>4</sup> Provider

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<sup>1</sup> *New York City Department of Homeless Services Emergency Housing Services for Homeless Families Monthly Reports*. In January 2001, the family shelter census was 5,553 families. The previous high in homelessness among families occurred in 1988, when the shelter census reached an average of 5,091 families.

<sup>2</sup> For more on the structural economic factors that cause homelessness, see “Building for the Future: New York’s Affordable Housing Challenge,” *Housing First!*, revised July 2002; and “Housing a Growing City: New York’s Bust in Boom Times,” Patrick Markee, The Coalition for the Homeless, revised 2002. These and other materials related to housing and homelessness are available at [www.housingfirst.org](http://www.housingfirst.org).

<sup>3</sup> Marybeth Shinn, Weitzman, B. C., Stojanovic, D., Knickman, J. R., Jimenez, L., Duchon, L., James, S. and Krantz, D. H., “Predictors of homelessness among families in New York City: From shelter request to housing stability,” *American Journal of Public Health*. 88. 1998. 1651-1657.

<sup>4</sup> *NYC DHS Emergency Housing Services for Homeless Families Monthly Report*, April 2003.

experience indicates that these extended shelter stays often occur because these families have high service needs and other barriers to placement in permanent housing.

Many of these families are eventually placed into subsidized housing. But without services that address the challenges they confront, they are often unable to maintain stable households, causing them to return to the shelter system – sometimes repeatedly. Other housed families face similar challenges. They have not yet become homeless, but they are heavy users of crisis intervention services in other public systems.

Extended, multiple homeless episodes and over-reliance on other emergency services can extract enormous human costs. Studies have repeatedly shown how homelessness and other crises disrupt families' lives and harm children's health, education and emotional well-being.<sup>5</sup> And because these disruptions occur at a critical time in children's psychological and social development, they often have devastating long-term effects.

The economic cost of providing emergency shelter is also considerable: the average family's stay in a shelter now averages 315 days and costs more than \$35,000.<sup>6</sup> The public expenditures can continue long after the shelter stays, as government responds to the service needs of youths and adults traumatized by multiple and prolonged episodes of childhood homelessness.

### **Service-Enriched and Supportive Housing for Families**

Recent experience suggests that many families with extended and multiple homeless episodes would greatly benefit from living in service-enriched or supportive housing.

*Supportive housing* – permanent, affordable housing linked to flexible, easily accessible social services – has proven tremendously successful at serving formerly homeless and/or disabled individuals in a humane and cost-effective way. In New York City, government and nonprofit housing developers have partnered to build over 17,000 units of supportive housing over the past two decades.<sup>7</sup> A recent study found that placement into supportive housing reduced tenants' use of costly, publicly-funded emergency services such as shelters, hospitals and psychiatric care by so much that the savings paid for all but \$1,000 of the annual cost of developing, operating and providing services in the housing.<sup>8</sup> In recent years, providers of pilot supportive housing programs for formerly homeless

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<sup>5</sup> Margot B. Kushel, et al., "Emergency Department Use Among the Homeless and Marginally Housed: Results from a Community-Based Study," *American Journal of Public Health*, Vol. 92, No. 5, pp. 778-784, May 2002; "Report of the Kids Mobility Project," Family Housing Fund, Minnesota, 2002; "Housing and Schooling," Citizens Housing and Planning Council, *The Urban Prospect*, Vol. 7, No 2, March/April 2001.

<sup>6</sup> NYC DHS *Emergency Housing Services for Homeless Families Monthly Report*, April 2003, and "Rising Homelessness Pushes Homeless Services Budget Higher," *Newsfax 93*, New York City Independent Budget Office, December 13, 2001.

<sup>7</sup> Supportive Housing Network of New York.

<sup>8</sup> Dennis P. Culhane, Stephen Metraux and Trevor Hadley, University of Pennsylvania Center for Mental Health Policy and Services Research, "The Impact of Supportive Housing for Homeless Persons with Severe Mental Illness on the Utilization of the Public Health, Corrections and Emergency Shelter Systems: The New York/New York Initiative," *Housing Policy Debate*, Fannie Mae Foundation, May 2002.

families (including those with high service needs) have observed similar reductions in service use among resident families. A study of family supportive housing and families' use of emergency services would be useful to further quantify the cost savings of this housing model.

*Service-enriched housing* describes a range of housing models that offer fewer services for families with less intensive service needs. While these programs vary considerably, they all prioritize the residential stability of families. Over the past decade, thousands of families have benefited from both service-enriched and supportive housing.

Providers of these housing models all report significant positive outcomes for resident families. Combined with the unmet and growing need among homeless and at-risk families, their success argues for a significant expansion of service-enriched and supportive housing for families in New York City over the next few years. This report will attempt to provide a broad overview of:

- The extent and nature of the need for service-enriched and supportive housing for families;
- The different service models necessary for an effective housing initiative for families; and
- The challenges ahead, with a discussion of the sources of funding available to build, operate and provide services in the housing.

This report focuses on supportive and service-enriched housing because, despite the existence of some pilot programs, formal funding resources do not yet exist to begin to meet the need. It should be emphasized, however, that the recommendations of this report be considered within the context of a more comprehensive effort to expand the availability and affordability of all types of housing.

On its own, an expansion of service-enriched and supportive housing for families will not address the economic causes of homelessness. But it *will* help many families remain housed who would otherwise become homeless. Second, an expansion of these housing models will also reduce reliance on shelters and other expensive emergency interventions among families who use the largest share of these resources. For these reasons, a major service-enriched and supportive housing initiative is a necessary and reasonable response to the current rise in homelessness among families.

## I. WHO CAN BENEFIT FROM SERVICE-ENRICHED AND SUPPORTIVE HOUSING?

Homeless families with multiple barriers to independent living are likely candidates for service-enriched or supportive housing. Many of these families have had extended stays in emergency shelter or have repeatedly cycled in and out of the shelter system. Separated family members residing in institutional settings can also be reunited with the aid of service-enriched or supportive housing. Finally, these housing models can be used to prevent homelessness among low-income families who are housed but have extended service needs.

The following is a review of the needs and characteristics of both homeless and at-risk families who could benefit from service-enriched and supportive housing.

### **Families with High Service Needs and Disabilities and Chronic Homelessness**

A significant number of homeless families have one or more barriers to independent living that have helped to cause and/or prolong their homelessness.<sup>9</sup> Among the most serious barriers or disabilities are:

- Chronic substance abuse
- Serious and persistent mental illness
- AIDS
- Chronic physical health problems
- Extended placement in foster care
- History of sexual or physical abuse
- Domestic violence

*Almost 40% of homeless children have asthma, six times the rate among children nationwide. Over 60% of homeless children have not received all childhood immunizations. Others suffer from malnutrition, lead poisoning and other serious medical conditions. At least 30% of homeless parents report a chronic health condition, such as heart disease, anemia or digestive track disorders.<sup>10</sup>*

In addition, families may also experience other, secondary barriers to residential stability. These may not be enough to cause homelessness by themselves. But in concert with primary barriers, they can also contribute to household instability. Such barriers include low educational achievement, limited or nonexistent work histories, pregnancy, recent births, two or more children under the age of six, and children with serious physical or mental health problems.<sup>11</sup> Many homeless families can report at least one primary barrier

<sup>9</sup> “The Way Home: A New Direction in Social Policy,” Mayor’s Commission on the Homeless, 1992. This large survey of homeless families found that 42% of families have either a mental health or drug abuse problem and about a quarter of homeless families have an employability problem unrelated to mental illness or substance abuse. The survey did not determine the severity of the families’ problems. While the findings of “The Way Home” are now more than ten years old, smaller, more recent surveys confirm that the proportion of homeless families with barriers to independence remains largely the same.

<sup>10</sup> (Textbox) “The State of the Art: Supportive Housing for Homeless and At-Risk Families Learning Forum,” and “Building for the Future: New York’s Affordable Housing Challenge,” *Housing First!*, revised July 2002.

<sup>11</sup> These categories are expanded and adapted from “Family Matters: A Guide to Developing Family Supportive Housing,” by Ellen Hart Shegos, Corporation for Supportive Housing, and materials prepared

or characteristic. Service-enriched or supportive housing, however, should be targeted to those families that possess a combination of these factors.

One strong indication that a family may have significant barriers to independence is a history of extended or multiple stays in the shelter system. Over 16% of all sheltered families have resided in emergency shelter for more than one year. Over 692 have remained in shelter for over 2 years.<sup>12</sup> Hundreds of other homeless families cycle in and out of the shelter system without being offered permanent housing subsidies, extending their homelessness even further.

*One recent study found that 28% of parents with extensive histories of homelessness had attempted suicide. Homeless children are four times more likely to have behavioral disorders, three times more likely to have a learning disability, and eight times more likely to show signs of mental retardation. One in four homeless children will repeat a grade in New York City schools.<sup>13</sup>*

Because long-term families use a disproportionate share of scarce and expensive shelter beds, finding a more cost-effective strategy to serve and house them is a priority. Placement into service-enriched or supportive housing has been proven to be a humane and cost-effective alternative for homeless individuals with disabilities and long histories of homelessness. It is also likely to be the best way to serve and house families with histories of chronic shelter use.

### **Families Separated by Foster Care and/or Incarceration**

In addition to the homeless families residing in the family shelter system, there are many low-income families with members living apart from each other in institutional settings. For example, a majority of the more than 1,900 women in New York's single adult shelter system have minor children living apart from them in kinship or foster care.<sup>14</sup> Approximately 2,550 New York mothers (of 6,000 children) reside in correctional facilities. In total, over 23,000 New York City children live in foster care.<sup>15</sup>

These family members tend to suffer considerably higher rates of mental illness, substance abuse and other social dysfunction than members of intact homeless families. They also are often among the most expensive and heaviest consumers of publicly-funded services. For these troubled, separated families, the few supportive housing

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for "The State of the Art: Supportive Housing for Homeless and At-Risk Families Learning Forum," by Debbie Greiff Consulting, sponsored by the Gates and Oak Foundations and the Corporation for Supportive Housing, 2003.

<sup>12</sup> NYC DHS Emergency Housing Services for Homeless Families Monthly Report, April 2003.

<sup>13</sup> (Textbox) "The State of the Art: Supportive Housing for Homeless and At-Risk Families Learning Forum," and "Building for the Future: New York's Affordable Housing Challenge," *Housing First!*, revised July 2002.

<sup>14</sup> Elmer Struening and D'Ercole, 1992, and NYC DHS Shelter Census Report, January 2003.

<sup>15</sup> New York City Administration for Children's Services, February 2003 Census.

residences already in existence have offered the best chance for successful long-term reunifications.

### **Families At Risk of Homelessness**

Each year, approximately 500 families found eligible for shelter leave and return to the shelter system within the same fiscal year.<sup>16</sup> While this is a significant percentage, recent internal studies by the Department of Homeless Services (DHS) indicate that recidivism may be an even greater problem. Over the past ten years, approximately 30% of families placed into permanent housing eventually returned to shelter.<sup>17</sup> Clearly, families with histories of shelter recidivism are good candidates for service-enriched or supportive housing.

Supportive housing can also extend services into the community and specifically target outreach and support services to housed families who have disabilities or other barriers to independence.<sup>18</sup> An estimated 172,000 households live in substandard or overcrowded conditions.<sup>19</sup> Their inferior living situations result directly from the shortage and high cost of housing. But many also find themselves in these conditions because they face personal barriers that could be overcome with linkages to services in the community specifically responsive to their needs.

The services and stability offered by service-enriched and supportive housing can help prevent many at-risk families from experiencing crises resulting in homelessness. The DHS Commissioner's most recent progress report indicated that one area where the City continues to struggle is in the area of homelessness prevention.<sup>20</sup> In this regard, supportive housing could be a very effective preventative tool. With proper assessment, a family in imminent danger of homelessness could be referred to less costly supports without first entering the shelter system. Many of these disadvantaged, but not necessarily disabled, families may not require services indefinitely, though many will go back and forth between independence and reliance on services.

### **Flexible, Community-Based Services**

The range of services offered in supportive housing programs for families is comprehensive. The success to date of existing supportive housing developments for families suggests that making an array of community-based supportive services as widely available as possible to low-income families would be beneficial.

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<sup>16</sup> NYC DHS Fact Sheet, February 2002. In FY00 and FY01, 482 and 481 families returned to shelter within one year of placement into subsidized permanent housing.

<sup>17</sup> Internal NYC DHS analysis, May 2003.

<sup>18</sup> For an illustration of supportive housing serving community residents, see *Appendix B* for a description of the Dorothy Day Apartments.

<sup>19</sup> "How Much Housing Do We Need?" *The Urban Prospect*, Citizens Housing and Planning Council, Vol. 5, No. 4, September/October 1999. The CHPC estimate includes 72,000 overcrowded households, 50,000 extremely substandard occupied housing units and 50,000 illegal units.

<sup>20</sup> NYC DHS, "Second Summary Report on Implementation of the Strategic Plan," March 2003.

It is important to ensure that an expansion of service-enriched and supportive housing is flexible enough to serve a range of families who require different levels of service intensity. Often, families who could benefit from supportive housing do not meet diagnostic or other categorical criteria. Some may need services for only short periods of instability, or intermittently, with significant intervals of independence. Others will require quite intensive services indefinitely, remaining stable without ever achieving independence. Because so many of the beneficiaries of these housing models will be children, the benefits are likely to extend far into the future in reduced social and economic costs.

The next section examines how variations of the service-enriched and supportive housing models can serve each of these different types of families, reviewing existing pilot programs as well as new models.

## II. SERVICE-ENRICHED AND SUPPORTIVE HOUSING MODELS

Supportive housing has been an enormously effective model for housing and serving formerly homeless and/or disabled single adults. The level of independence it affords tenants makes it appealing to individuals who demand choice and personal autonomy. Neighboring residents and businesses appreciate how supportive housing fits in with the surrounding community. Government values supportive housing for the cost-effective and efficient way it stabilizes individuals with high service needs and reduces their use of expensive emergency services. This broad consensus has helped facilitate the creation of over 17,000 units of supportive housing for single adults in New York City over the past two decades.<sup>21</sup>

In recent years, the supportive housing model has been successfully expanded to serve formerly homeless families with high service needs. Similarly, less service-intensive “service-enriched” housing programs have also proven successful. Just as they pioneered supportive housing for single adults, various city and state government agencies have partnered with nonprofit organizations to seed the development of family supportive housing as well. Currently in New York City, there are 53 service-enriched and supportive housing programs for families containing 1,671 apartments. They include 846 apartments in 24 single-site residences and 825 apartments in 29 scattered-site programs.<sup>22</sup>

### Principles of Supportive Housing

All programs follow some basic core tenets. Briefly stated, these include the following principles:

- Supportive housing is permanent and affordable. Families sign leases and pay no more than 30% of their income for rent.
- Supportive housing is safe and comfortable. Building security is emphasized and building codes are met or exceeded. Tenants should feel they have some collective control over their environment.
- Services are flexible and focused on maintaining residential stability. Services must be easily accessible and inviting, adjusting in intensity as the needs and interests of the families change.
- Services empower families and foster their independence. Families are involved in the management of their residence, are assisted and encouraged to pursue employment opportunities, and are allowed control over their lifestyle choices.
- The provider integrates the tenants and the housing into the community. Families are linked to community-based services whenever possible, and the provider

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<sup>21</sup> Supportive Housing Network of New York.

<sup>22</sup> Supportive Housing Network of New York, see *Appendix D* for details.

actively seeks out opportunities to build relationships between the housing program and its neighbors.<sup>23</sup>

## **Housing Models**

Service-enriched and supportive housing programs vary greatly in size, physical configuration, the characteristics and needs of the families they serve, as well as the intensity and range of services offered. They can be broken down into four main categories that define the general scope of possible housing models. They include:

- Single-site residences with on-site services for families with special needs
- Single-site residences with on-site and/or off-site services for a mixed tenancy with varied levels of service needs
- Scattered-site apartments with visiting services, and
- Affordable housing developments with strong linkages to community-based services and referral programs available for the optional use of tenants.

**Single-site residences with on-site services for families with special needs:** Although New York City has single-site supportive housing residences for families that have as many as 150 units, most are considerably smaller. Families in single-site residences generally sign leases. They have access to case management, counseling, parenting skills, recreation and other services located on-site in the buildings. In addition, family members are referred to other, more specialized services in the community, such as substance abuse and mental health counseling.

Most families in New York's existing single-site supportive housing have a head of household with a history of substance abuse; some residences serve families with a head of household with mental illness or living with AIDS. Many of the families have been reunited after children's stays in foster or kinship care and/or the incarceration of the head of households. Usually families living in a single-site residence meet similar eligibility criteria and have comparable service needs. Often these criteria are driven by the funding source. In some residences, participation in a standard service program is mandatory.

**Single-site residences with on-site and/or off-site services for a mixed tenancy with varied levels of service needs:** These supportive housing programs share many similarities with the model described above and serve many of the same categories of families. However, the level of independence among the tenants varies greatly, from families with high service needs to more independent families who will rarely use services. Often, families and single adults share both the housing and services, with some of the individual tenants awaiting reunification with their children. On-site services are rarely mandatory, though heavily used. Tenants also rely on referrals to services based in the community.

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<sup>23</sup> Tony Hannigan and Suzanne Wagner, "Developing the 'Support' in Supportive Housing: A Guide to Developing Family Supportive Housing," Center for Urban Community Services (CUCS), funded by the Corporation for Supportive Housing, 2003.

There is also an emphasis on fostering peer support networks among tenants in single-site supportive housing models. Casual interactions between tenants and staff occur frequently. Building management and service provision can be performed by the same nonprofit or by two separate organizations. In either case, the roles of social service and property management staff are clearly defined so that a family's continuing residency is not dependent on their participation in services.

**Scattered-site apartments with visiting services:** Over 93% of the existing scattered-site service-enriched and supportive housing programs in New York serve formerly homeless families with a head of household living with AIDS. Contracted through the New York City HIV and AIDS Services Agency (HASA), these scattered-site programs have the nonprofit provider hold master leases with private landlords and occupancy agreements with tenants. The scattered-site model also serves families with a variety of other needs. The nonprofit organization provides services by visiting families in their apartments and/or seeing them at central office locations. This model allows families to blend into the community more easily. It offers them more personal autonomy, but less peer support. Service contacts must be scheduled beforehand, so service delivery may be less spontaneous and more formalized than in residences with service staff located on-site. Usually, service staff must also deal with multiple private landlords. They must be careful to ensure families do not feel isolated or unsafe.

One scattered-site supportive housing model that has not yet been established in New York City is the "housing first" model for families. This model places homeless or at-risk families into subsidized permanent apartments and provides transitional services to them until they are able to live independently. Case Managers provide comprehensive case management on-site and link them to other specialized services, with an emphasis on job readiness and employment training. The transitional phase is not time-limited and is determined by the needs of the individual families. Once families complete the transitional phase, they may remain in the subsidized apartment or use a federal Section 8 voucher to move to another permanent apartment. Families receive follow-up services, and may resume accepting services if crises arise.<sup>24</sup>

**Affordable housing developments with community-based service and referral programs available for the optional use of tenants:** Many nonprofit developers operate affordable housing programs with a large number of units clustered in one neighborhood. Some have found that their tenants' residential stability can be greatly improved by providing them basic case management and referral services. Usually these are provided from a central storefront or other ground-floor office space. Tenants must usually initiate assistance when they themselves determine that they need it. This model offers tenants maximum autonomy, though early interventions are more difficult to realize. Tenant/staff interactions do not occur as often as in single-site residences or scattered-site programs where some service participation is required. Unlike the other models, 24-hour staff coverage is not provided.

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<sup>24</sup> For more information on this model, see the National Alliance to End Homelessness, Housing First Network at [www.naeh.org](http://www.naeh.org).

For descriptions of some service-enriched and supportive housing residences in New York City, please see *Appendix B*.

## **Services in Supportive and Service-Enriched Housing**

The menu of services offered to families in service-enriched and supportive housing varies greatly from program to program. The parent organization’s service philosophy, the source and amount of funding available, the housing stock that exists, as well as the residents’ level of functioning – all play a role in determining the intensity and focus of the support.<sup>25</sup>

Regardless of the needs of the families being served, however, a primary purpose of the services in service-enriched and supportive housing is the same: to help families remain stably housed. When effective supportive housing programs address other important, but secondary, goals – such as maintaining sobriety, reunifying families or gaining employment – they do so in the context of maintaining residential stability.

The focus on the family’s housing needs helps keep services responsive to resident’s choices. While case management services delivered in supportive housing are intended to be comprehensive, the purpose of service-enriched and supportive housing is *not* to try to meet all of the families’ needs through a single program. Instead, one of the most important functions of service-enriched and supportive housing service staff is to link families to other services and supports in the community, moving quickly to identify gaps in care and providing referrals to more specialized services off-site. And because staff is readily accessible, flexible and knowledgeable about each family, they are ideally situated to prevent or respond to emergencies as they arise.

Many service-enriched and supportive housing programs also offer a wide range of additional programmatic and clinical services that address substance abuse and mental illness, as well as family and children’s issues, or even employment. These can be extremely useful, sometimes essential, for helping families maintain residential stability. Families may choose to accept these services from the supportive housing provider because they are conveniently located. But they may also choose to accept these services from an off-site provider, or not partake of them at all. Most important is the availability of these services for families who need them.

In general, services fall into one of four categories:

- Housing Stability – all providers offer core supportive services, including:
  - Case Management
  - Entitlement & Income Assistance
  - Crisis Management & Prevention
  - Referrals

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<sup>25</sup> For a more detailed discussion of service provision in supportive housing for families, see “Providing Services in Supportive Housing,” Tony Proscio, published by the Michigan State Housing Development Authority, Corporation for Supportive Housing & Michigan Department of Community Health, 2000.

- Specialized Counseling and Clinical Services – many providers also offer some general and specialized mental health services, including:
  - Individual and family counseling and therapy
  - Psychoeducational groups
  - Other specialized therapeutic groups, such as support for survivors of domestic violence
  - Mental health services for family members with psychotic disorders
  - Physical health care
  
- Family Services – many providers also offer some family-related services, which can include:
  - Parenting Services
  - Family Reunification
  - Childcare
  - Youth Services
  
- Employment and Education Services – All providers regularly refer their residents to off-site employment and educational services, but many also provide some job training and placement services on-site as well.

For a description of how one resident family has benefited from supportive housing, see *Appendix C*.

### **Opening Up Supportive Housing to the Community**

Service-enriched and supportive housing can and sometimes do make some services provided on-site available to neighbors in the surrounding neighborhood. For instance, they may offer meeting space for use by community boards, Alcoholics Anonymous and Narcotics Anonymous groups and other community organizations, or provide slots in on-site daycare programs to neighborhood children. Service-enriched or supportive housing programs could also expand their case management and referral services to nearby neighborhood residents. This expansion could create efficiencies that help reduce the overall costs of supportive services and could be targeted to families at risk in the community, such as those with histories of homelessness.

### **III. THE COST-BENEFITS OF DEVELOPING SERVICE-ENRICHED AND SUPPORTIVE HOUSING FOR FAMILIES**

#### **The High Cost of Emergency Shelter**

It can now cost over \$40,000 to shelter a homeless family for a year.<sup>26</sup> As the number of New York's homeless families has increased, spending on emergency shelter for families has risen 260% over the past three years to an estimated \$317 million in city fiscal year 2003.<sup>27</sup> As long as a crisis of this magnitude exists, the city has no choice but to spend this money meeting the emergency needs of families.

But as necessary as it is – and it is – spending on emergency shelter does little to address the severe housing shortage and other structural changes in the economy that actually cause homelessness. Even though it may take years before major policy changes have any effect on the problem, various government sectors must work together to address the underlying factors that cause homelessness. The federal, state and city governments all can do more to shore up financial supports available to low-income families and expand the supply of affordable permanent housing. Until they do, homelessness among families will remain a crisis.

#### **The Cost Savings of Supportive Housing**

Emergency spending at current levels acts as an enormous drain on resources that could be better directed at effective, long-term solutions to homelessness. Supportive housing is one strategy to reduce the number of homeless families in the shelter system that is not only cost-effective, but improves the quality of life of families in need of services as well. Placing these families into service-enriched and supportive housing will clearly reduce their disproportionate use of emergency shelter. But it also is likely to decrease their dependence on other publicly-funded systems, such as emergency medical care, judicial and correctional services, chemical dependency treatment and foster care services. Savings from a shift to supportive housing can be invested in long-term solutions to ending homelessness.

Today, the average cost of a foster care placement in New York City runs from \$13,000 for a private foster home to \$40,000 for a group home. With the average length of stay in foster care now exceeding 39 months, each foster child placement can cost taxpayers as much as \$160,000 per stay. When a family is broken up, children enter foster care while parents often enter the single adult shelter system. When the needs of the entire family

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<sup>26</sup> “Rising Homelessness Pushes Homeless Services Budget Higher,” *Newsfax* 93, NYC Independent Budget Office (IBO), December, 2001. Estimates of the cost of family shelter vary greatly, depending on what costs are included in the calculation: The IBO estimates the average cost of sheltering families is \$114 per night. DHS estimates a system-wide average cost of approximately \$90 per night.

<sup>27</sup> DHS Commissioner Linda Gibbs' testimony to New York City Council, September 18, 2002, stated that the total spending on DHS family shelter services rose from \$123.1 million in FY00 to \$257 million in FY02. “Rising Homelessness Threatens Higher City Costs,” *Newsfax* 106, Independent Budget Office, September 12, 2002, states that the DHS family services budget in FY2003 will reach \$317 million.

are taken into account, an event of this sort can easily cost taxpayers \$100,000 per year per family.<sup>28</sup> When one adds up the ongoing individual and societal costs associated with the attendant decline in children’s school performance (including repeated grades and early dropouts) and other dysfunctional behavior (mental illness or criminality), the total price tag associated with family homelessness is staggering.

By contrast, the cost of service-enriched and supportive housing for families is a relative bargain. Even the most expensive supportive housing programs that house families with the highest service needs cost less than \$12,000 per year per family to pay for the housing costs not related to services. Services in service-enriched and supportive housing programs required by most families cost about \$3,000 per year per family. The most intensive supportive services for families with high service needs cost up to \$10,000 per year, still a considerable savings when compared to total foster care costs.<sup>29</sup> Obviously, supportive housing programs are also significantly more humane for the families housed and served.

In the last few years, a consensus has emerged regarding the merits of supportive housing. In the same way that supportive housing is now universally acknowledged as the cost-effective and humane answer to homelessness among single adults with mental illness, service-enriched and supportive housing for families has become the preferred solution among providers, government administrators and the informed public. Further studies of the cost-effectiveness of supportive housing for families would be useful to strengthen and confirm this consensus.

### **Available Funding Does Not Meet the Need**

The lack of funding available for the development and operation of service-enriched and supportive housing has been a major barrier to the expansion of these models for families. This condition has long preceded the current economic crisis. Supportive housing providers have, therefore, necessarily cobbled together an array of disparate funding streams to create effective housing and service models. One recent supportive housing initiative for families had to assemble more than 12 different capital, operating and service funding sources to fund a residence for families in Upper Manhattan.<sup>30</sup>

Funding streams that specifically support services in permanent housing for families are virtually non-existent. For those that do exist, government agencies can do much more to coordinate and simplify application processes and pool funding sources. Nonetheless, nonprofit developers have successfully used a number of funding sources to develop and operate service-enriched and supportive housing for families.

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<sup>28</sup> “Homelessness: The Foster Care Connection,” Homes for the Homeless, Institute on Children and Poverty, no publication date.

<sup>29</sup> Supportive Housing Network of New York.

<sup>30</sup> See “Dorothy Day Apartments” in *Appendix B*.

## Possible Funding Sources

Many of the funding sources available for service-enriched and supportive housing can be expanded. In addition, some other funding streams not currently applied to supportive housing could be used to pay for service, operating or development costs. The most promising sources that can be redirected or expanded include:

- **State and City Funding** – The New York State Office of Temporary and Disability Assistance (OTDA) *Homeless Housing Assistance Program (HHAP)*, as well as the New York City Department of Housing Preservation and Development (HPD) *Supportive Housing Loan Program* are the two major sources of state and city capital funding for service-enriched and supportive housing for families. Despite the increased need for these housing models, state HHAP funding has remained at approximately \$30 million per year for the past decade, with much of the funding allocated to developing transitional housing. This amount should be increased to reflect the great need. The HPD Supportive Housing Loan Program has begun using part of its \$20 to \$40 million annual allocation to build supportive housing for families and youth and recently announced the allocation of \$43 million over four years for family supportive housing development.<sup>31</sup>

Last year, the New York State Office of Temporary and Disability Assistance (OTDA) allocated \$2 million in Temporary Aid to Needy Families (TANF) funding into a program called *Supported Housing for Families and Young Adults (SHFYA)*. This is the first time that the state has allowed supportive housing to be paid for by TANF, the primary funding source for income support for needy families. While this is a step forward, it clearly does not meet the level of need and is a competitive program statewide. Only three family supportive housing projects in New York City were funded with SHFYA. Another entitlement funding stream that can be expanded to fund some of the services in supportive housing for families is Medicaid.

- **Federal Funding** – The major source of funding for supportive housing for families is the U.S. Department of Housing and Urban Development (HUD) McKinney Homeless Assistance Programs, including both the *Shelter Plus Care Program* and *Supported Housing Program*. With these programs, agencies are able to access rental subsidies and services funding, often with a match requirement. To access the McKinney program, organizations must participate in the New York City “continuum of care” planning process and submit an annual application to HUD for approximately \$60-75 million. This funding is very competitive and has limited applicability for new projects, since each year the

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<sup>31</sup> State and City budget documents 1993-2003. HPD has a homeless rental production program for projects that do not fit within the new HDC Low-Income Affordable Market-Place Program as well as a program to assist formerly homeless families who currently live in HPD-sponsored rental housing to buy their first home.

myriad homeless programs—from drop-in centers to transitional and permanent housing programs—are also renewed with this funding.

- **Funding from Other Sources** – Supportive housing’s cost-effectiveness has drawn the interest of many government agencies that serve families with high-service needs. However, these agencies have yet to create dedicated funding streams that can be used to produce additional service-enriched and supportive housing units for their target populations. Many government agencies could realize significant cost savings from an investment in supportive housing for families, but currently have no or limited funding opportunities available. These include the New York State Office of Children and Family Services, New York Office of Mental Health, New York City Office of Alcohol and Substance Abuse Services, the New York City Administration for Children’s Services, the New York City Department of Homeless Services, and both the state and city correctional systems. Other federal agencies, such as the Department of Health and Human Services, can also potentially serve as funding sources for permanent supportive housing.

## IV. RENTAL SUBSIDIES FOR HOMELESS AND AT-RISK FAMILIES

### Effectiveness of Family Rental Assistance Programs

The New York City Department of Homeless Services (DHS), Human Resources Administration (HRA) and the Administration for Children's Services (ACS) offer a variety of rental subsidy and support programs. These programs place thousands of homeless or housing-needy families into permanent housing each year. Some of these programs use Section 8 rental subsidies, accompanied by placement bonuses to private landlords for accepting homeless families. Some also provide limited funding for supportive services. While these programs are intended to address and prevent homelessness, their structure and lack of coordination are sometimes problematic.

In April 2003, the task force convened the first of several anticipated forums on housing and services for families. The first forum invited family housing specialists and other line staff who work in family shelters and the foster care system to discuss the effectiveness of family rental assistance programs.<sup>32</sup> The forum participants identified many important issues and suggested ways to improve the effectiveness of these programs. Some of the major issues identified included the following:

- **Lack of Coordination and Unintended Incentives/Disincentives:** The design of rental assistance programs and lack of coordination among them result in competition between programs. For instance, a family will often prefer waiting for the permanency of a Section 8 subsidy rather than applying for a locally administered time-limited program such as the temporary Family Rental Assistance Program ("FRAP"). Similarly, some rental subsidy programs offer bonuses to landlords and others do not. As a result, some family rental assistance programs have long waiting lists while others remain underutilized.
- **Limited Eligibility:** Most rental subsidies are available only to families residing in shelters, linked to the foster care system, or on public assistance and in imminent danger of eviction. However, many low-income families who need but are not "in the system" are ineligible for these programs.
- **Time Limits:** Local and state subsidies are generally limited to two to five years' duration, structured to provide families with rental assistance until they attain full financial independence or obtain a permanent Section 8 voucher. However, sometimes Section 8 subsidies cannot be secured if the family is not homeless. As a result, some families are forced to return to the shelter system when their local subsidy has expired.
- **Lack of Support and Preparation for Independence:** While families using time-limited subsidies are expected to become independent, little is done to foster

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<sup>32</sup> The forum included 33 participants from 15 agencies, including housing subsidy experts from Citizens' Committee for Children, ABC, Women In Need, and others.

this transition. For instance, these programs do not allow families to save money and offer few supports to enable them to prepare for independent living.

- **Inflexibility:** Locally administered subsidies are often not adaptable to changes in family circumstances, such as abandonment by a parent or other head of household, loss of employment, or other financial catastrophes.
- **No Coverage of Other Necessary Expenses:** Rental subsidies do not cover basic household-related essentials, such as telephone hookup charges and broker's fees.
- **Lack of Information:** The availability of information about different rental subsidy programs is uneven; there is no central clearinghouse or education program for rental assistance subsidy information.
- **Complex Application Processes:** Some subsidies have extensive and impractical application procedures. For instance, the Foster Care Housing Subsidy Program ("the FCH subsidy") requires families to identify an apartment as part of their application and at the same time wait between 3-5 months to receive the subsidy. In practice, landlords do not set aside apartments hoping that a prospective tenant will get a subsidy. The FCH subsidy also requires an enormous amount of paperwork for both the landlord and the applicant, with three layers of review required before final approval.
- **Income Issues:** Like most locally administered rental assistance programs, the FCH subsidy requires families to demonstrate substantial need, while at the same time guaranteeing a stable income, as the subsidy requires a third of their income be paid to the landlord. While a family's need for the subsidy is often shown through their low earnings, this contradicts the landlord's incentive to find a higher-earning family whose portion of rental contribution is higher. This creates a narrow income requirement.

All of these issues are important. Addressing them could improve the prospects for increasing service-enriched scattered-site housing opportunities. Unfortunately, during the present housing shortage, many of these programs go underutilized. Practitioners report that this is due to the lack of coordination and difficulty in using many of these programs. Ironically, some of these rental subsidy programs are scheduled to be cut by government because families and their caseworkers have had difficulty gaining access to these programs, even though they provide one of the most meaningful housing pathways compared to any other single source for families.

## V. CONCLUSION AND RECOMMENDATIONS

Today in New York City, approximately 2,000 homeless families have either resided in emergency shelter for extended periods of time or have demonstrated significant barriers to independence. Thousands of other mothers and children are separated by incarceration, homelessness or foster care. Thousands more remain housed but are struggling with multiple barriers to independence.

All of these families use an enormous, disproportionate share of public resources. In a time of severe fiscal constraints, it is imperative that we devise new strategies to serve them. Service-enriched and supportive housing is by far the most promising strategy currently available.

**To address the needs of families in all of these categories, the Task Force on Housing and Services for Families recommends the following actions:**

**Create 2,000 units of service-enriched and supportive housing for families over the next three years, including:**

- Constructing 500 new supportive housing units in capital projects.
- Developing 500 new supportive housing units by combining rental subsidies with support services in existing housing stock.
- Developing 1,000 units of service-enriched housing by linking services to existing rental subsidies or new affordable housing projects.

Together, these three efforts will more than double the existing stock of service-enriched and supportive housing for families. A pilot initiative of this size will allow New York City to build new housing units for the long-term and make existing units immediately accessible to families with service needs. It will also allow the city and nonprofit housing providers to develop a range of effective new models of service-enriched and supportive housing for homeless and at-risk families who require varying levels of service intensity.

### **Funding for Supportive Housing**

To develop 1,000 units of supportive housing requires capital, operating and service funds. Suggested sources are outlined below for the 500 capital projects and the 500 scattered-site units.

**Capital Development:** The average capital cost of developing a new supportive housing unit for families in New York City is approximately \$200,000. To produce 500 new units of supportive housing will require \$100 million in capital funding. Units can be

part of larger projects serving a diverse community of families and individuals with varying levels of need. Possible sources for this funding include:<sup>33</sup>

- **New York City Department of Housing Preservation and Development (HPD) Supportive Housing Loan Program.** At least \$19 million (which will need to be augmented with \$5 million in federal Low Income Housing Tax Credits) is available to develop a minimum of 120 supportive housing family units over the next 3 years.
- **New York State Office of Temporary and Disability Assistance (OTDA) Homeless Housing Assistance Program (HHAP)** has funded many existing supportive housing residences for families. Approximately 20% of HHAP's \$30 million in annual funding, or \$18 million over the next 3 years, should be allocated to develop a total of 90 units of supportive housing for families.
- **New York State Office of Mental Health (SOMH)** should build on the successful New York/New York initiative and create a third agreement with New York City. Such an agreement should include the development of supportive housing for families who have heads of households with severe and persistent mental illness, including 240 family units in single-site projects over the next 3 years at a cost of \$48 million.
- **Federal Low Income Housing Tax Credits** totaling \$10 million can be applied to these projects through the New York State Division of Housing and Community Renewal (DHCR) and the New York City Department of Housing Preservation & Development (HPD), allowing the development of an additional 50 units.

**Operating Support:** Tenants in supportive and other subsidized housing are required to pay one-third of their incomes toward rent. To ensure that the housing remains safe and well-maintained, additional operating support is required, usually through rent subsidies. The cost of operating a supportive apartment for families is approximately \$12,000 per unit. Creating 1,000 additional supportive housing units (500 new capital development units and 500 subsidized in existing housing stock) would require \$12 million per year. Possible funding sources include:

- **State Office of Mental Health (SOMH):** A third New York/New York Agreement, if implemented, would use funding from SOMH to fund 240 single-site units and an additional 260 scattered-site units for a total of 500 units (\$6 million total in annual operating funds).
- **U.S. Department of Housing and Urban Development (HUD) McKinney Funding, including Shelter Plus Care and Supportive Housing Program (SHP) funds:** An allocation of \$3.6 million through the annual Continuum of

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<sup>33</sup> Budget figures have been gathered from public and internal government budget documents.

Care Process, would provide operating funds for the 120 units developed through the HPD Supportive Housing Loan Program, as well as an additional 180 units of scattered site housing, for a total of 300 units. This funding depends on annual Congressional renewals after the initial 3-year period of the grant.

- **Other Sources of Operating Funding:** The New York City Housing Authority (NYCHA), Department of Homeless Services (DHS), Human Resources Administration (HRA), Administration for Children’s Services (ACS) and other city agencies control funding for rent subsidies. As the families served by these agencies would benefit from supportive housing, some of these subsidies could be allocated to a supportive housing initiative to create operating funds for 200 additional units at a cost of \$2.4 million annually.

**Service Funding:** The average family supportive housing unit requires an annual services budget of \$10,000 to provide supportive services. To fund 1,000 units of supportive housing will cost \$10 million per year when all units are operational. Funding can come from the following sources:

- **New York State Office of Mental Health (SOMH)** could provide mental health services funding for 500 units developed through a proposed New York/New York III Agreement (\$5 million annually).
- **New York State Office of Temporary & Disability Assistance (OTDA) Supported Housing for Families and Young Adults (SHFYA)** currently provides a half million dollars annually to New York City family supportive housing programs with funding from the federal Temporary Aid for Needy Families Program (TANF). A substantive expansion of SHFYA could provide an additional \$2 million annually for 200 units of family supportive housing.
- **New York City Agency for Children Services (ACS)** could fund services to a minimum of 200 units of family supportive housing, possibly allocating TANF or foster care funding for this purpose (\$2 million annually).
- **New York City Human Resources Administration (HRA) HIV and AIDS Services Administration (HASA)** could redirect federal, state and city funds to provide services in 100 additional units of supportive housing (\$1 million).

### **Funding for Service-Enriched Housing**

To develop 1,000 units of service-enriched housing, funding is needed for operations and services. Most of the units will be scattered-site, rented on the open market and thus not require capital funding. Other projects could draw upon existing affordable housing development programs, such as those offered by the NYC Department of Housing

Preservation and Development that include 30% set-asides for homeless families.<sup>34</sup> To fund operations, all of the service-enriched housing units can utilize existing Section 8 and other rental subsidies; currently, the city allocates three to six thousand Section 8 subsidies to homeless families each year, and thousands of others to other housing-needy people.

By combining rental subsidy programs for families and creating linkages to neighborhood services, many families will be able to be stabilized in permanent housing with most of their needs met in the community. In many cases, the only service funding required will be for a “services coordinator” position, separate from building management.

Service funding for a service-enriched housing unit ranges from approximately \$3,000 to \$5,000 per year. The level of services and service-coordination depends on the types of families that are housed and the program design of these pilot housing models. To fund services in 1,000 units of service-enriched housing will cost at least \$3 million per year when all units are operational.

Funding for services can potentially come from a variety of government sources that have already been mentioned including federal McKinney funding, state OMH and OASAS funding, and New York City DMH, ACS, DHS and HASA funding. Services can also be augmented with direct service provision from clinical programs funded through Medicaid. These can include:

- Temporary Aid to Needy Families (TANF)
- Medicaid
- Ryan White Title I Case Management funds
- Ryan White Title II Case Management funds
- Federal Housing Opportunities for People With AIDS (HOPWA)
- Health and Mental Health Clinics

### **Implement policy changes to make existing rental subsidy programs more effective and efficient.**

Existing rental subsidy programs help thousands of homeless and housing-needy families return to decent, appropriate housing. But most subsidy programs can be made more effective and efficient. The following recommendations are intended to 1) to maximize existing resources so that homeless families are provided with permanent housing more quickly 2) prevent future family homelessness and disruption, and 3) increase nonprofit organizations’ ability to use rental assistance programs to create scatter-site housing. Administrative reforms and policy changes include:

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<sup>34</sup> For more information on these programs, see the Bloomberg Administration’s plan “New Housing Marketplace: Creating Housing for the Next Generation.”

- Evaluate and improve the coordination and design of New York City rental assistance subsidy programs and establish an information clearinghouse to explain the various subsidy programs.
- Make rental assistance subsidies more accessible to low-income families who are not homeless, in the foster care system, or in danger of eviction.
- Streamline the application process for rental subsidy programs administered by New York City Administration of Children’s Services and Human Resources Administration.
- Increase the flexibility of rental assistance programs to accommodate family emergencies, variance in household composition, change in employment status and other changes families typically experience.
- Maximize New York City’s allocation of rental subsidies in the Shelter Plus Care program of the annual McKinney Continuum of Care process. Renewals of these subsidies are provided by the federal government annually and are essential for creating and maintaining permanent affordable housing.

Together, government and the nonprofit community have had tremendous success expanding supportive housing for single adults with special needs. This effort has helped reduce and stabilize the number of individuals with mental illness and other disabilities who experience homelessness. A supportive housing initiative directed at families will similarly reduce homelessness among those families who use the most shelter and services. It will save public expenditures that can be better applied to long-term solutions. Most importantly, it will vastly improve the lives of the homeless families and children who are served and housed.

## APPENDIX A

### The Task Force on Housing and Services for Families

This report is a product of the Task Force on Housing and Services for Families, a collaboration of the Council on Homeless Policies and Services (formerly known as the ASPHA/Tier II Coalition) and the Supportive Housing Network of New York. Together, these two organizations represent over 160 nonprofit providers of emergency, transitional and permanent housing and services to homeless people. The report draws from their collective experience and expertise and the contributions of researchers, children's service providers and other intermediaries and experts included in the membership of the task force. Individual members of the task force include:

#### Co-Chairs:

Tony Hannigan, *Executive Director*, Center for Urban Community Services (CUCS)  
Joan Montbach, *Senior Policy Analyst*, Palladia

#### Members:

Ellen Baxter, *Executive Director*, Broadway Housing Communities  
Nancy Biberman, *President*, WHEDCO  
Gretchen Buchenholz, *Executive Director*, Association to Benefit Children  
Roz Cassar, *Deputy Executive Director Clinical Programming*, Project Hospitality  
Doris Clark, *Executive Director*, Brooklyn Community Housing and Services  
Lauri Cole, *Executive Director*, Council on Homeless Policies and Services  
Carol Corden, *Executive Director*, New Destiny Housing Corporation  
Jack Doyle, *Director*, New Settlement Apartments  
Mike Fabricant, *Professor*, Hunter College School of Social Work  
Maureen Friar, *Executive Director*, Supportive Housing Network of New York  
Donna Galeno, *Administrator Homeless Services*, American Red Cross  
Kathy Halas, former *Director of Operations*, Supportive Housing Network of New York  
Verona Jeter-Middleton, *Chief Administrator*, Henry Street Settlement  
Sarah Kolodny, *Director of Social Programs*, Settlement Housing Fund  
Sr. Barbara Lenninger, *Executive Director*, Thorpe Family Residence  
Linda Nagel, *Director of Clinical Operations*, Institute for Community Living  
Fred Shack, *Senior Vice President of Client Services*, HELP USA  
Larry Schatt, *Chief Operating Officer*, Common Ground Community  
Beth Shinn, *Professor of Psychology*, New York University  
Doreen Straka, *Program Officer for Employment*, Corporation for Supportive Housing  
Connie Tempel, *New York Program Director*, Corporation for Supportive Housing  
Maria Toro, *Housing and Income Support*, Citizen's Committee for Children  
Nancy Wackstein, former *Executive Director*, Lenox Hill Neighborhood House  
Susan Wiviott, *Assoc. Executive Director*, Jewish Board of Family and Children Services  
Rita Zimmer, *Principal*, Housing and Solutions

## **APPENDIX B**

### **Genesis Homes Brooklyn**

Opened by HELP USA in 1992, Genesis Homes provides 150 one to four-bedroom apartments to homeless and low-income families, mostly from the surrounding East New York community in Brooklyn. In addition to providing supportive services to resident families, Genesis Homes also houses the Nelson Mandela Community Center, 12,000 square feet of service program space open both to building residents and families living in the community.

HELP USA provides case management, tutoring and youth employment programs at the Center. In addition to these services, Genesis Homes offers a wide range of other programs and services: HELP USA collaborates with Madison Square Boys and Girls Club to provide after-school activities and recreation programs; Project Enterprise provides small business loans and technical assistance to entrepreneurs; the New York City Department of Education provides teaching staff for two GED programs, one for youth and one for adults; Hinsdale Medical Management provides Primary Health Care and Agency for Child Development (ACD) funds Day Care Services; the Neighborhood Assistance Corporation of America (NACA) provides assistance for first-time homeowners; and the Local Development Corporation offers financial management seminars. Genesis Homes also houses the East New York Weed & Seed Program crime prevention and community-policing program.

Genesis Homes' resident families are very involved in the daily life of the building. An exceptionally active Tenant Advisory Board directs political action, youth and fundraising activities. Genesis Homes also has an internal Tenant Court to address quality of life concerns between tenants before they escalate to the level of eviction. Tenants are part of the tenant selection process and meet with every new family prior to move-in to introduce them to tenant leaders and talk about community culture and rules.

The building was financed through a close collaboration of city, state and federal agencies. Capital funding totaling \$26 million was provided by the New York State Housing Finance Agency Permanent Housing for Homeless Families Program (also known as the 85/85 Program). Operations and services are funded for 20 years through the syndication of \$16 million in Federal Low Income Housing Tax Credits. Beginning in 2003, Genesis Homes will receive \$120,000 in additional services funding from the New York State Office of Temporary & Disability Assistance (OTDA) Supported Housing for Families and Young Adults (SHFYA) Program.

## **Dorothy Day Apartments Manhattan**

Dorothy Day Apartments offers permanent affordable housing and on-site services to families and individuals in West Harlem. Renovation of the turn-of-the-century building on Riverside Drive was completed in early 2003 by Broadway Housing Communities, which developed and now manages the project in addition to operating the childcare and educational initiatives. A partner organization, the Center for Urban Community Services (CUCS) makes available a range of on-site supportive services for the project's residents and neighborhood families.

The project includes 70 apartments, including one, two and three-bedroom apartments for families and 27 studios for individuals. The building also provides space for a licensed childcare center, an after school center, technology and cultural arts programs, a rooftop terrace, meeting rooms and administrative offices. Hudson River views and close proximity to Riverside Park enhance the beauty of the site. An emphasis on comprehensive educational opportunities for residents as well as for neighborhood children and families distinguishes this integrated family model from supportive housing for single adults.

Dorothy Day Apartments houses approximately 180 children and adults in deep poverty, with tenant eligibility restricted to households earning less than 30% of the area median income. Most tenants are female-headed families with young children who rely on public benefits and have limited or no work experience. Reflecting the ethnic composition of the surrounding community, the tenancy is predominantly Latino and African American. Literacy levels are very low and a sizable number of tenants are not proficient in the English language. Tenant selection extended priority to families and individuals from the West Harlem community, households reuniting from foster care and recovering from homelessness and others with a range of special needs.

The complete rehabilitation of the building required \$17 million in capital funds. Over two-thirds of the funding came from private sources, in combination with funding from all levels of government, including federal Low Income Housing Tax Credits, the State of New York's Office of Temporary & Disability Assistance Homeless Housing Assistance Program and New York City's Supportive Housing Loan Fund of the Department of Housing Preservation & Development. Interim financing was provided by Corporation for Supportive Housing and Community Service Society. Operating and service support is provided by OTDA and the New York City Department of Homeless Services (DHS). Private philanthropy and Head Start funds from the U.S. Department of Health and Human Services support the educational programs. Funding for the supportive services program was secured by CUCS and includes public and private support. Program start-up funding for fiscal year 2004 is approximately \$625,000. It includes support from the HUD Supportive Housing Program, the City Department of Health and Mental Hygiene, DHS, the State Office of Children and Family Services and private foundations.

## **Stratford House The Bronx**

Stratford House is one of four supportive housing programs serving families operated by Palladia, Inc., a multi-service nonprofit agency in New York City. Stratford House opened in June 2002 in the Soundview section of the Bronx, offering 60 one, two and three-bedroom subsidized apartments linked to a range of social services for formerly homeless families. Resident families receive on-site case management, counseling and referrals as well as linkages to programs in the community. During Stratford House's first year of operation, 68 children were reunited with their families and 25% of the adults living there moved from public assistance to employment.

To create the Stratford House supportive residence for families, Palladia converted three separate, vacant buildings owned by the New York City Housing Authority into one large building with a front courtyard, playground and garden. The renovation's efficient use of space allows Stratford House to also provide space for meetings, recreation and on-site social services, as well as a community room, library, computer room and day care center.

The rehabilitation of the building was financed through a close collaboration of federal, state and city agencies, including \$6 million in capital funding from the New York State Office of Temporary and Disability Assistance (OTDA) Homeless Housing Assistance Program (HHAP), \$1 million from the State Division of Housing and Community Renewal (DHCR) Housing Trust Fund and \$6.6 million in Federal Low Income Housing Tax Credits administered by the New York City Department of Housing Preservation and Development (HPD).

Operating costs and rents are subsidized with a five-year, \$2.6 million U.S. Department of Housing and Urban Development (HUD) Shelter Plus Care grant. Services are funded through a three-year grant under the HUD Supportive Housing Program totaling \$2.1 million and \$166,000 in annual funding from OTDA Supported Housing for Families and Young Adults Program (SHFYA).

## **Project Hospitality's Scattered-Site Program for Homeless Families Staten Island**

Project Hospitality is an interfaith, multifaceted organization serving Staten Island. In October of 2001, Project Hospitality opened its Scattered-Site Supportive Housing Program for Homeless Families, offering ten apartments subsidized by Emergency Assistance Rehousing Program (EARP) Section 8 subsidies as well as New York City Department of Health and Mental Hygiene subsidies.

Project Hospitality's Scattered-Site Program houses homeless families with either a single- or two-parent household raising children. One parent must have serious and persistent mental illness (SPMI) or mental illness/chemical addiction (MICA) and an Axis 1 diagnosis. Tenants are referred from New York City's Tier II homeless shelters and are able to negotiate leasing and receive move-in and utility set-up services.

Once residing at Project Hospitality's housing site, tenants benefit from a host of supportive services including orientation to the community, referral and escort assistance to needed services to assure continuity of care, monitoring of psychotropic medication, food and nutrition services, harm reduction, treatment adherence, and legal advocacy. A CSW social worker and program manager coordinate services and provide tenants with case management plans and counseling. Additionally, Project Hospitality focuses on family integration activities such as recreation and holiday celebrations. The recreation program encourages families to participate in weekly events and outings, and Wednesday night dinners promote a caring community.

Project Hospitality's Scattered-Site Program is funded by the New York City Department of Health and Mental Hygiene at an annual cost of \$113,000. A private foundation donation of \$25,000 also aids in operation and service costs.

## APPENDIX C

Thanks to supportive housing, Maria Rodriguez is getting her family and her life back together again. Fourteen months ago, Maria graduated from a residential substance abuse treatment program. After years of instability and hardship caused by major depression and substance abuse, Maria finally accepted treatment when she became homeless and lost her three children to foster care.

The program offered Maria a job when she graduated, but she needed ongoing support and a stable place to stay in order to stay clean and remain on psychotropic medication. By moving into a supportive housing residence for families in the Brooklyn, Maria was able to accept the job and begin building for her future.

The supportive housing staff quickly reunited Maria with her two oldest children, Dolores, 12, and Mateo, 7 years old. They further negotiated with the City Administration for Children's Services (ACS) to place her youngest daughter, Pilar, on trial discharge from foster care. Supportive housing staff helped Maria get the training and support she needed to set up her new household, improve her parenting skills and keep up with the demands of her job.

After ten months of success, however, Maria relapsed and lost her employment. Her supportive housing case manager was able to quickly refer her to an outpatient treatment program, but Maria attended only sporadically and tested positive for drugs. When Maria stopped taking her psychotropic medication and became even more unstable, she faced eviction for nonpayment of rent and ACS suspended visiting rights with her youngest daughter.

Fortunately, the close and trusting relationship built and maintained by her supportive housing case manager made it possible to intervene quickly. The case manager helped Maria understand the severity of her situation and staved off eviction by advocating on her behalf to the welfare office. They arranged to have her two older children placed temporarily with other family members and placed Maria into a residential treatment facility.

When Maria completed the residential treatment program, she was able to reunite almost immediately with her two oldest children because her supportive apartment was still available to her. Supportive housing staff linked her to an outpatient treatment program, family therapy sessions and a psychiatrist who adjusted her medication. With the help of her case manager, Maria is attempting to reopen her youngest daughter's trial discharge and is looking for a new job. After years of instability, Maria's family – and her life – are finally coming back together, one piece at a time.

## APPENDIX D

### Current Inventory of Supportive and Service-Enriched Housing for Families in New York City, July 2003

Prepared by the Supportive Housing Network of New York

**Single-Site Projects: 846 units**

**Scattered-Site Projects: 825 units**

**TOTAL: 1671 (+180 units in Design/Construction)**

#### SINGLE-SITE Projects Opened as of 7/03

Agency Name	Site Name	Site Address	Borough	Total Units	Family	Open Year
163rd St. Improvement Council/Food First Charities	Conover House	165 Conover Street	Brooklyn	16	16	1996
Association to Benefit Children	The Jamie Rose	318 East 116th Street	Manhattan	8	8	2001
Bowery Residents Committee, Inc.	Palace South	315 Bowery Street	Manhattan	24	10	2003
Broadway Housing Communities	The Rio	10 Fort Washington Ave.	Manhattan	82	7	1991
Broadway Housing Communities/CUCS	Dorothy Day Apartments	573 Riverside Drive	Manhattan	70	43	2002
Community Access, Inc.	258 East 4th Street	258 East 4th Street	Manhattan	50	28	1993
Community Counseling & Mediation	Rico's Place	804-06 Classon Avenue	Brooklyn	14	13	2000
GEEL Community Services	East 182nd Street HDFC	155 East 182nd Street	Bronx	35	20	1986
HELP USA	Genesis Homes	330 Hinsdale Street	Brooklyn	150	150	1992
HELP USA	Genesis RFK Apartments	113 East 13th Street	Manhattan	94	94	1995
HELP USA	Genesis Neighborhood Plaza	360 Snediker Avenue	Brooklyn	53	53	2001
Institute for Community Living, Inc.	Emerson Davis Family Program	161 Emerson Place	Brooklyn	38	16	1994
Lantern Group/Bailey House	Schafer Hall	117 East 118th St.	Manhattan	91	30	2001
Minority Task Force on AIDS	Congregate Program	123 West 115th Street	Manhattan	31	31	1994
Minority Task Force on AIDS	Phase II	121 West 115th Street	Manhattan	70	35	2002
Palladia, Inc.	Dreitzer House	323-329 East 115th St.	Manhattan	36	36	1998
Palladia, Inc.	Cedar Tremont	264 West Tremont Ave.	Bronx	36	36	1995
Palladia, Inc.	Stratford House	1168 Stratford Ave.	Bronx	60	60	2002
Promesa Housing	Anthony Avenue	1794 Anthony Ave.	Bronx	28	8	2003
Thorpe Family Residence, Inc.	Thorpe II	406 East 184th Street	Bronx	20	20	1998
United Bronx Parents, Inc.	La Casita II	603 -605 Prospect Ave.	Bronx	13	13	1994
VIP Community Services	Abraham Plaza	1870 Crotona Ave.	Bronx	54	54	2003
Women In Need, Inc.	Sojourner Truth House	2136 Crotona Parkway	Bronx	33	33	1992
Women In Need, Inc.	Lee Goodwin Residence	1950 Prospect Avenue	Bronx	32	32	1989
<b>TOTAL:</b>				<b>846</b>		

**Current Inventory of Supportive and Service-Enriched Housing For Families in New York City, July 2003**

**SCATTERED-SITE Units for Persons Living with HIV/AIDS**

**Note: There are other providers who have scattered site supportive housing who may accept families on a case-by-case basis in New York City.**

Agency Name	Family Units
163rd Street Improvement Council, Inc.	110
Bailey House, Inc.	21
Black Veterans for Social Justice	5
Brooklyn Haitian Ralph & Great Shepherd, Inc.	10
Church Avenue Merchants Block Association, Inc.	110
Coalition for the Homeless	18
Discipleship Outreach Ministries, Inc.	16
Haitian Centers Council, Inc.	16
Harlem Congregations for Community Improvement	20
Harmony, Opportunity, Mobility, Elevation and Equality (HOMEE) Residence	8
Health Industry Resources Enterprises, Inc.	50
Housing & Services, Inc.	5
Institute for Community Living, Inc.	15
Jewish Board of Family & Children Services	20
Minority Task Force on AIDS	120
Miracle Makers, Inc.	16
Project Hospitality, Inc.	10
Services for the Underserved	30
St. Nicholas Neighborhood Preservation Corp.	45
Steinway Child & Family Services	36
Unique People Services, Inc.	30
University Consultation Center, Inc.	6
Urban Strategies, Inc.	14
Volunteers of America - GNY	40
<b>SUB-TOTAL:</b>	<b>771</b>
<b>SCATTERED-SITE Units for Persons with Mental Health Disabilities</b>	
IRIS House, Inc.	19
Palladia, Inc.	11
Project Hospitality, Inc.	10
United Bronx Parents, Inc.	6
Women In Need, Inc.	8
<b>SUB-TOTAL:</b>	<b>54</b>
<b>TOTAL Scattered-Site:</b>	<b>825</b>

**Current Inventory of Supportive and Service-Enriched Housing For Families in New York City, July 2003**

**SINGLE-SITE in Design or Under Construction:**

Agency Name	Site Name	Site Address	Borough	Total Units	Family	Projected Open Year
Community Access, Inc.	904-916 Dekalb Avenue	904-916 Dekalb Avenue	Brooklyn	64	37	2003
Community Access, Inc.	Franklin Avenue Apts.	1363 Franklin Ave.	Bronx	66	22	2004
Hour Children	11th Street	35-54 11th Street	Queens	8	8	2006
Housing & Services, Inc.	Woodycrest House	901 Anderson Avenue	Bronx	40	26	2005
Lantern Group	Leeward Hall	194-196 Brown Place	Brooklyn	15	15	2003
VIP Community Services	Rev. J. Polite Apts.	TBA	Bronx	22	22	2005
West Side Federation for Senior Housing	The GrandParent Project	163rd Street	Bronx	50	50	2006
			<b>TOTAL:</b>		<b>180</b>	

For more information, visit [www.shnny.org](http://www.shnny.org) or contact Laura Grund, Policy Analyst, at 212-870-3303 ext. 6 or [lgrund@shnny.org](mailto:lgrund@shnny.org)