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Building

Your Program

**Permanent
Supportive
Housing**

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Building Your Program

Building Your Program is intended to help mental health authorities, agency administrators, and Permanent Supportive Housing program leaders think through and develop the structure of Permanent Supportive Housing programs. Because you will work closely together to build Permanent Supportive Housing programs, we have included a brief overview, Understanding Permanent Supportive Housing. However, for ease, we created two separate sections of tips that target your specific needs:

- Tips for Mental Health Authorities; and

- Tips for Agency Administrators and Program Leaders.

Additionally, we have included more detailed sections on the following topics:

- Sources of Funding;

- Local and State Housing Plans;

- Evaluating a Housing Market; and

- Phases of Housing Development.

For references, see the booklet, *The Evidence*.

Permanent Supportive Housing

This KIT is part of a series of Evidence-Based Practices KITs created by the Center for Mental Health Services, Substance Abuse and Mental Health Services Administration, U.S. Department of Health and Human Services.

This booklet is part of the Permanent Supportive Housing KIT, which includes eight booklets:

How to Use the Evidence-Based Practices KITs

Getting Started with Evidence-Based Practices

Building Your Program

Training Frontline Staff

Evaluating Your Program

The Evidence

Tools for Tenants

Using Multimedia to Introduce Your EBP

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What's in *Building Your Program*

Permanent Supportive Housing

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Building Your Program

Understanding Permanent Supportive Housing

This section of *Building Your Program* defines Permanent Supportive Housing and describes developing a housing affordability strategy. These topics are discussed at a planning and policy level geared toward an audience of local, regional, and state mental health authorities and executive directors or program managers of provider agencies. The two sections that follow, are aimed more specifically toward mental health authorities or program leaders.

What Is Permanent Supportive Housing?

As its name implies, Permanent Supportive Housing is the following:

■ **Permanent.** Tenants may live in their homes as long as they meet the basic obligations of tenancy, such as paying rent;

■ **Supportive.** Tenants have access to the support services that they need and want to retain housing; and

■ **Housing.** Tenants have a private and secure place to make their home, just like other members of the community, with the same rights and responsibilities.

Federal law requires public mental health systems to provide services in integrated community settings, and Permanent Supportive Housing is a proven approach for doing so. It presents an alternative to hospitals, shelters, and other settings that segregate people by disability, such as nursing homes, board and care homes, and other residential care facilities, in which residency is tied to receiving the particular services the facility offered.

Key Elements

Permanent Supportive Housing programs distinguish themselves in a number of critical ways from other efforts that provide living arrangements to people with psychiatric disabilities. Although Permanent Supportive Housing has evolved with variations, growing agreement in the field supports a number of critical elements described below and reflected in the fidelity scale included in this KIT.

Federal policies supporting integrated housing

Unjustified isolation, we hold, is properly regarded as discrimination based on disability.

U.S. Supreme Court,
Olmstead v. L.C. (1999)

The federal government must assist states and localities to implement swiftly the Olmstead decision, so as to help ensure that all Americans have the opportunity to live close to their families and friends, to live more independently, to engage in productive employment, and to participate in community life.

President George W. Bush,
Executive Order
(June 18, 2001)

■ **Tenants have a lease in their name, and, therefore, they have full rights of tenancy under landlord-tenant law, including control over living space and protection against eviction.**

For a living arrangement to be considered Permanent Supportive Housing, consumers must have a written lease or sublease—or an oral lease where permitted by law. Usually the owner of the unit directly holds this lease. However, many people with psychiatric disabilities have trouble obtaining a lease due to past credit problems, lack of rental history, substance abuse, or criminal convictions. Therefore, in some cases, a service agency may hold a lease, with tenants holding a sublease, and, in other cases, the agency itself might own the property. Regardless of the arrangement, for it to be considered Permanent Supportive Housing, tenants' leases or subleases must confer full rights of tenancy—including limitations on landlords' entry into the property and the right to challenge eviction in landlord-tenant court. The legal rights of tenancy represent a crucial aspect of tenants' ability to have a home of their own and to control the services that they receive.

■ **Leases do not have any provisions that would not be found in leases held by someone who does not have a psychiatric disability.**

Permanent Supportive Housing is housing— the same type of housing lived in by people who do not have psychiatric disabilities. Therefore, tenants must have the same type of lease held by other people who live in housing in the community, without any special provisions related to their disabilities. Including such limitations in leases might even violate local, state, and federal fair housing laws. These fair housing laws permit tenants to request reasonable accommodations to help them apply for and occupy housing and maintain the obligations of tenancy.

■ **Participation in services is voluntary and tenants cannot be evicted for rejecting services.**

Although Permanent Supportive Housing is designed for people who need support services, accepting these services is not a condition of housing. A person's home is just that, not a treatment setting, as has been common in many residential facilities operated by mental health systems.

The Ohio Department of Mental Health's *Housing-as-Housing* policy states:

In housing-as-housing, the conceptual linkage of people as clients and housing tied to treatment services is undone, and the characteristics or descriptors of housing and services change. Housing-as-housing is the provision of permanent, individual housing that is not inherently a treatment or service setting, but which is a place to live rather than a place to be treated. Supportive services may be necessary or desired, but the services are designed to support the person in the community rather than the housing [being] designed to facilitate treatment or services.

■ **House rules, if any, are similar to those found in housing for people who do not have psychiatric disabilities and do not restrict visitors or otherwise interfere with a life in the community.**

A key feature that differentiates Permanent Supportive Housing from more restrictive settings is that tenants are not limited in their ability to pursue a life in the community. In the *Olmstead v. L.C.* decision, the U.S. Supreme Court noted that:

"confinement in an institution severely diminishes the everyday life activities of individuals, including family relations, social contacts, work options, economic independence, educational advancement, and cultural enrichment."

Permanent Supportive Housing seeks to guarantee the pursuit of these important activities by not placing restrictions on coming and going, participating in work and other activities, or having the ability to develop social relationships.

■ **Housing is not time-limited, and the lease is renewable at tenants' and owners' option.**

Permanent Supportive Housing is not a transitional or temporary arrangement. Tenants can remain in their homes as long as the basic requirements of tenancy are met—paying the rent, not interfering with other tenants' use of their homes, not causing property damage, etc. On the other hand, tenants can decide to move to another home, especially as they gain economic independence through work or other means.

■ **Before moving into Permanent Supportive Housing, tenants are asked about their housing preferences and are offered the same range of choices as are available to others at their income level in the same housing market.**

A key role of Permanent Supportive Housing staff is helping tenants or potential tenants define their housing needs and preferences, such as the type of neighborhood; proximity to transportation, services, and recreation; type of building and unit; and choice of roommates (or no roommates). An example would be a choice of an apartment building with units reserved for Permanent Supportive Housing tenants, a room in a shared house, a single-room-occupancy (SRO) unit, or an affordable unit in the private market.

■ **Housing is affordable, with tenants paying no more than 30 percent of their income toward rent and utilities, with the balance available for discretionary spending.**

Tenants of Permanent Supportive Housing typically have extremely limited incomes and, to retain housing, their living arrangements must be affordable. A goal is that tenants pay no more than 30 percent of their income toward rent and basic utilities (excluding phone, cable, and Internet). Unlike other residential settings where a majority of tenants' income goes directly to the facility to pay for room and board, tenants of Permanent Supportive Housing (or a designated payee other than the landlord) have control over their income.

- **Housing is integrated. Tenants have the opportunity to interact with neighbors who do not have psychiatric disabilities.**

In the 1999 *Olmstead v. L.C.* decision, the U.S. Supreme Court noted that federal law protects people with disabilities from segregation based on their disability. People with disabilities are entitled to receive services in the most integrated setting appropriate to their needs, meaning a setting that allows for the greatest amount of interaction with people who do not have disabilities.

The Supreme Court also noted that confinement in institutional settings "perpetuates unwarranted assumptions" that people with psychiatric disabilities "are incapable or unworthy of participating in community life."

Integration is best achieved when tenants live in scattered-site units located throughout the community or in buildings in which a majority of units are not reserved for people with psychiatric disabilities.

- **Tenants have choices in the support services that they receive. They are asked about their choices and can choose from a range of services, and different tenants receive different types of services based on their needs and preferences.**

Rather than a limited menu of services for a particular location, Permanent Supportive Housing is intended to help tenants define their needs and preferences, and then to develop an individual plan of support that reflects these preferences. Some Permanent Supportive Housing programs provide support services directly, while others rely (wholly or in part) on linking tenants to services available in the community. Many programs offer intensive case management or Assertive Community Treatment (ACT), especially those serving people with significant and complex support needs. Regardless of approach, tenants must be able to access the support they need to succeed in housing.

- **As needs change over time, tenants can receive more intensive or less intensive support services without losing their homes.**

The flexibility of support services offered by Permanent Supportive Housing improves residential stability by allowing tenants to remain housed in the same home as their service needs change. This flexibility stands in sharp contrast to the residential treatment programs and transitional housing traditionally offered by mental health systems.

In such programs, people are often required to demonstrate readiness for a particular program and must need the specific services offered, such as instructions in activities of daily living.

Residents can stay at that program only as long as they need the particular services being offered. Then they are expected to "graduate" to another program. Or, if their service needs intensify, they must move to another program that provides a higher level of support.

Under such a system, people with psychiatric disabilities are constantly displaced, and the lack of residential stability can undermine recovery. By contrast, in Permanent Supportive Housing, residential stability is the main goal, and the services come and go rather than the tenants.

■ **Support services promote recovery and are designed to help tenants choose, get, and keep housing.**

To help tenants achieve residential stability and facilitate recovery, support services focus on increasing their ability to choose, get, and keep housing. Staff offers potential tenants assistance in making important decisions about housing and then do everything possible to ensure that tenants' needs and preferences are met. In scattered-site housing, the staff helps tenants search for suitable apartments, apply for apartments, and meet with landlords to discuss possible concerns. In all forms of Permanent Supportive Housing, the staff helps tenants establish a household, meet the obligations of tenancy (such as paying rent on time), and get along with neighbors.

■ **The provision of housing and the provision of support services are distinct.**

In residential treatment programs, staff often provides support services and handles housing functions such as the application, move-in, rent collection, rule enforcement, and eviction. In Permanent Supportive Housing, housing and support services are handled separately. The dual relationships typical of residential treatment can create an atmosphere of coercion that is not characteristic of Permanent Supportive Housing. In Permanent Supportive Housing, property management and support service functions should be provided either by separate legal entities or by staff members whose roles do not overlap.

Benefits

The benefits of Permanent Supportive Housing are many. Studies (conducted on programs that would score highly on most or all elements of the fidelity scale) have shown that providing housing with supports is cost effective when other societal costs of homelessness and mental illnesses—such as emergency room visits, hospitalizations, and incarceration—are taken into account (Culhane et al., 2002; Rosenheck et al., 2003).

Additionally, providing Permanent Supportive Housing with flexible, voluntary supports has been shown to produce outcomes that are as good as or better than more restrictive residential settings (Tsemberis et al., 2004; Siegel et al., 2006). Because Permanent Supportive Housing produces cost-effective results with fewer restrictions, adopting the practice is strongly supported by federal policy.

Permanent Supportive Housing is a crucial resource for many people with psychiatric disabilities for a variety of reasons. Affordable housing with supports provides a stable base for recovery, which can be difficult for people who are the following:

■ Homeless;

■ Living in unnecessarily restrictive settings;

■ At risk of losing housing;

■ Living in substandard housing; or

■ Living with others in tenuous situations.

Permanent Supportive Housing is a proven approach to the problem of homelessness. As many as 1 in 20 of all people with serious psychiatric disabilities are homeless in America (GAO, 2000):

■ **Many are chronically homeless.** *Chronic homelessness* is often defined as being continuously homeless for a year or more, or having four or more episodes of homelessness within 3 years. In this context, *homeless* is defined as living on the streets or in an emergency shelter and includes living in places not meant for human habitation, such as a tent, vehicle, shed, or abandoned building. In rural areas, particularly, people who are homeless are likely to have some form of substandard shelter.

■ **Many people with psychiatric disabilities are intermittently homeless.** This means they fall easily into homelessness and are homeless off and on for several brief periods, rather than being homeless for an extended period of time.

Permanent Supportive Housing is not intended only for people who are homeless. People with psychiatric disabilities are often **precariously housed**. This may be defined several different ways, but frequently involves living doubled up with other people, staying with family members or friends, or living in temporary situations that have time limits.

Permanent Supportive Housing also seeks to address the lack of affordable housing across the country for people with low incomes. People who are disabled often must depend on social welfare benefits that are set at extremely low levels, and people with psychiatric disabilities often pay most of their income for rent and still lack a decent or even adequate living situation.

Without help, people with psychiatric disabilities are almost always "rent burdened" (see a definition of this term on the next page) and many are forced to live in substandard housing, often in the most dangerous parts of their community.

When people are unable to afford safe and decent housing, food, and other basic necessities of life, day-to-day existence is extremely stressful. When people with psychiatric disabilities experience high levels of stress, they can experience an increase in the severity of their symptoms or may begin having symptoms again after being symptom free (in remission) for some time.

For some, Permanent Supportive Housing addresses family burden, which takes its toll when adults with disabilities lack the resources they need to move out of their family home and establish their own household. It is important to recognize that, while having one's own place is a widely held social value in the United States, some subcultures do not value independent living or expect that an adult child will establish a separate household.

Permanent Supportive Housing is also an effective response to unnecessary institutionalization of people with psychiatric disabilities and their segregation from the community at large. People are often forced to stay in institutions or live in custodial settings because they lack access to residential options that provide less restrictive alternatives or service options.

Funding mechanisms, such as Medicaid reimbursement of services provided in group homes, often present strong incentives to maintain the status quo. However, such settings are often inappropriate:

- Living in custodial settings often causes people to withdraw from community life and to lose daily living and interpersonal skills.

- Institutionalization often causes people to lose contact with family and friends and lose a sense of community.

- Institutionalization carries a social stigma; having a history of institutionalization can increase the chances that someone will experience overt discrimination.

Having a place to call *home* is necessary for adequate psychological health. It is very difficult for people with psychiatric disabilities to stabilize their psychiatric condition or begin to move toward recovery without having a place to call home. A home is a universal human need. For information about the housing crisis affecting people with disabilities in your community, see *Priced Out in 2006*, listed in *Resources for Training and Education* in *The Evidence* in this KIT.

Developing a Housing Affordability Strategy

This KIT describes a practice that allows for a choice or a mix of strategies for providing housing. In most markets, the demand for affordable housing—that is, costing no more than 30 percent of a tenant's income—for people with psychiatric disabilities is far greater than the supply. Thus, the challenge is to make existing housing more affordable or to develop new affordable housing through construction or rehabilitation.

Understanding the financial barriers to finding housing

The majority of people with disabilities are disproportionately poor—particularly those people who must rely on Supplemental Security Income (SSI) benefits. The SSI program provides monthly income support to low-income people with disabilities who are unable to work and people aged 65 or older.

At the end of 2006, approximately 4.2 million people with disabilities between the ages of 18 and 64 were receiving SSI benefits equal to $603 per month. Some people living in specific housing situations— such as assisted living facilities or adult family care—received an additional state supplemental benefit ranging from $1.70 to $362. However, in most instances, the majority of this supplement was given to the operators of the residential setting and was unavailable to SSI recipients.

According to *Priced Out in 2006*, on average, across the nation, people receiving SSI benefits had incomes equal to only 18.2 percent of the median one-person household income. It should also be noted that an unknown number of people with disabilities have earned incomes below 30 percent of median; they may be working for extremely low wages or able to work only part-time.

Typically, because of the high-cost housing markets in some parts of the country, people in these circumstances often pay much more than 50 percent of their income for rent and utilities or live in severely substandard housing, or both. For these people, the cost of housing makes it virtually impossible to afford decent and safe housing in their local communities without some type of housing assistance, such as government-funded subsidized housing.

Also according to *Priced Out in 2006*, a person receiving SSI could not afford a decent one-bedroom housing unit anywhere in the country in 2006. On average, people receiving SSI had to spend 113.1 percent of their monthly benefits to afford a modest one-bedroom apartment—literally impossible. Because of the diverse housing markets across the country, the percentage of income people receiving SSI had to spend toward housing costs varied according to locality. However, even in the lowest cost housing market area in the nation in 2006—Oklahoma—SSI recipients had to spend 70.2 percent of their monthly income to rent a decent one-bedroom apartment.

Under current federal guidelines, housing is considered affordable for a low-income household when the cost of monthly rent (including any tenant-paid utilities) does not exceed 30 percent of monthly household income. The federal government considers low-income households that pay between 31 percent and 50 percent of their income toward housing costs to be *rent burdened*. When the percentage of income spent on housing costs exceeds 50 percent, the household is considered to be *severely rent burdened* and to have "worst case" needs for housing assistance. Using the

federal rent-to-income affordability standard, a person receiving SSI would be able to pay $181 per month for rent and utilities. Unfortunately, few decent rental units with such low rents exist.

Because of their extreme poverty, many of these people are currently facing a housing crisis throughout the country. A large number of people with disabilities are undoubtedly living in restrictive congregate settings or in seriously substandard housing, paying virtually all of their SSI benefits for housing, still living at home with aging parents who do not know what will happen to their adult child when they can no longer provide for them, or are either homeless or at risk of becoming homeless.

For planning purposes, it is reasonable to project that virtually all people receiving SSI benefits potentially could have worst case housing needs, unless they are receiving some type of government housing assistance. Without housing assistance, through some type of government-funded direct support to the individual or subsidized housing to a developer, low-income individuals who are disabled will not find an affordable place to live in the majority of communities across the nation.

Typical approaches to Permanent Supportive Housing

Some of the same funding sources used for other types of housing arrangements can be used for Permanent Supportive Housing. The main approaches to helping people with psychiatric disabilities afford housing are the following:

- **Project-based rental assistance,** in which housing subsidies are tied to a particular unit and tenants who choose to live in those units pay a reduced rent;

- **Sponsor-based rental assistance,** in which a nonprofit agency receives support to buy or lease housing that is then leased to qualified tenants; and

- **Tenant-based rental assistance,** in which tenants receive vouchers, entitling them to a reduced rent, which can be used to rent a unit of their choice from a landlord who agrees to accept the vouchers.

These three strategies can be used to provide services to tenants in the following two types of settings:

- **Single-site housing** in which tenants who receive support services live together in a single building or complex of buildings, with or without onsite support services and

- **Scattered-site housing** in which tenants who receive support services live throughout the community in housing that can be agency-owned or privately owned.

Project-based rental assistance typically relies on a combination of funding sources to build or renovate housing that is reserved, completely or in part, for specific target populations, such as people with psychiatric disabilities, people who have been homeless, people with HIV/AIDS, etc.

Many projects have a mix of tenants, and such projects score higher on this KIT's fidelity scale dimension of housing integration. The project-based approach increases the supply of housing in the community through development or rehabilitation of affordable units. By contrast, the tenant-based approach does not increase the housing supply, but can increase access to existing housing stock. The success of tenant-based rental assistance depends on an adequate supply of housing that meets minimum housing quality standards, for which landlords are willing to accept vouchers and charge rents within the program's guidelines. Sponsor-based rental assistance can either assist development or rely on existing housing stock.

Project-based, tenant-based, or both?

Your approach to Permanent Supportive Housing will depend on a number of factors. In many communities, both project-based and tenant-based approaches are used to serve Permanent Supportive Housing tenants. In part, you need to know whether the community offers an adequate supply of housing that Supportive Housing tenants would be able to afford if given access to rental subsidies. *Evaluating a Housing Market* later in this booklet provides further detail on making this sort of determination.

For example, in Nebraska, evaluations of the state's housing conditions indicated an adequate supply of housing that people with psychiatric disabilities could afford if they had access to rental subsidies. Therefore, the state implemented a statewide housing voucher program enabling people to rent housing on the open market. Such an approach works especially well in less populous communities where developing multi-unit buildings might not be cost-effective and might meet with community opposition.

The housing market in New York City is much tighter, and rents are much higher. Therefore, many agencies have taken a project-based approach, renovating unused buildings to increase the local affordable housing stock. (Note that even in New York City, Supportive Housing using tenant-based rental assistance has been successful.)

Some additional factors to consider are discussed in the table on the next page. Other important factors include an analysis of consumer housing needs and preferences and an analysis of financial resources available through state, federal, and private sources.

Base any approach to making housing affordable on a careful consideration of market conditions. See the *Evaluating a Housing Market* in this booklet for details.

Sample Approaches to Permanent Supportive Housing

	Scattered-site	Single-site
Tenant-based rental assistance	Serving formerly homeless people with psychiatric disabilities and co-occurring substance use disorders, the program helps tenants find housing throughout the community, facilitating the rental of housing by developing relationships with private landlords, including offering landlords a repair service.	A former luxury hotel that had fallen into disrepair was renovated to serve people with psychiatric disabilities and people with AIDS. Also, approximately half of the units are reserved for low-income working people. Tenants pay rent with the assistance of tenant-based rental assistance.
Sponsor-based rental assistance	Most of an agency's 200 Supportive Housing tenants have tenant-based rental assistance. However, two groups of tenants—people leaving the correctional system and adolescents aging out of the children's system of care—have great difficulty renting apartments. For these groups, the agency uses state-funded, sponsor-based rental assistance to lease housing for tenants, with the goal of transferring the lease into tenants' names within 6 months to a year.	A program uses Shelter Plus Care rental assistance to pay the mortgage on 12 apartment units and a manager's residence located on three parcels in a quiet residential neighborhood. The agency uses state funding to provide the supportive services spending match required by Shelter Plus Care.
Project-based rental assistance	A mental health consumer-run organization, using grants and deferred loans from the state, has purchased homes integrated into a number of urban and rural communities in the state. This project funding allows the organization to subsidize the rents of tenants who do not have Section 8 certificates. (To maximize program resources, the organization helps tenants acquire Section 8 certificates and uses a mix of project-based and tenant-based funding.)	With project-based funding from the Community Development Block Grant (CDBG) and HOME Investment Partnerships programs, as well as local and private support, this program has made 85 efficiency apartments available to single adults, including those who have been homeless and low-income workers.

Pros and Cons of Approaches to Housing Affordability

	Pro	Con
Scattered-site	Consumers are integrated into the community and are not identifiable as having a disability based on where they live. Tenants can have more choices with regard to neighborhoods, proximity to family, employment, or places of worship, etc.	Finding quality housing is difficult in many communities. It might be difficult to provide mobile services in a scattered-site setting. Tenants are more likely to be lonely.
Single-site	Services and housing can be co-located, which is convenient for many. A sense of community develops within site.	Not always integrated; location choices can be limited for tenants. Some programs restrict tenant choice and freedom. Neighborhood resistance might be encountered. Living in designated special-needs housing can be stigmatizing.
Tenant-based	Portable; tenants can move to locations that better meet their needs without losing their subsidies. Does not require the service organization to own or operate housing. Quick start-up time.	Not always a long-term solution; subsidies can have time limits. Finding landlords who will accept a voucher is difficult in some communities, and locations might be limited. Limited funding available for tenant-based rental assistance.
Project-based	Ensures long-term availability and affordability of 20, 30, 40 years or more. Landlord is already aware of service needs of tenants and may be more understanding and supportive if a crisis arises and less likely to enter eviction proceedings if something goes wrong.	Development is a lengthy and complicated process. Depending on market conditions, creating housing can be more expensive.

Building Your Program

Tips for Mental Health Authorities

This section discusses understanding the validity of Permanent Supportive Housing as a systemwide approach and implementing the practice on a systemwide level.

This section is intended for management and staff of local, regional, and state mental health authorities and should be read with the introductory material in the previous section. Executive directors and program managers of provider agencies should refer to *Tips for Agency Administrators and Program Leaders.*

Support for Permanent Supportive Housing as a Systemwide Approach

Permanent Supportive Housing is an effective approach that can be adopted system-wide, rather than as a selective approach available only to a select few. It is now recognized that people with serious mental illnesses and other disabilities have the right to be full members of the community, and Permanent Supportive Housing has been shown to support that goal.

Role in transformation

Despite fiscal and systemic barriers, mental health authority directors can play a key role in a growing national movement to transform mental health systems. Transformation is designed to better provide community-based supports, including decent, safe, and affordable housing and the support services needed to help mental health consumers access and maintain this housing.

The desired movement in the mental health system toward community-based housing and overall mental health systems transformation is reflected in numerous federal initiatives and reports. Two pivotal reports—*Mental Health: A Report of the Surgeon General* (1999) and *Achieving the Promise: Transforming Mental Health Care in America* (2003)—stimulated national dialogue on the extent to which the public mental health system is fragmented and outmoded.

The recommendations of these reports, subsequently echoed in other influential policy documents and complemented by the federal policy initiative known as Mental Health Transformation State Incentive Grants, have roots that can be traced back to the original Community Support Program, the persistent voices of consumer and family advocates, and the emergence of evidence-based practices.

These documents go beyond a call for better practices and services. The New Freedom Commission on Mental Health Subcommittee on Housing and Homelessness developed a background paper that stated the following:

> Housing is more than a basic need. Living in one's own home also brings new freedoms and responsibilities and marks the transition to adulthood in contemporary American culture. Finding and maintaining a home is a fundamental indicator of success in community life.

Hence, the Commission recognized that Permanent Supportive Housing is both the means to and outcome of systems transformation. Moreover, it is pivotal to each person's recovery process.

Other national efforts echo the public mental health system's goal of restructuring services to better meet the housing and related needs of people with serious mental illness. These include the New Freedom Initiative, a commitment to End Chronic Homelessness in Ten Years, and the Criminal Justice Reentry program. Combined with landmark U.S. Supreme Court decisions such as *Olmstead v. L.C.* (1999), these federal initiatives establish high expectations for the efforts of mental health authorities. The goal is to ensure that appropriate and adequate community-based resources keep people with serious mental illnesses from remaining in costly institutions, becoming homeless, or straining the resources of other public systems of care.

The current challenge for mental health authority directors is to link mental health consumers engaged in recovery-oriented, best practice services with the mainstream resources necessary for successful community living, particularly decent, safe, and affordable housing.

In 2005, the National Association of State Mental Health Program Directors revised its Position Statement on Housing and Supports for Individuals with Mental Illness. This new statement, a dramatic call to action, reaffirms the commitment of state mental health authorities to Permanent Supportive Housing.

This position statement calls for the following:

- The development and sustainability of decent, safe, and affordable housing;

- The availability of flexible and individualized, quality housing services and supports;

- Housing policies that do not tie the status of mental health treatment to acquiring and protecting housing;

- A more active and determined effort of the federal government to protect and bolster federal housing policies and programs; and

- Leadership by state mental health authorities in the housing arena, especially in housing development.

Effectiveness

A growing body of knowledge is related to the effectiveness of Permanent Supportive Housing for people with serious mental illnesses and other disabilities, including those people with disabilities who are homeless or at risk of becoming homeless. Perhaps the most compelling study, and the one most often cited in the literature and by the media, is *The Impact of Supportive Housing for Homeless People with Severe Mental Illness on the Utilization of the Public Health, Corrections, and Emergency Shelter Systems: The New York-New York Initiative* (Culhane et al., 2001). This study, facilitated by the Corporation for Supportive Housing, was completed by Dennis Culhane, Stephen Metraux, and Trevor Hadley of the Center for Mental Health Policy and Services Research at the University of Pennsylvania.

The study merged data about 4,679 homeless people with severe mental illnesses who moved into Permanent Supportive Housing with administrative data on the use of public shelters, public hospitals, Medicaid-funded services, veterans' inpatient services, state psychiatric inpatient services, state prisons, and the city's jails. A control group of homeless people with the same level of disability who were not offered Permanent Supportive Housing were similarly tracked through administrative records.

The study found that homeless people with severe mental illnesses who moved to Permanent Supportive Housing experienced marked reductions in shelter use, hospitalizations (regardless of type), length of stay per hospitalization, and time incarcerated. Before living in Permanent Supportive Housing, homeless people with severe mental illnesses in the study used an average of $40,449 per person per year in such services. Living in Permanent Supportive Housing was associated with a reduction in service use of $16,282. The unit costs to develop the Supportive Housing were estimated at $17,277, only $995 more than the dollars saved.

Other studies also document the potential effectiveness of Permanent Supportive Housing. According to a report in the *New England Journal of Medicine*, homeless people spent an average of 4 days longer per hospital visit than did comparable non-homeless people, at a cost of $2,414 per hospitalization (Salit et al., 1998).

Another study found that Permanent Supportive Housing for homeless veterans modestly increased costs, but that these increases were mostly attributable to the costs of case management and of increased use of outpatient mental health services (Rosenheck et al., 2003).

More complete information about the effectiveness of Permanent Supportive Housing is included in *The Evidence* in this KIT.

Becoming a "Player" in Permanent Supportive Housing

Evidence of the effectiveness and cost-savings of Permanent Supportive Housing has led to a consensus that any agenda for reforming mental health systems should include strategies to expand community-based housing options. State and local mental health authorities are well positioned to implement and sustain best practice models, including creating and implementing a Permanent Supportive Housing agenda. Your role as a leader of this implementation process includes the following tasks:

- **Create and maintain a shared consumer-focused vision for Permanent Supportive Housing.** All key stakeholders must be on board, including consumers, family members, and staff. To be successful, these stakeholders must embrace the principles of Permanent Supportive Housing such as integration, choice, and independence.

- **Marshall disparate resources from a variety of sources.** Once you have committed to implementing a Permanent Supportive Housing agenda, it is important to assemble the various resources needed to finance this agenda. This would include both analyzing authority resources for possible restructuring and establishing strong working partnerships with housing organizations to leverage mainstream housing resources.

- **Ensure that the efforts of housing developers, managers, and service providers are well coordinated.** This includes fostering a mutual understanding of the rights and responsibilities of consumers as Permanent Supportive Housing tenants and establishing effective communication systems that respect confidentiality, yet ultimately result in residential stability.

- **Exercise ongoing leadership and sustain motivation for change.** This includes educating other state and local leaders and providers on the need for Permanent Supportive Housing services and supports, how the system can work, and opportunities and resources that can and should be made available to make Permanent Supportive Housing a reality.

- **Collect and disseminate data to build a case for funding Permanent Supportive Housing.** The authority might distribute data from other locales, in addition to creating and sustaining its own database.

- **Ensure that the authority's service capacity is brought to scale.** You must be certain that a significant number of people who could benefit from Permanent Supportive Housing actually have access to the services and supports needed to sustain their housing. Although current federal housing policy encourages communities to use the Permanent Supportive Housing model, limits exist on the amount of federal housing funding that can be used to provide services to people in housing exist. For a Permanent Supportive Housing agenda to be successful, you will need to ensure that the authority's resources, as well as mainstream resources, are accessible and effective in supporting people living in Permanent Supportive Housing.

Adopting a Permanent Supportive Housing agenda will require a significant change in philosophy for most mental health authorities. Permanent Supportive Housing is not "business as usual." To implement this agenda, staff will need support, education, and a clear show of commitment from the highest level. You must look at the "heart" of the system, where resources are targeted and where incentives for change can make the most difference. Relying on small, creative, responsive projects to suffice for systems change is not a viable option for the larger changes needed to reform mental health delivery systems. Directors, key board members, and staff will need a long-term strategy with short-term action steps to effect this systems change.

Step 1: Align the authority's philosophy

The starting point for a mental health authority to become a Permanent Supportive Housing player is to work internally to align its philosophy with that of Permanent Supportive Housing and alter the vision for how the authority meets the housing needs of consumers.

The community mental health system originally organized and funded clinical practices based on theories of practice and the human condition as known at that time. As these theories have evolved over the past 30 years, however, the service approaches and the systems that support these approaches have tended either to remain the same or to change only around the margins.

Today, the goal is that service delivery is driven by evidence-based practices as recognized by the Surgeon General in his 1999 Report and by the New Freedom Commission on Mental Health. In its 2003 Final Report, the Commission encouraged new service delivery patterns and incentives to ensure that every American has easy and continuous access to the most current treatments and best support services.

State mental health authorities, which manage and fund service systems, play a uniquely powerful role in driving practice. They set expectations and influence practice decisions through contracts, standards, and protocols. Hence, you have the opportunity and responsibility to lead change in philosophy, policy, and practice. You set the tone by articulating how this "vision" can be translated into reality by concrete changes across the system's service delivery, organizational, and financing strategies.

Beyond articulating the vision, you as director and your key staff (and, where applicable, governing board members) play critical roles in communicating the rationale for change and taking concrete actions to propose, implement, and reinforce change.

Step 2: Document and articulate the need

After committing to a Permanent Supportive Housing agenda—both on paper and in philosophy—the next step for the mental health authority is to articulate the need for Permanent Supportive Housing among people with serious mental illnesses. The greater the ability to articulate the need for people considered most vulnerable and visible, the greater the chance the authority becomes a Supportive Housing player.

Articulating the need for Permanent Supportive Housing requires documenting the need in as precise, clear, defendable, consistent, and inclusive a manner as possible. A good place to start is to identify the number of people in the state or local area who receive Supplemental Security Income (SSI). You can then extrapolate from the number of SSI recipients the percentage of people who have a mental illness.

Housing data have consistently demonstrated that people with disabilities, including people with serious mental illnesses, have the most severe housing needs in the nation. Specifically, people receiving SSI would have to spend 113.1 percent of their monthly income to afford a modest one-bedroom rental apartment anywhere in the nation—an impossibility (O'Hara et al., 2007).

A second method for documenting the need for Permanent Supportive Housing is to estimate the number of people who have mental illnesses on the streets, in emergency rooms, in homeless shelters, in jails, or in institutions (either psychiatric hospitals or large congregate settings) through various estimation methods. Some of this information is available from homeless providers in the community who are required to gather these data each year to receive federal homeless assistance funding through the U.S. Department of Housing and Urban Development Continuum of Care planning process.

Calling attention to the housing needs of people with serious mental illnesses is critical, but sometimes the numbers can be overwhelming, so using the information strategically is important to effect long-term change. One strategy to build support is to be inclusive by involving stakeholders in the needs identification process. Stakeholders may include the following:

- Consumers;

- Key people from other systems (for example, law enforcement, health care, substance abuse, homeless services, criminal justice, and child welfare);

- Community-based organizations;

- Elected officials;

- Economic development and affordable housing leaders;

- Faith leaders;

- Community and state leaders;

- Opinion makers; and

- Philanthropists.

For example, in 2000, the Tennessee Department of Mental Health and Developmental Disabilities estimated that 149,000 people needed housing and supports. They carried out a planning process at the regional and community levels, breaking down those numbers by region. They then established a 5-year goal of creating 2005 new housing units and supports by 2005—a goal they actually reached by the year 2002.

Step 3: Demonstrate willingness to direct authority resources

Because Permanent Supportive Housing integrates housing and services for extremely low-income people with disabilities, it has more funding components than other types of affordable housing. Depending on how the housing is provided, either two or three separate funding components in Permanent Supportive Housing projects exist, as follows:

- **Capital funding** supports purchasing, constructing, or rehabilitating housing for project-based Permanent Supportive Housing.

- **Subsidies, either tenant-based or project-based,** cover the difference between what tenants can afford to pay for housing and the ongoing costs of housing.

- **Funding for supportive services** is required regardless of the housing setting.

See *Sources of Funding* later in this booklet for more information about funding strategies and specific sources.

Willingness to direct authority resources means finding ways to ensure that existing resources are targeted for Permanent Supportive Housing whenever possible—both for services and for housing. This may include shifting current resources to make certain services and supports are flexible and available to people moving into permanent housing. This may also include establishing partnerships to gain access to housing resources or influence housing funding decisions so that housing options for people with psychiatric disabilities can be expanded (see Step 4 below).

With regard to funding services for tenants of Permanent Supportive Housing, mental health authorities are increasingly looking at how to restructure mental health resources to provide services in community-based settings that emphasize housing-related services.

These housing-related support services can include helping consumers search for housing (for example, completing housing applications or negotiating with landlords and Public Housing Agencies) and providing ongoing stabilization services once consumers are housed. These stabilization services could include assistance with the following tasks:

- Paying rent on time;
- Locating community amenities;
- Buying furnishings and needed household goods; and
- Maintaining the cleanliness of the apartment.

See *Appendix A* for a discussion of a Housing Support Team [HST] model for providing these services and *Appendix B* for a job description of an HST.

Some mental health authorities have redistributed Mental Health Block Grant funds and negotiated revised Medicaid policies to finance these housing-related services for Permanent Supportive Housing tenants. This effort may include "unbundling" contracts so that housing resources can operate and be financed separately from service contracts.

In the past, services and housing were often bundled into one contract because most programs were operated with staff support in group residences. However, systems have moved toward using Medicaid as their primary funding source for rehabilitation and case management services. See the discussion in *Sources of Funding* later in this booklet for more information about how to use Medicaid to fund services in housing.

Step 4: Establish partnerships with housing agencies

The last step in the process for the mental health authority to become a Supportive Housing player includes creating strong working partnerships with the affordable housing agencies at the state and local levels. Historically, affordable housing has been built and operated by the affordable housing delivery system, comprising housing developers, local and state community development departments, Public Housing Agencies, and nonprofit community organizations. These housing agencies control access to mainstream resources used to finance and operate affordable housing.

Until recently, these housing agencies worked under the premise that creating and operating *special needs housing*—defined broadly as housing for any group of people who may need some type of support in addition to an affordable housing unit—was the responsibility of the human service delivery system. However, with the shift to community-based housing and supports, affordable housing delivery providers increasingly have played a role in developing Permanent Supportive Housing, mostly through partnerships with human service organizations such as local and state mental health authorities (see *Appendices C* and *D* for case studies of Washington, DC and Allegheny County, PA).

Partnerships between mental health authorities and affordable housing organizations must be mutually beneficial to be attractive to both parties. In general, the affordable housing delivery system is made up of housing organizations that are required, by mission and mandate, to meet the housing needs of people with low, very low, and extremely low incomes (see *Appendix E* for a list of state affordable housing agencies). However, there are never enough resources to help all the people who need housing assistance. Housing officials are constantly forced to make difficult decisions about how to use these valuable housing resources.

It is within this context that affordable housing providers often struggle with how to operate housing that is affordable to people with SSI-level incomes and also provides those supports wanted and needed by tenants to maintain the housing. Mental health authorities can bring their expertise in designing and providing services for people with special needs to the partnership, while housing agencies can provide government housing assistance (see *Appendix F* for a sample *Memorandum of Understanding Between a State Mental Health Authority and a Public Housing Agency*). In addition, in some communities, mental health authorities have been able to convert resources into funding to help subsidize Supportive Housing— through either capital funding or rent subsidies.

Looking to the Future

Mental health authorities across the nation have recognized Permanent Supportive Housing as a cost-effective, evidence-based solution to meeting the housing needs of people with serious mental illnesses. To be successful in implementing a Supportive Housing agenda, mental health authorities will need to assess their organizational capacity and competencies to restructure their programs, work with partner agencies, implement new policies, help providers implement new programs, and change practices to meet the demands of a Permanent Supportive Housing approach.

These changes are best made through a comprehensive planning process involving all key stakeholders, including housing officials, consumers, and providers of homeless services. The resulting plan should clearly document the need for Permanent Supportive Housing and include short- and long-term strategies for expanding housing options.

This plan should also include clear, measurable outcomes—such as the number of Permanent Supportive Housing units created—as benchmarks for success. Ultimately, innovation in mental health authority practices will also depend on a culture of innovation and on the leadership it takes to sustain the process of systems change.

EVIDENCE-BASED
PRACTICES
KiT

Knowledge Informing Transformation

Building Your Program

Tips for Agency Administrators and Program Leaders

This section discusses the following topics:

- **An overview of rental assistance programs;**

- **An overview of housing development;**

- **Building effective partnerships;**

- **Planning support services;**

- **Staffing Permanent Supportive Housing;**

- **Developing policy manuals; and**

- **Sources of technical assistance and training.**

As noted in the introductory section of this booklet, Permanent Supportive Housing has two main components: affordable housing and supports to help people choose, obtain, and maintain housing. This section differentiates between the main approaches to affordable housing—improving access to existing stock and developing new housing, describes the supports needed for tenants, and provides an overview of operational issues that must be considered.

Rental Assistance Programs: An Overview

An alternative to developing affordable housing for people with psychiatric disabilities is to help them obtain existing housing by making it more affordable. The most common way of making existing housing more affordable is to use tenant-based rental assistance, meaning tenants receive assistance paying their rent in a unit in the community. Tenant-based rental assistance moves with tenants and does not require them to live in a particular housing unit or development to receive assistance. The largest and best known form of tenant-based rental assistance is the Housing Choice Voucher Program funded by the U.S. Department of Housing and Urban Development (HUD), also known as the Section 8 program.

People who receive a Section 8 voucher are able to select housing of their choice in the community (as long as the unit meets certain criteria for affordability and quality) and pay only 30-40 percent of their income toward rent and basic utilities. The Public Housing Agency (PHA) that administers the program on behalf of HUD pays the remainder of the rent directly to landlords.

Although Section 8 is an excellent mechanism for scattered-site Permanent Supportive Housing, access to Section 8 vouchers unfortunately is extremely limited almost everywhere in the nation. Most PHAs either have waiting lists that are many months or several years long or have simply closed their waiting lists to new applicants.

Approaches to rental assistance

Although access to Section 8 vouchers can be limited in some communities, it is still the largest federal housing program in the nation. Therefore, it is important that any scattered-site Permanent Supportive Housing initiatives use a multi-pronged approach to tenant-based rental assistance by doing the following:

- Improving access to existing Section 8 vouchers through partnerships with PHAs;

- Using other financial resources designed specifically for people with disabilities, such as HUD's Shelter Plus Care program, to provide rental assistance; and

- Using local or state mental health or housing funds to create "bridge" subsidies—temporary rental assistance available to people waiting for Section 8 vouchers.

Improving access to Section 8

Section 8 vouchers are a scarce resource but a valuable one. Therefore, Permanent Supportive Housing initiatives often take steps to increase their tenants' access to vouchers. This process begins with outreach to the PHA, which might or might not be receptive to ideas around increasing access to vouchers by people with disabilities. Some strategies to suggest include the following:

- Working with the PHA to conduct outreach to the disability community to ensure that people with psychiatric disabilities are able to get on the waiting list;

- Creating a Section 8 waiting list preference for people with disabilities;

- Allowing Section 8 vouchers to be used in special housing types including shared housing situations; and

- Establishing a set-aside of vouchers targeted to people with disabilities.

The PHA will have to amend its PHA Plan and Section 8 Administrative Plan to use most of the strategies described above.

In your discussions with PHA officials, however, discuss not only the need for integrated housing for people with psychiatric disabilities and the level of poverty they experience, but also the services associated with Permanent Supportive Housing. Using tenant-based subsidies to place people in scattered-site Supportive Housing involves intensive services to help people choose, get, and keep housing. This assistance not only benefits tenants, but also benefits the PHA because the PHA ensures more stable tenancies for participants and less frustration with landlords. It also ensures better utilization rates for vouchers.

Establishing a set-aside of Section 8 vouchers requires establishing a relationship with PHA officials and developing a formal agreement. A sample *Memorandum of Understanding Between a Public Housing Agency and a Mental Health Authority* (see *Appendix G*) can serve as a guideline for negotiations. PHAs must set aside vouchers for people with disabilities generally, rather than for people with a specific disability such as mental illness, however.

Partnerships with PHAs are more likely to succeed if the Supportive Housing provider agency ensures the availability of support services and tenant-landlord mediation and offers additional financial support for startup expenses that are not covered through the Section 8 program. If the Supportive Housing provider has access to flexible funding that can pay for tenants' security deposits, utility deposits, etc., the tenants are more likely to be able to use their Section 8 vouchers within the time limit prescribed by the PHA.

Shelter Plus Care

Among the federal homeless assistance programs included in the Continuum of Care planning process is the Shelter Plus Care (S+C) program, which serves people who are homeless and have disabilities and which can be used for several forms of rental assistance, including tenant-based rental assistance. As a condition of the program, the funds that HUD provides for housing must be matched at the local level in spending for supportive services to the tenants served. Although eligibility is limited to PHAs and local and state governments, private nonprofit agencies can partner with eligible applicants to provide these supportive services and to administer the rental assistance component.

> One successful program offers scattered-site housing to people who are homeless and have co-occurring disorders. Rental assistance comes from several sources, including the state, the city, and the HUD-funded Shelter Plus Care program.

While S+C's "service match" requirements might seem incompatible with the idea that all services are voluntary, no requirement exists that states every person benefiting from S+C must receive services. The S+C statute states that supportive services must be offered to S+C participants, and must be funded in an aggregate amount equal to or greater than the total rental assistance through the S+C grant.

The match is required for the grant period as a whole, not year by year, and each participant does not need to receive the same value of services as rental assistance. Thus, one tenant might receive intensive services at the beginning of tenancy and none later. The intensity of services provided to one tenant might more than compensate for another tenant's refusal of services.

Bridge subsidies

Because of long Section 8 waiting lists and because other programs providing rental assistance to people with disabilities are limited, some communities have funded and implemented their own tenant-based rental assistances—sometimes called a *bridge* subsidy because it bridges the gap by providing housing assistance to people in need while they wait for a Section 8 voucher.

> With leadership from the state mental health authority, the legislature appropriated funding for a statewide bridge subsidy for people living in overly restrictive settings after a study revealed a severe shortage of housing that is affordable to low-income people with psychiatric disabilities.

Bridge subsidy programs often use mental health system or state housing funds and frequently target the rental assistance to a specific group of people, such as people with psychiatric disabilities or people who are leaving institutions.

Some communities have used HUD's HOME Investment Partnerships Program funds to create a tenant-based bridge subsidy program. HOME is a flexible source of funds for meeting the housing needs of low- and very low-income individuals and families. State and local government officials manage the HOME funds and determine how these funds will be used through the Consolidated Plan process, described later in this section.

One of the permissible uses of HOME funds is to provide tenant-based rental assistance (2-year, renewable terms per household). Gaining access to HOME funds for use in a bridge subsidy requires getting involved in the Consolidated Plan process and advocating for the needs of people with psychiatric disabilities.

A state used HOME funds to create an "Olmstead Set-Aside" in support of tenant-based rental assistance to help people transition from institutions to the community. The funds could be used for rent, security deposits, and utility deposits. Applicants were required to explain how they would provide, or arrange for, a comprehensive range of services (using other funding), including financial planning, transportation, and employment. Applicants also were required to plan for linking tenants to ongoing or permanent rental or home ownership subsidies.

Benefits of a bridge subsidy program may include the following:

- Bridge subsidy programs can help people access housing quickly. People might be more willing to accept treatment, and interventions are more successful, when people have access to affordable housing.

- Bridge subsidy programs often offer funding to cover expenses that other rental assistance programs do not, such as security deposits, utility deposits, moving charges, furnishings, and household supplies. Assisting tenants with such expenses, which are not covered by Section 8 vouchers, enables them to more easily use their Section 8 vouchers—a benefit for both tenants and PHAs, since the PHAs are concerned about the utilization rates for Section 8 vouchers.

- Bridge subsidy programs may be able to assist people with prior evictions or bad credit histories. Some bridge subsidies make funding available for damage deposits or provide guarantees to help landlords mitigate the perceived risks of renting to tenants who would otherwise not qualify for tenancy.

- Bridge subsidy programs help people achieve residential stability and strengthen independent living skills.

- Bridge subsidy programs can help cultivate relationships with landlords who are willing to rent Section 8-eligible housing to people with psychiatric disabilities. By using bridge subsidies in housing that meets the affordability and quality standards for the Section 8 program, once tenants receive a Section 8 voucher, they will most likely be able to use the voucher in the same unit. This eliminates looking for new housing with a Section 8 voucher—a time-consuming and frustrating activity for individuals and a costly activity for PHAs.

- Some bridge subsidies help people who are not eligible for Section 8 or other subsidized housing because of a history of criminal convictions or poor rental history, both of which may be common among people with psychiatric disabilities. Time spent in housing supported by the bridge subsidy helps fulfill waiting periods and establish additional rental history.

Program design

Bridge subsidies can help people obtain affordable housing while they apply for or wait for a Permanent Supportive Housing subsidy. For a bridge subsidy program to be most effective, it should be modeled somewhat after the Section 8 program. For example, people using bridge subsidies usually have to pay a portion of their income toward rent. Sometimes, due to limited funding, the tenant share is higher than for permanent subsidies, but it is typically less than 50 percent of income. Requiring people to pay more than they would pay in the Section 8 program is also an incentive to accept the permanent Section 8 voucher when it becomes available.

In successful bridge subsidy programs, people who receive bridge subsidies are required to apply for a Section 8 voucher as soon as PHA waiting lists are open. Owners who accept bridge subsidies are asked to agree to accept the Section 8 voucher when tenants finally receive one. This eliminates the need to look for new housing once the Section 8 voucher is obtained and addresses a barrier that many people with disabilities face in accessing and using Section 8 vouchers.

Almost all bridge subsidy programs require the rental unit to be inspected according to HUD's Section 8 Housing Quality Standards. This inspection, and landlords' willingness to accept the bridge subsidy payment (and later the Section 8 subsidy), should make it easier to replace the bridge subsidy with a Section 8 voucher, or other permanent rent subsidy, when one becomes available.

Bridge subsidy programs can also include a supportive services component that helps people with disabilities successfully obtain and maintain affordable rental housing in the community.

> A state mental health authority's bridge subsidy program is administered in the same way as the Section 8 Housing Choice Voucher Program. The bridge rental assistance is available for up to 2 years or until a Section 8 voucher is available. When a voucher is issued to a person participating in the program, the bridge subsidy is re-issued to another participant.

> A private, nonprofit housing organization administers the bridge subsidy on behalf of the mental health authority. The organization also offers participants housing support services and, with permission, contacts case managers if a consumer needs clinical assistance. However, participation in the bridge subsidy program is not contingent on the receipt of supportive services.

> The mental health authority works closely with both the state PHA and those of the state's main metropolitan center. The state PHA has established a waiting list preference for those holding bridge subsidies.

> The mental health authority has also worked closely with these PHAs to encourage them to apply to HUD for new Section 8 vouchers, including those set aside for people with disabilities. This advocacy ensures that people with mental illnesses have better access to vouchers and helps more people move off the bridge subsidy program and onto permanent housing assistance.

Systems linkages to the Section 8 program

Successful bridge subsidy strategies link the program to localities with a PHA willing to adopt a preference in its Section 8 program for people with bridge subsidies. This preference allows some people with bridge subsidies to be served before other people on the waiting list. This step is critical to ensuring that a strong linkage exists between the bridge subsidy program and the Section 8 Housing Choice Voucher Program and that resources will continue to be available over time.

Steps to starting a bridge subsidy program

Step 1: Identify funds for bridge subsidy

The first step in starting a bridge subsidy program is to identify the resources to fund the temporary tenant-based rental assistance—the *bridge*. Those states and communities that have developed successful bridge subsidy programs have relied primarily on the following resources:

- HOME tenant-based rental assistance;

- Housing Opportunities for Persons with AIDS (HOPWA) tenant-based rental assistance; and

- Funding from state or local human service agencies.

This strategy requires that state and local officials prioritize housing for people with disabilities and agree to use these resources to create a bridge subsidy program. To allocate HOME or HOPWA funds for tenant-based rental assistance, housing officials may need to amend applicable housing plans, such as the Consolidated Plan.

Step 2: Partner with PHAs

Key to the success of a bridge subsidy program is developing strong systems-level linkages with PHAs controlling Section 8 vouchers. Without this linkage, people with disabilities using bridge subsidies may have to wait many years until their name comes to the top of a Section 8 waiting list.

As mentioned previously, the most effective way to establish this linkage is for the PHA to create a Section 8 waiting list preference for people with disabilities participating in the bridge subsidy program. For a PHA to have a waiting list preference for bridge subsidy recipients, this strategy must be included in both the PHA Plan and the PHA's Section 8 Administrative Plan. The PHA plan is the PHA's long-range strategic planning document that describes the agency's overall mission for serving low-income and very low-income families and the activities that will be undertaken to meet the housing needs of these families.

The PHA's Section 8 Administrative Plan is more detailed, including the details about how the PHA administers the Section 8 Housing Choice Voucher Program. Amendments to these plans are usually not difficult but will require approval from the PHA's Board of Commissioners and possibly other key stakeholders.

Once they become familiar with the program, well-managed PHAs are usually very willing to participate in bridge subsidy programs. Bridge subsidies can help PHAs to "lease up" their vouchers more quickly because, theoretically, people with bridge subsidies are already in a rental unit that can be approved for Section 8 assistance.

The lengthy, difficult, and often unsuccessful housing search process can be avoided. This helps the PHA maintain a high Section 8 utilization rate (that is, the number of vouchers assisting households in units in the community—a new HUD requirement. Bridge subsidies can also help bring new landlords into the Section 8 Housing Choice Voucher Program.

More than 2,600 PHAs administer the Section 8 Housing Choice Voucher Program nationwide. Some states have more than 150 PHAs while others have only a few. In those states with a state PHA, a bridge subsidy program developed cooperatively by state housing and human service agencies could easily be linked to the state PHA's Section 8 Housing Choice Voucher Program. However, to implement a bridge subsidy program in states without a state PHA, the disability community will need to identify innovative and willing PHAs at the local level and pilot the program in those communities. Once implemented, this pilot initiative could be expanded to involve other PHAs in other parts of the state.

Finally, effective bridge subsidy programs also build on the strengths and assets of disability organizations that can agree to the following:

- Help state and local housing officials identify high-priority groups (for example, people with disabilities currently living in restrictive settings but hoping to move into the community) who could be designated for assistance in a new bridge subsidy program;

- Identify funds and strategies to provide support services to bridge subsidy program participants to assist them with housing search, case management, budgeting and money management, etc; and

- Help identify resources to assist with moving expenses, first/last month's rent, security deposits, etc., for bridge subsidy program participants.

Step 3: Develop bridge subsidy program policies that mirror Section 8 policies

To ensure a smooth linkage between the bridge subsidy program and the Section 8 program, it is important that program policies are similar and encourage the transition between the two programs. Agencies administering a bridge subsidy program should ask for copies of the Section 8 Administrative Plan from the local PHA and develop a similar plan for the bridge subsidy program.

Areas where the two programs should have policies that are similar, if not exactly the same, include the following:

- **Eligibility standards (such as income).** Keep in mind, bridge subsidy programs that assist people with violent criminal histories or undocumented people may find that these people are ineligible for Section 8 vouchers.

- **Housing quality standards.** Bridge subsidies typically restrict the use of funds to housing that meets or exceeds local standards for Section 8, as the goal is for tenants to wait for Section 8 vouchers to become available and then use them in their existing housing.

- **Unit size.** Efforts to find suitable housing that meets tenants' needs must take into account the size of the unit, defined by the number of bedrooms rather than physical dimensions. In the Section 8 program, a single adult typically will qualify only for a studio or one-bedroom unit, as the Section 8 program generally limits unit size to one bedroom for every two family members.

- **Housing affordability standards.** Based on the size of the unit for which tenants are eligible, you must help them find housing that does not exceed a maximum rent. In the Section 8 program, individual PHAs establish payment standards for different size units (studio, one-bedroom, etc.) based on Fair Market Rent (FMR), a figure published yearly by HUD based on housing market data. The PHAs have a small amount of flexibility in establishing local payment standards but must set standards at or close to FMR.

- **Rental payment and distribution.** With bridge subsidies, the disbursal of rental payments should follow the model of the Section 8 program. The PHA pays its share of the rent each month to tenants' landlords, while tenants are responsible for paying their own share directly to the landlord. In the Section 8 program the tenant's share and the subsidy share of the rent are computed using specific HUD calculations. Bridge subsidy programs should work with their local PHA to ensure that the bridge subsidy rent determinations are calculated in the same manner.

Advocating for living arrangements that meet tenants' needs

The PHAs are permitted to set standards for shared housing—unrelated adults with or without vouchers who live together and split the rent—and are required to make reasonable accommodations for people with disabilities.

To meet the needs of tenants who want or need to live with others, a Supportive Housing initiative should reach an understanding with the PHA about such housing arrangements.

Examples include:

- A single adult with a disability with a live-in aide who has a separate bedroom;

- Two or more unrelated disabled adults, each with a housing voucher and each of whom has a bedroom; or

- A single disabled adult with a voucher renting a bedroom in a unit with one or more adults without vouchers.

Get to know the PHA's unit size standards and be prepared to advocate for the needs of tenants.

Step 4: Administer an effective and efficient bridge subsidy program

The major administrative duties for those operating a bridge subsidy program are to ensure that eligibility requirements for tenants and properties are met, that relationships with landlords are maintained, and that funds are disbursed correctly.

Because a key principle of Permanent Supportive Housing is separating housing and services (to prevent housing being used as a tool of coercion), the administration of rental assistance should be conducted separately from the provision of support services. When people become eligible for Section 8 vouchers, the rental assistance will be administered by the PHA.

However, with bridge subsidies the most direct method to ensure this separation is to assign different agencies or different staff members to administer the two components. This separation is especially critical in making initial and ongoing tenant eligibility determinations, where the danger of coercion (or perceived coercion) is the greatest.

Staff assigned to administer bridge subsidy assistance should have the following duties:

- Review applications for rental assistance to determine whether applicants meet eligibility criteria;

- Manage the waiting list;

- Respond to requests for reasonable accommodations;

- Ensure that properties selected by tenants meet the PHA's unit size requirements, payment standard, and housing quality standards;

- Monitor the subsidy program's budget;

- Enter into contracts with landlords agreeing to pay the program's portion of the rent each month;

- Make rental payments to landlords;

- Review requests for other disbursals, such as utility deposits and security deposits;

- Review requests for disbursals of contingency funds;

- Verify on an ongoing basis tenants' family income to ensure continued eligibility for rental assistance and determining tenants' payment amount; and

- Verify that tenants are living in the apartment and are not making unauthorized use of it (for example, having unauthorized roommates or conducting illegal activities).

Housing Development: An Overview

Housing development is a lengthy and difficult process. It tests the patience of almost everyone involved along the way. However, it is an undertaking with great rewards.

Knowing that you have created a place that people with few means can call home is satisfying. A room, an apartment, or a house provides much more than shelter. It provides a safe place in which to be oneself, to relax, to reflect, and is the foundation of a productive and satisfying life. A strong desire to create this space for those who cannot create

or maintain it on their own must be at the heart of the nonprofit development process. The end user of the housing must always be at the forefront.

Due to the complex nature of housing development, this section provides only a brief introduction to the topic, together with some suggestions for ensuring that any housing that is developed is integrated according to the Permanent Supportive Housing Fidelity Scale.

The goal is to provide information that will help you determine whether you have the capacity and desire to pursue development. Greater detail can be found in *Phases of Housing Development* in this booklet.

Accessibility for people with physical disabilities

Accessibility in rental housing is mandated by three main laws:

- The Fair Housing Act (Fair Housing);

- The Americans with Disabilities Act of 1990 (the ADA); and

- Section 504 of the Rehabilitation Act of 1973 (Section 504).

If you are developing or renovating a building for Supportive Housing, make sure to hire an architect who is knowledgeable about accessibility. The basic features of each law are summarized here.

The Fair Housing Act protects people from housing discrimination on the basis of race, color, religion, sex, national origin, familial status, and disability. In addition to protection from discrimination, Fair Housing sets requirements for accessible design in new construction. Under the Act:

- Any new multifamily housing built to be occupied after March 13, 1991, must be architecturally accessible;

- Buildings with an elevator must have all units in the building accessible; and

- All buildings without an elevator must have all ground floor units accessible.

Landlords must make reasonable accommodations in their policies and rules to allow a person with a disability to live in the unit. This includes alterations, at the tenant's expense, to the unit if such alterations are necessary for the tenant to use the unit fully.

The ADA covers public accommodations, including hotels, motels, and other places of lodging, as well as the rental office and public facilities of an apartment complex or multifamily housing. Homeless shelters, battered women's shelters, and mental health drop-in centers are also covered under the ADA and must be accessible to people with disabilities. The ADA requires the following:

- Public accommodations must remove barriers in existing buildings where such removal can be carried out without much difficulty or expense. Examples include installing ramps; making curb cuts in sidewalks; repositioning shelves; and rearranging tables, chairs, vending machines, display racks, and other furniture.

- Owners are required to modify their normal policies, practices, or procedures to allow people with a disability to use the goods, services, facilities, or privileges of the business unless the modification would fundamentally alter the nature of those goods or services.

Section 504 focuses on equal access to federally funded programs and services for poeple with disabilities. As a result, Section 504 created the first accessibility requirements for housing funded by HUD or with other federal dollars. These requirements cover newly constructed housing with five or more units. Section 504 requires that:

- Five percent of the units be accessible to people with mobility impairments and

- Two percent be accessible for people with hearing or visual impairments.

In addition to legal requirements about accessibility, Universal Design and Basic Access are important accessibility concepts.

Universal Design in architecture and interior design allows all people to use a space, including people with disabilities. Spearheaded by architect Ron Mace, Universal Design incorporates features such as lever handles, wider doorways and hallways, and adaptable kitchen spaces that make homes accessible to people with a disability but that keep the space from seeming medical or institutional.

Basic Access, a simple subset of Universal Design, ensures that people with disabilities can visit any residential building and includes four Universal Design features in all new construction. Many local jurisdictions have adopted requirements for Basic Access or Visitability.

The four features that promote basic access in housing are as follows:

- At least one no-step entrance (may be at the front, side, back, or garage entrance) must have at least a standard 36-inch door.

- Interior doorways must be at least 32 inches wide and hallways at least 36 inches wide.

- Walls must be reinforced between the studs near the toilet and bathtub so that grab bars may be added, if needed, at a later date.

- Light switches and electrical controls must be no higher than 48 inches; electrical plugs must be at least 15 inches above the floor; and each breaker box is located inside the house.

Four components of any project

All housing projects, regardless of the end user, who the developer is, or where the project is located have the following four major components:

- The residents (or target market);
- The site or building ;
- Financing; and
- Organization.

All of the work in any housing development project addresses one or more of these components. At each phase of development, your organization must answer questions and make decisions that affect each component.

Different members of the development team will be best equipped to lead the decisionmaking process for each area of the project. For example, only the sponsor organization's staff and Board of Directors can make decisions about the organization's capabilities to undertake a new project, while the construction manager and engineer will be best suited to make decisions on zoning or related land use matters.

The residents or target market

Residents or the target market refer to the end users of the housing—who will the project serve? Your development team must know its target market intimately and design a project that meets its needs. Key areas to address include the following:

- Potential residents' income level;
- Their household composition and housing preferences;
- If and where they are employed;
- How they travel around town; and
- Any additional needs for services or products that affect the project's physical and programmatic design.

A Permanent Supportive Housing project must determine who will provide supportive services and how the physical aspects of the site will affect, enhance, or otherwise interact with service delivery. The service provider is critical to a Permanent Supportive Housing project because it provides expertise to the development team about the target market.

The site or building

Perhaps the most obvious aspect of a development project is the site or building. This component includes all physical aspects of the development, from choosing the site, to designing the physical layout of the buildings and grounds, down to the color of the paint used in each unit.

Members of your development team must make all of the decisions related to the actual buildings in which people will live. Questions about the unit size and type, project amenities, building materials, landscaping, utility lines, and permit process will arise over and over again as you progress along the path to construction. It is important to retain experts such as an architect, engineer, and construction manager who can assist the team with these decisions.

Financing

No project will succeed without proper financing. Even affordable housing projects are expected to carry debt and most will require a variety of funding sources to cover all project costs and keep rents low. At a minimum, each project will have a development budget, rent projections, and an operating pro forma (a working budget for the project). A Permanent Supportive Housing project will also address the cost of supportive services with an additional services budget. These financial tools will project costs, income, and the need for and ability to pay back debt.

One important outcome of these budgets is a projection of the "gap" or amount of subsidy needed to make the project work for the people you intend to serve. Knowing this number will guide decisions about funding applications as well as project design. Throughout the life of a project, the development budget will change to reflect new knowledge, decisions made, and the guidelines of different funders. It is common to have several budgets and for the budget to be in a state of constant refinement. The project manager or developer usually manages the project budget.

Organization

Organizational aspects of the project are often the last to be addressed, yet they are the most essential to steering the process. You must determine who will act as developer, who is the owner, and who will operate the project. Permanent Supportive Housing projects will also include one or more service providers. A project with multiple partners must answer these and other questions to determine the legal ownership status of a project and apply for funding. A clear distinction between partners will also clarify roles, responsibilities, and authority for each step of the process.

Promoting integration in housing development

A major goal of Permanent Supportive Housing is to integrate people fully into the community, meaning that, in addition to living in non-segregated housing, tenants also participate in everyday activities in the community. Permanent Supportive Housing can help people living with psychiatric disabilities and with other special needs to live in housing that is available to other people in the community as well, not in housing that is reserved only for people with disabilities.

This principle is especially important in the wake of the U.S. Supreme Court's 1999 Olmstead decision, which held that the Americans with Disabilities Act (ADA) requires states to provide treatment to people with disabilities in the least restrictive setting possible—meaning a setting that allows the person the greatest opportunity to interact with people who do not have disabilities.

Scattered-site housing is inherently guided by this principle. The ultimate goal is to help people living with mental illnesses and other special needs acquire housing from the general housing stock, thus maximizing their opportunities to engage in everyday activities like those described in the Olmstead decision.

Increasingly, single-site Supportive Housing includes a "mix" of tenants, as sponsors point to various social and economic benefits inherent in these designs. Community integration for people living with psychiatric disabilities or other special needs occurs naturally in these settings.

This is not to say that support should not be offered to facilitate this process. A project that mixes or integrates people with different abilities, backgrounds, needs, ages, income levels, and family sizes can ensure greater diversity in the housing environment. These projects usually blend well with the surrounding neighborhood. Projects that house people with a range of needs typically can also secure funding from a variety of sources, enriching the overall program and types of services offered.

> A statewide organization advocating for people with developmental disabilities partnered with a local for-profit housing developer to purchase and renovate a former junior high school, transforming it into lofts. Using over $3.8 million in Low Income Housing Tax Credits, as well as other funding, the former classrooms were converted into 41 loft-style apartments—32 units for low-income households and 9 units with market rate rents.

The apartments were targeted to a mix of populations, including people with and without disabilities. All apartments are designed using Universal Design techniques, making every apartment accessible, livable, and able to be visited by anyone regardless of disability. Case managers provide support services to tenants or help tenants arrange for other community-based services.

Source: April 2005 issue of *Opening Doors,*
http://www.tacinc.org

A nonprofit organization planned to rehabilitate a three-story apartment building to serve as Permanent Supportive Housing for homeless people with psychiatric disabilities. During the HUD inspection, the inspectors were concerned that the top floor was too noisy for use in the HUD-funded Permanent Supportive Housing programs—despite their otherwise prime location near the beach, the apartments are located in the flight path of the airport. Therefore, the top-floor apartments were rented outside of the program to people who do not have disabilities.

Unexpected benefits have been to reduce the stigma associated with the building and interaction among tenants with and without special needs.

Source: Adapted from Enterprise Foundation,
*2004 Awards for Excellence in
Affordable Housing,*
http://www.enterprisefoundation.org

(see the Publications Catalog*)*

A former hotel is now home to 416 single adults who live in studio units with private bathrooms and kitchenettes. Using a mix of funds including Low-Income Housing Tax Credits, Historic Rehabilitation Tax Credits, and mental health and homeless funding streams, the sponsoring agency was able to achieve an integrated mix of tenants. Units reserved for special needs tenants are interspersed throughout the building's 11 residential floors, while over 200 units are reserved for low-income working adults. Of the Permanent Supportive Housing units, 105 are reserved for homeless people with serious and persistent mental illnesses, 45 for homeless people with AIDS, and 63 for homeless people from emergency shelters.

Source: Center for Urban Community Services

Building Effective Partnerships

Permanent Supportive Housing takes on many forms. In addition to making decisions about single-site or scattered-site housing and tenant-based, project-based, and sponsor-based rental assistance, your organization must decide how best to structure its operations, including making decisions about partnering with housing providers. Some organizations take on the role of property manager and social service agent while others develop a partnership with a property manager or landlords.

Whether your organization chooses a single provider or partnership model, an effective working relationship between property management and social service teams is critical to the success of any Permanent Supportive Housing project. Numerous considerations are involved in deciding whether you should consider a partnership. In any collaboration for developing Permanent Supportive Housing, advantages and disadvantages with a partnership model exist.

Advantages and disadvantages of partnerships

Determining whether your project should have a single provider or a partnership is not easy. Each organizational structure has advantages and disadvantages.

Partnerships

In the partnership model, a service organization partners with another entity to provide property management services. As noted earlier, in the case of scattered-site housing with tenant-based rental assistance, the two parties include the Permanent Supportive Housing service provider and the independent landlords renting to participants. These multiple partner relationships are facilitated when you develop effective communication with

the independent landlords to ensure a successful tenancy. Your communication should never compromise confidentiality laws but, instead, offer a forum to keep abreast of any tenant/landlord issues that may need support, mediation, or intervention.

In programs relying on project-based rental assistance or providing services at a single site, the advantages of a partnership model include minimizing potential conflicts that occur when one organization acts as both service provider and landlord (for example, tenants likely will refrain from disclosing potentially damaging information to case managers if they recognize that case managers report to or constitute management).

Collaborating with another agency can bring fresh ideas, talents, and resources to the project. Creative solutions often arise out of the tensions and conflicts that are natural with collaborative efforts.

From the tenants' point of view, housing is more generic and less institutional when a housing provider, not a service provider, operates housing. On the other hand, partnerships produce numerous areas of overlap in responsibility that call for compromise and mediation, which can take up valuable time and resources. Drawbacks can include less control over the project and loss of management fees for the service provider.

Single provider

In this model, one organization provides both social services and property management with distinctions drawn between functions. Some advantages of a single provider model include less interagency compromise and the ability of your organization to retain overall control of the project. Because of this, fewer ideological conflicts exist regarding mission, vision, and program goals. Decisionmaking, chain of command, and ultimate authority are more likely to be clear.

You save time if your organization doesn't have to structure a long-term collaborative effort with another agency and coordinate day-to-day operations. Communication is simplified; principles of confidentiality are less confusing; and there is a "double bottom line" for services and property management. The organization will be monitoring both the physical plant and the financial viability of the project, as well as the quality of the supportive services, and one will be less likely to take precedence over the other.

Be warned that it is unusual for one agency to have adequate capacity and experience in providing both property management and services, and your organization might lose a great deal of time and money to develop this expertise through training and trial and error. Even if your organization hires people with this capacity, you may be unable to assess or monitor the quality of their work.

If your organization chooses to adopt the single provider model, it must ensure that the property management and social service components act as separate entities with roles and functions clearly defined; this will prevent coercion and maintain confidentiality. To minimize confusion, all staff and tenants should be completely aware of the roles of each component.

Strategic partnerships with scattered-site landlords

Finding scattered-site housing may involve connecting to real estate brokers and looking through newspaper listings, as well as walking through neighborhoods where apartments may be available. Scattered-site projects often find themselves developing partnerships with multiple landlords and brokers. These relationships can be helpful in many ways. Landlords, property managers, and brokers who have successfully filled an apartment through Permanent Supportive Housing providers are often more willing to rent additional units. Conversely, unsuccessful tenant placement can undermine these partnerships.

If your organization chooses to develop scattered-site, tenant-based Permanent Supportive Housing, developing strategic partnerships with community landlords is critical. As a program making referrals to landlords, good communication is indispensable. Your staff should check in with landlords or managing agents about how things are going with the tenancy and troubleshoot concerns before they escalate to larger problems. Over time, landlords are often more willing to rent to programs with a good track record. Be mindful that relationships with landlords are influenced by consistent good referrals of tenants who are able to meet their basic obligations of tenancy.

Benefits to landlords

Numerous selling points convince landlords to rent to your tenants. Some landlords may welcome the benefits of Permanent Supportive Housing projects, including consistent rental payments. Renting to participants of programs that oversee the rental subsidies is often an incentive for landlords. Landlords also may welcome tenants who have been well informed about their obligations of tenancy and have 24-hour crisis management support from a social service team.

Pre-rental considerations

As part of preparing to lease an apartment, think about funding sources' requirements, which usually require program staff to inspect units at least twice a year. Many programs assist with startup furnishings (bed, couch, table, and chairs); advocacy training and assistance; and initial walk-through to ensure apartment safety, including assistance or advocacy with needed modifications. Some helpful information follows:

- Are housing complaints on file with this landlord?
- Is someone available to call when water or heat problems occur?
- How long does it take to fix a dripping faucet?
- How long does it take to fix a stopped up toilet?
- Are there charges for repairs?
- How reliable are the elevators in the building?
- How long does it take to fix a broken elevator?
- Does the building provide a secure entrance?
- How quickly is a broken lock or intercom fixed?
- What is the cost to replace a key?
- Does the landlord provide smoke detectors?
- Who is responsible for changing the batteries?
- Are fire exits clearly marked and accessible?
- How often is the apartment painted?
- How often are the hallways painted?
- How often is the building cleaned?
- How is the garbage handled?
- Are recycling bins readily available?
- How often is the building exterminated?
- Are the sidewalks and steps kept clean?

Having clear answers to these questions improves communication and should be part of the strategic partnership planning process between social service agents and community landlords.

Questions for project team

As with any partnership, it is vital to understand how the relationship between the program and landlord is defined. The following questions are useful to clarify before entering a partnership with landlords:

- When will the program be responsible for fixing the problem?

- What will the landlord be responsible for?

- How is the landlord notified of a problem?

- How long can the program wait for the problem to be fixed (for example, stopped up toilet, leaky sink) before taking action?

- Does the program fix it?

- Does the program hire someone to fix it?

- Does the program charge the landlord?

- Does the program move the tenant?

How these issues are communicated to landlords is essential in the relationship. For example, you might say:

> "We appreciate the way you try to maintain the building, but it is important to us and our funders to have a clean and safe place to offer people."

> "How do you prefer for us to communicate with you, by phone, email, or letter?"

> "Please take the program's number in case you need to reach me."

Potential obstacles in the program/landlord relationship

A number of things can jeopardize the tenant/landlord relationship and affect the strategic partnership between the program and the managing agent. Organizations should anticipate these possibilities and have sufficient staff and strategies in place to address issues related to tenants' actions, such as

- Not paying their portion of the rent;

- Making excessive noise;

- Not keeping apartment or common areas clean;

- Disturbing other tenants;

- Moving someone else into the apartment without notifying the landlord;

- Participating in illegal activities;

- Harassing building staff for unnecessary repairs;

- Damaging property;

- Not returning keys when moving out; or

- Not adhering to a move-out date.

If your program addresses these issues promptly and efficiently, it can maintain positive partnerships with landlords in scattered-site programs.

Partnership in single-site housing

Program staff often find themselves caught off guard and unprepared to deal with the conflicts and natural tensions that arise in the course of developing and maintaining residences. Management and service teams often struggle through the difficult phases of development, such as tenant selection, and discover that they need to figure out effective ways of working together.

This requires that both management and service staff understand their program mission and purpose, have clearly defined and written descriptions of staff roles, and develop communication structures that create opportunities for information flow and problem solving, among other factors that will be discussed below. What follows is a guideline for creating an effective working relationship between management and services.

Partnership selection criteria

The most effective project-based Permanent Supportive Housing projects are those where the partners share a similar vision and establish successful communication and role definitions. For organizations that choose to work with another organization, the following categories and questions can be useful in finding the most effective partner:

- **Mission and goals.** Identify program goals and philosophy of service delivery and building management. This includes the need for each organization to understand the other's goals for the program, as well as a clear definition of the populations they are interested in serving and why (for example, people living with mental illnesses; singles; families; other special needs, low-income working adults).

- **Values and philosophy.** Make sure the organizations understand each other's approach to services in Permanent Supportive Housing and the motivation of each agency to be involved in the project.

- **Experience with similar projects.** Some organizations feel that experience is crucial in partnerships. Finding out how much experience each organization has with projects of this type, in addition to the experience of each in working with a partner, can be helpful.

- **Expectations for tenant behavior.** An area of frequent contention can be the expectations of tenants by each partner. It is essential to determine upfront acceptable and unacceptable norms of behavior, (for example, alcohol use, drug use, noise disturbances), methods for engaging tenants in services and activities, and application and eviction criteria.

- **Management style and organizational culture.** Another important element is finding an effective match in how each organization handles conflicts in the working relationship; how each organization interprets confidentiality of tenants; how each describes its respective staff (including staffing pattern, expertise, scheduled hours, supervisory hierarchy); and, finally, what decisions each thinks should be made jointly between property management and social service teams.

- **Vision for collaboration.** Vision includes what kinds of issues one agency thinks the partner agency should be responsible for (address primary responsibility during rent-up. Period of time when construction is completed and before full occupancy, house rules enforcement, evictions, staff hiring, etc.).

After the property management and social service teams meet together and separately and discuss their overall program mission, the two teams should come together and share their findings. The teams can break down their missions into small parts and identify areas of common ground. This naturally leads to a discussion of staff roles.

Because numerous areas of responsibility overlap, natural tensions are common, and teams should work toward compromise and mutual understanding. You can lessen disagreements if teams focus the "who does what" discussion in terms of primary and supportive responsibilities.

Roles for housing and service provider agencies

A fundamental question to ask when developing a partnership is simply, "Who does what, when, and how?"

One team's primary responsibility for certain services does not exclude the other team's involvement. When discussing roles in this way, it helps to put suggestions in writing so they can be revisited. It is crucial to keep the lines of communication open and air differences.

Property management services

Some responsibilities clearly fall to the property management team. Generally speaking, property management services include the following tasks:

- Annual budgeting;
- Financial management;
- Compliance with government and tax credit-related requirements;
- Securing necessary permits;
- Enforcing the terms of the lease;
- Collecting rent;
- Maintenance and capital improvement of property;
- Hiring, directing, and dismissing independent contractors;
- Securing sufficient property insurance;
- Ensuring security; and
- Fiscal recordkeeping.

Social services

Other responsibilities clearly belong to the support services team. Social service staff usually offers programming to meet the individual needs of tenants through case management, including the following:

- Psychiatric and medical services;
- Relapse prevention services;
- Activities of daily living (ADL) services and training;
- Money and medication management;
- Education and information-sharing groups; and
- Activities.

Most social service programs provide support in the pursuit of tenants' self-identified goals. In addition, social service teams often provide support for tenants throughout the continuum of employment from prevocational classes to competitive employment referrals.

Social service staff acts as a liaison between the program and the collateral mental health or other special needs providers in the community. If specific services are unavailable through the organization, social service staff frequently provides referrals to community agencies.

Shared responsibilities

Some responsibilities do not clearly fall to one of the teams or may be examples of shared responsibilities. To help prevent conflict, discuss these areas in terms of primary and supportive responsibilities. These areas include the following:

- **Building maintenance.** Property management has primary responsibility. The service team's responsibilities may include explaining the work order process to tenants (and possibly developing a process with management that is easy for tenants to use).

- **Safety and crisis.** This is usually a joint effort. Property management often has primary responsibility except in cases of psychiatric crisis when social service staff members will take principal responsibility. Develop clear emergency policies and procedures for dealing with safety and crisis, spelling out the chain of command in case of emergency, what information should be provided to emergency services, when to beep staff on call, when to call 911, and what information should be recorded and how.

- **Tenant selection.** Property management and social services share responsibility. Jointly decide on selection procedures, paying attention to special needs-related issues. The social service team's interview generally focuses on service history and current needs, while the management interview pays attention to ability to pay rent and meet obligations of tenancy. Social services may take on primary responsibility for helping tenants through the selection process or explaining some fundamentals of a special needs population to other tenants.

- **Orientation.** Another dual role, orientation, can be seen as a two-part process. The social services team can assist tenants with concrete needs associated with the move—such as unpacking, becoming familiar with the building, neighborhood resources, staff locations, and responsibilities— while management can orient tenants to building maintenance procedures, fire drills, and tenant meetings.

- **Building community.** This is usually a joint undertaking with tenants involved in identifying community-building issues, service staff teaching skills to tenants to resolve problems, and property management usually identifying property-related problems.

- **Visitor policy.** Often a point of contention, this should be a joint endeavor with management

primarily responsible for enforcing the policy to which all parties agree.

- **House rules.** This also is a joint effort with management primarily responsible for reinforcing lease-based rules; the services team may organize tenants to get input into developing house rules.

- **Nuisance and disruptive behavior.** The property management team's role is generally to issue warnings and notices of violations. Service staff would provide skill building or treatment opportunities for tenants to correct the problem.

- **Rent collection.** Property management has primary responsibility, but social service staff intervenes with input about evictions and money management services. Clinical issues often are associated with tenants' inability to pay rent (for example, substance abuse). Service staff and property management staff usually need to meet regularly to discuss plans for complementing each other's roles in dealing with rent arrears problems.

- **Tenant grievance procedures.** Property management and social service staff generally work on this together and all should be aware of systems for evaluating the program and services offered. Service staff usually has the role of informing tenants about procedures through individual case management meetings or tenant meetings.

Permanent Supportive Housing is a partnership. It requires collaboration, coordination, and strategic planning. Collaborative relationships can be the most efficient way to match an organization's talents to meet the diverse needs of Permanent Supportive Housing tenants. The Rent Arrears/ Collection Flowchart on the next page illustrates how property management and supportive service staff can work collaboratively with defined roles.

Rent Arrears/Collection Flow Chart

Calendar Date	Actions by Property Management	Actions by Supportive Services
1st of month	Property management delivers rent notices by this date.	
3rd of month	Property management prepares list of tenants with unpaid rent.	Service staff receives copy of unpaid rent roster.
3rd to 7th of month **7th of month**	Property management tracks rent payments and notifies service staff of any payments. Property management delivers late payment notice and warning of late payment fee to tenants.	Service staff contacts all tenants in rent arrears; seeks to identify issues causing nonpayment. Service staff seeks to engage tenants and assess situation. Possible actions: 1. Assist in resolving benefit and entitlement issues; 2. Address employment-related issues; 3. Provide assistance in accessing emergency payments; 4. Help tenants develop repayment plan; 5. Service staff cannot engage tenants or cannot develop resolution; or 6. Service staff discusses alternative housing arrangements with tenants.
14th of month	Joint meeting with service staff. Property management issues late fee notice to tenants. Property management asks agency's attorney to begin eviction action. Property management advises tenants to seek legal assistance. Property management sends copies of all notices to service staff.	Joint meeting with property management. Service staff pursues actions 1-6 identified above. Service staff seeks to intervene, encouraging tenants to seek legal assistance and providing referral for legal help.
21st of month	Agency attorney sends notice to tenants of intent to seek eviction.	Copy of attorney letter sent to service staff. Service staff continues to pursue possible resolutions 1-6 identified above. Service staff seeks to identify alternative housing.
28th of month	Attorney has court summons issued. Tenants can no longer enter into repayment plan with property management. Court authorizes eviction or develops stipulated agreement between property management and tenants.	Service staff receives copy of court summons. Services staff reviews court process with tenants and encourages them to get legal assistance if they haven't already. Service staff reviews alternative housing options with tenants.

Adapted from the Emerald Commons Policies and Procedures, Enterprise Community Partners, Cleveland Ohio

Planning Support Services

Making supportive services available to people in their homes is uniquely different from delivering other community-based services. For many people who have been homeless or marginally housed and living with psychiatric disabilities or other special needs, affordable housing combined with supportive services has proved to be the link to stability and an enhanced quality of life.

Individual choice and empowerment

Service delivery philosophies and practices should support individual choice and empowerment. Tenants should be asked about the services and supports they would like to receive in Permanent Supportive Housing. Choice is paramount. Tailoring or individualizing services to meet the specific needs of tenants helps achieve success in housing, recovery, independence, and community integration.

Empowerment comes from the individual, rather than from a program. It is the role of Permanent Supportive Housing to educate tenants about their rights and ensure that they have a mechanism for exercising their rights. Tenants should be encouraged to make their own life choices, and the services provided should focus on helping them achieve their goals, including overcoming obstacles.

Services should also help tenants understand and navigate issues and choices related to their ability to remain stably housed. The importance of choice extends to times of crisis. For example, people can have their preferences in mental health care respected if they have prepared an advance directive—a crisis or contingency management plan— that spells out these preferences. Therefore, it is important that everyone has the opportunity to prepare advance directives.

Service staff availability and responsiveness

Projects must determine the availability and responsiveness of service staff for tenants. Access and availability of staff are affected by funding sources and program service philosophy, as well as whether the housing is a single site or scattered sites.

To support independence, programs should staff in a way that offers support without creating an institutional culture. In some cases, projects may offer service staff during stated hours (for example, weekdays, 9 a.m. to 5 p.m.) but also ensure that they are available on call 24 hours a day. Making some supportive services available in the evenings and on the weekends can be an important strategy for encouraging tenants to participate in education, training, and employment activities during regular working hours.

To be accessible and responsive, services for people living with special needs in Permanent Supportive Housing must be available 24 hours a day, 7 days a week. They must be available exactly when tenants or a neighbor, landlord, or family member call for help. Services must also reflect those needed and chosen by individual tenants, be welcoming and customer friendly, be culturally competent, and ensure physical accessibility.

Programs must also consider how tenants will access services. For example, programs must decide if service staff and participant interaction are set on a regular schedule or are based on an individual's needs.

Other factors include deciding whether staff members will have walk-in hours with an open door policy or tenants will be asked to make appointments. As noted earlier, it is important to consider tenants who may not be available to meet with staff during regular business hours.

Service staff location

The location of service staff can influence the success of Permanent Supportive Housing. The nature of scattered-site housing does not allow for onsite support staff; however, when considering location options, it helps to think about proximity and accessibility of service staff to tenants. A mobile support staff that visits tenants in the scattered-site apartments helps address many of these concerns.

In single-site projects, staff can be located onsite or offsite in the community. Onsite staff offers immediate access for tenants and provides opportunities for informal engagement and staff support for building a strong sense of community in the building. In addition, onsite staff allows for regular communication between housing and service staff to resolve conflicts or problems that might otherwise lead to evictions; however, having staff on site may take up valuable rental space.

Onsite staff should have space that allows for privacy in communication with tenants, both individually and in small groups; provides clear separation from onsite property management or housing staff; and ensures that files and client records can be kept secure to protect confidentiality.

Onsite space for supportive services may be in locations that facilitate informal contact between staff and tenants. For example, offices that are adjacent to the laundry room in an apartment building may make it easier for tenants to drop by, allowing staff to engage informally with tenants or provide assistance with independent living skills. Office space adjacent to children's play areas may facilitate contact with parents in projects that serve families.

Locating staff off site has the advantages of offering maximum rental space for programs and allowing the Permanent Supportive Housing provider to create a less institutional feel. The fidelity scale for Permanent Supportive Housing included in this KIT supports basing staff off site and providing services in whatever setting tenants need or desire.

Important determinations include the following:

- Will service staff be available on site or at a centralized office off site?

- Will service staff be available 24 hours per day or limited hours per day?

- Will a service staff representative be on call 24 hours per day?

- Will service staff meet with tenants in their homes, in the office, or both?

- What is the maximum frequency of contact the program can accommodate per tenant?

- What is the minimum frequency of contact the program will allow per tenant?

Access to services

Programs must decide how tenants will access services. The most successful Permanent Supportive Housing projects are those where easy access to services is available. Interaction may be flexible based on tenants' needs. Many Permanent Supportive Housing projects provide scheduled "home visits."

In other cases, service staff may have walk-in hours, be available by appointment, or meet regularly at predetermined times. The issue of access will be influenced by staffing patterns, funding requirements, and service philosophy. At a minimum, as noted earlier, staff should be available on call 24 hours a day, 7 days a week.

Measurable outcomes

To know how well Permanent Supportive Housing services are serving people, it is essential to develop system outcomes. Areas to measure are influenced by the particular tenant mix of the Permanent Supportive Housing project. However, these can fall into some basic categories including the following:

- The most important outcome is housing stability. Other outcomes that are meaningful to tenants and many policymakers include employment, participation in other meaningful activities (for example, training, education, and volunteer work), reduced use of emergency services such as hospitals or crisis mental health services, and reductions in arrests or time spent in jail.

- Individual outcomes include symptom relief, personal safety, services accessed, role functioning, self-development, equal opportunity, assurance of personal survival, and empowerment (Anthony, 1993).

- A community living skills scale can be used to assess personal care, socialization and relationships, activities and leisure time use, and vocational skills (Bullock, Ensing, Alloy, & Weddle, 2000).

- A quality of life inventory would include self-efficacy and esteem, goal identification and pursuit, quality relationships, community integration, intimacy, creativity, and spirituality (Bullock et al., 2000).

Developing relevant services

Ultimately, participation, access, and availability of services cannot be explored without considering a menu of services that staff will be able to provide. When developing services, the choices offered should reflect the expressed needs and preferences of individual tenants, be flexible enough to change to meet the evolving needs of tenants, support recovery, and, whenever possible, be evidence-based.

Community resources are made available to tenants through referrals and coordination between Permanent Supportive Housing service staff and offsite services, consistent with the needs and preferences of tenants. Services usually fall into a number of categories, including those noted below.

Services to support housing retention

These types of services include a variety of supports for new tenants and tenants who may need ongoing support to maintain their housing, including the following:

- Tenant orientation;
- Tenant councils;
- Case management;
- Psychosocial assessment;
- Service planning;
- Counseling;
- Referrals;
- Crisis intervention;
- Peer mentoring;
- Support groups; and
- Recreational and socialization services.

Services also include the following:

- Legal assistance;
- Transportation;
- Nutrition;
- Art and music therapy;
- Financial assistance;
- Money management or representative payee services;
- Furnishing units;
- Assistance with dispute resolution (including negotiating payments for delinquent rent or resolving lease violations); and
- Other general support services.

Independent living skills services

This type of support is crucial to help tenants who have limited housing skills learn to meet their obligations of tenancy and become independent. Services may include the following:

- Communication skills;
- Conflict resolution;
- Budgeting;
- Representative payee services;
- Cooking;
- Personal hygiene;
- Self-care;
- Housekeeping;
- Various activities of daily living; and
- Other independent living skills services.

Recovery-focused services

The Substance Abuse and Mental Health Services Administration has identified Illness Management and Recovery as an evidence-based practice. Recovery, like empowerment, is a personal process that is unique to each person. It is not up to Permanent Supportive Housing staff to define recovery, but providers must have a philosophy of hope for recovery to facilitate each person's recovery process.

In addition to recovery, Permanent Supportive Housing staff also must strive to support role recovery. This means helping consumers regain the social roles—such as community member, employee, friend, or family member—that they might have lost due to illness or other factors, including stigma, unemployment, poverty, and lack of opportunity for self-determination.

Community integration services

This service looks to help people living with mental illnesses and other special needs successfully integrate into communities and answers the question, "How often and how does a person participate in the life of the community?"

This principle is especially important in the wake of the U.S. Supreme Court's Olmstead decision, which held that the Americans with Disabilities Act (ADA) requires states to provide treatment to people with disabilities in the least restrictive setting possible—meaning a setting that allows the person the greatest opportunity to interact with people who do not have disabilities.

Mental health services

Support services that promote positive mental health and recovery include the following:

- Psychosocial assessment;
- Counseling;
- Group therapy;
- Support groups;
- Recovery classes;
- Peer mentoring;
- Psychoeducation;
- Psychiatry appointments;
- Therapy; and
- Other mental health services.

Health and medical services

Many tenants of Permanent Supportive Housing have a history of inadequate health and medical services. Many may have untreated or undiagnosed health conditions. Support services that address these issues may include the following:

- Routine medical care;
- Medication management or monitoring;
- Assistance with medication self-management;
- Health and wellness education;
- Nurse care;
- Home health aide;
- HIV/AIDS services;
- Physical therapy;
- Pain management; and
- Other health and medical services.

Substance abuse services

Tenants who use or abuse substances are at risk of behaviors that potentially compromise tenancy. Substance abuse services to address these issues include the following:

- Stages-of-change-based assessment;
- Motivational interviewing;
- Relapse prevention;
- Counseling;
- Methadone services;
- AA/NA groups;
- Sober recreation; and
- Other substance abuse services.

In Permanent Supportive Housing settings, the most effective approaches to substance abuse services include understanding stages of change and motivational enhancement and are consistent with principles of evidence-based practice for Integrated Dual Disorders Treatment (IDDT).

Vocational and employment services

Having a consistent income is crucial in retaining Permanent Supportive Housing. Some subsidies are time-limited or decrease over time. The following support services address employment:

- Job readiness training;
- Job retention classes;
- Job development services;
- Job skills training;
- Education;
- Onsite employment;
- Volunteer positions; and
- Other vocational services.

Family services

Some Permanent Supportive Housing is designed to serve families. For those programs that serve singles, family reunification and support can promote movement toward stability and recovery. Regardless of whether a project is designed for families or singles, family services may include the following:

- Support groups for parents, children, and families;
- Parenting classes;
- After-school services;
- Youth leadership activities;
- Domestic violence services;
- Family reunification; and
- Other family services.

For more information about employment services, refer to the SAMHSA's KIT on Supported Employment and Corporation for Supportive Housing's Toolkit for Connecting Supportive Housing Tenants to Employment: **http://www.mentalhealth.samhsa.gov/graphs/ communitysupport/toolkits**

Intake Procedures

Potential tenants of Permanent Supportive Housing might be subject to several forms of eligibility verification that include those noted below.

Support services

Permanent Supportive Housing is intended for people who need support services—not simply financial assistance—to live successfully in the community. Determining a person's support needs is an essential part of the intake process and should be conducted by support service staff. The support staff interview as part of the tenant selection process is an opportunity to make all tenants aware of the services that the project offers.

This interview also can give potential tenants an opportunity to discuss the issues that may be barriers to being accepted into housing and plan for successful tenancy. An example of this might be tenants who have a history of eviction due to not paying rent and who might be able to overcome this barrier through assistance with budgeting, a representative payee, or detailing how they have been able to meet other financial obligations since the last eviction. The supportive service staff can use this information to advocate for the potential tenants.

Due to limited resources, programs might have to determine whether resources are available to meet the support needs of potential tenants. However, this is not to say that programs should limit eligibility to tenants with minimal support needs or those who have "graduated" from more restrictive residential programs. Such "cherry picking" is incompatible with the Permanent Supportive Housing Fidelity Scale included in this KIT.

Housing

Remember that housing and services are functionally separate in Permanent Supportive Housing. Therefore, questions about disability and treatment should not be part of the housing eligibility process. However, if housing is specifically designed and funded for people with disabilities, the housing provider must verify that potential tenants do have a covered disability.

As a reasonable accommodation, potential tenants might be encouraged voluntarily to present information about issues that have interfered with maintaining tenancy in the past and how they have overcome those barriers. This information might be related to disabilities and participation in treatment.

As mentioned above, tenants can also meet with the supportive service staff and develop a plan using the support services available to meet the requirements of tenancy. For example, potential tenants who have a negative rental history should be allowed to demonstrate that past problems were caused by a substance abuse problem from which they are currently in recovery.

Housing subsidy

Subsidies used to help tenants afford housing present their own set of eligibility requirements. For example, the local PHA might exclude people with convictions for the sale of narcotics.

Programs funded under the McKinney-Vento Act are limited to people who are homeless (including those living in transitional housing). The Shelter Plus Care program requires a funding match for supportive services, but that match takes place on a program-wide basis, rather than by individual tenant, so it is still possible to accommodate tenants who reject services under this funding stream.

Before entering into any of the contracts, it is useful to know all the requirements of the funding and determine whether the requirements are consistent with the project and agency mission. All requirements must be disclosed to potential tenants so they can make an informed decision about the housing.

Intake Procedures in Two Types of Permanent Supportive Housing	
Scattered-site, tenant-based	**Single-site, project-based**
■ Support service staff receives a referral from a potential tenant or service program.	■ Support service staff receives a referral from potential tenants or service program.
■ Support service staff verifies eligibility for support services.	■ Support service staff verifies eligibility for support services.
■ Support service staff pre-screens tenants to determine if they are eligible for a Section 8 voucher.	■ Property management conducts separate interview to determine if potential tenants meet the requirements of tenancy and makes a final determination about whether the potential tenants are eligible for the project-based subsidy.
■ Support service staff places tenants on waiting list for bridge subsidy.	
■ PHA processes application for Section 8 and places tenants on waiting list.	■ Property management places the tenants onto a waiting list until a unit becomes available (or into a lottery for available units).
■ When a subsidy becomes available, support service staff helps tenants submit housing applications and demonstrate their ability to meet lease requirements.	
■ Landlords decides whether to rent to the tenants.	

Staffing Permanent Supportive Housing

Determining appropriate staffing patterns is essential to the success of any Permanent Supportive Housing project. Staffing patterns vary depending on the size of the services program, the needs of tenants, local and funding requirements, the service delivery approach and design, and the menu of services the program will offer.

Programs typically use a staff-to-resident ratio of 10:1 to 20:1 per case manager or service coordinator. The fidelity scale assigns the highest score to programs in which the ratio is no higher than 15:1.

Permanent Supportive Housing programs often have staff members present (or available) from morning until evening with some coverage on weekends. In single-site programs, there also might be 24-hour front desk coverage or equivalent overnight staffing, in addition to on-call availability of supervisory personnel. As necessary, staffing patterns should be arranged to accommodate residents who work and are at home during the evenings and on weekends.

It is difficult for any single Permanent Supportive Housing project to address all the needs of every person. Because of the multiple needs of tenants, it is useful—before deciding staffing patterns—to determine which services will be provided by program staff and which will be provided through community resources by referrals.

The spectrum of services to consider include general support services, recovery services, health and medical services, mental health services, substance abuse services, vocational services, family services, living skills services, and others.

In any Permanent Supportive Housing project, a variety of positions will support the mission and philosophy of the program. Staffing patterns vary depending on the design of the Permanent Supportive Housing program, including the size of the supported services program, the needs of the tenants, local requirements, the availability of services in the community, and funding. Other considerations when determining staffing patterns include ensuring multilingual staff; computer literacy; and expertise in specialized areas such as domestic violence, entitlements, community building, and evidence-based practices.

Permanent Supportive Housing programs often include the following job functions in the social services arena:

- Supervisor and team leader;
- Case manager;
- Vocational counselor;
- Job developer;
- Peer specialist;
- Substance abuse specialist;
- Recreational specialist; and
- Activities of Daily Living (ADL) specialist.

Programs that have taken on property management functions often have the following job functions:

- Property or resident manager;
- Assistant manager;
- Superintendent;
- Maintenance staff;
- Intake specialist; and
- Accountant.

Job responsibilities

Case management is fundamental to the design of a Permanent Supportive Housing project and is described in detail in the following section, *Job functions*. Key responsibilities for some of the other positions cited above include the following:

- **Program directors and supervisors** should do the following:

  - ☐ Oversee program development, implementation, coordination and evaluation;

  - ☐ Regularly supervise direct service staff;

  - ☐ Orient new staff to program mission, goals, policies, and procedures;

  - ☐ Coordinate site coverage;

  - ☐ Ensure that developing and implementing service plans are consistent with program goals and of maximum benefit to tenants;

  - ☐ Monitor and evaluate staff performance;

  - ☐ Coordinate social services with building management services;

  - ☐ Develop and modify policies and procedures;

  - ☐ Identify problems related to resources and personnel management;

  - ☐ Oversee producing internal and external reports; and

  - ☐ Comply with funding requirements.

- **Housing specialist**—Assist and guide tenants living in scattered-site housing. Specialists often help to ensure that tenants meet basic obligations of tenancy, including compliance with safety and health codes. Additionally, staff provides basic case management services, including referrals, identifying personal goals, maintaining case records, and offering individualized services tenants may identify to maintain housing.

- **Housing specialists** may also do the following:

  - ☐ Help prospective tenants find housing units and conduct outreach and marketing on behalf of the Permanent Supportive Housing project to landlords and property owners;

  - ☐ Help tenants negotiate leases;

  - ☐ Assist both tenants and landlords in meeting the requirements for participating in rent subsidy programs and in communicating with other agencies such as public housing authorities, as needed;

  - ☐ Support tenants in resolving conflicts with neighbors or landlords, including addressing issues related to maintenance, safety, housing quality concerns, rent payment, and other problems that could otherwise lead to the loss of housing.

- **Peer specialists and counselors**—Provide a range of support and assistance to tenants. Permanent Supportive Housing providers should make special efforts to include mental health service recipients among their staffs. Some of the many demonstrated benefits of having service recipients as staff members include direct peer support and the promotion of hope for recovery. Staff members who have had life experiences similar to the tenants of the Permanent Supportive Housing program (for example, homelessness, living with mental illness, history of substance abuse, or living with HIV/AIDS) provide support and concrete assistance, teach advocacy skills, and apply the principles of self-help programs.

- **Substance-abuse and dual diagnosis specialists**—Run groups related to substance use or co-occurring mental health and substance use and work directly with tenants who have issues with use. They might do the following:

  - ☐ Oversee recovery readiness, relapse prevention, and recovery planning services; provide individual counseling;

  - ☐ Link with community services;

  - ☐ Educate staff and tenants about approaches to managing substance use; and

  - ☐ Organize sober recreational activities.

- **Recreation specialists**—Run groups and arrange for various activities on and offsite, including music, art, or exercise classes. They might work individually with tenants who need assistance socializing to reduce their isolation, plan events and celebrations, and identify recreational opportunities in the neighborhood and surrounding community.

- **Activities of Daily Living (ADL) specialists**—Assist and teach tenants basic living skills, such as budgeting, cooking, personal hygiene, self-care, housekeeping, and use of public transportation or other community services.

- **HIV/AIDS specialists**—Serve as expert resources to tenants and staff on the continuum of HIV/AIDS.

- **Other health workers**—Deliver a range of health services. These may include such people as nurses, primary care practitioners, or community health workers.

- **Entitlements specialists**—Help tenants secure and maintain public benefits and entitlements by doing the following:

  - ☐ Helping with paperwork;

  - ☐ Obtaining required documentation;

  - ☐ Escorting tenants to appointments;

  - ☐ Advocating on their behalf with relevant public agencies; and

  - ☐ Assessing the impact of earned income on benefits.

- **Vocational counselors, career counselors, and employment specialists** should do the following:

  - ☐ Conduct vocational and educational assessments and help tenants develop career plans;

  - ☐ Work with case managers to integrate vocational plans into general service plans;

  - ☐ Identify obstacles to maintaining employment; and

  - ☐ Provide ongoing assistance to minimize the negative impact of these obstacles to success.

- **Job developers**—Establish relationships with businesses in the community to help secure jobs for program participants. Job developers may also serve as liaisons between the residence and the jobsite and address problems and issues that arise about specific placements.

Job functions

Regardless of the positions that staff a Permanent Supportive Housing project, social service staff regularly provides some basic functions. These services should promote housing retention, community integration, recovery, working toward goals, choice, and independence. Although a wide scope of tasks are possible, they usually fall under some of the categories described below.

Case management

Whether provided onsite, offsite, or through an Assertive Community Treatment (ACT) team, case management is fundamental to the design of a supportive services program. Although the definition of case management varies throughout the nation, case managers usually work to ensure that tenants receive all the services they need.

Depending on the setting, case managers may coordinate the complete array of medical, psychological, and social services that tenants use. By developing working relationships with various systems of care and advocating for people when necessary, case managers help ensure that tenants receive optimum levels of services. Case managers in Permanent Supportive Housing often provide direct services as well, including the following:

- Outreach and engagement;
- Individual support and counseling;
- Recovery strategies;
- Crisis management;
- Medication monitoring; and
- Training in independent living skills.

Many Permanent Supportive Housing programs have adapted elements of the ACT model to provide the supportive services needed by some people with mental illnesses who have substantial barriers to housing stability, including recent long-term homelessness or co-occurring disorders. ACT is a mobile, team-based approach that delivers comprehensive and flexible treatment, support, and rehabilitation services to people with serious mental illnesses. These services are provided in recipients' homes (or on the streets if the consumers are homeless) and are designed to support recovery. The population that ACT serves comprises a small subset of people with serious mental illnesses; most will not need the intense service an ACT program offers.

For people who need this level of attention, ACT teams have primary responsibility for all services. ACT teams are multidisciplinary and typically include staff experienced in psychiatry, psychology, nursing, social work, rehabilitation, substance abuse treatment, and employment. Team members have shared caseloads and provide recipients with individualized assistance where and when it is needed; caseloads are small, with an average staff-to-consumer ratio of 1 to 10. ACT is considered an evidence-based practice (see the ACT Evidence-Based Practices KIT at **http://mentalhealth.samhsa. gov/cmhs/communitysupport/toolkits/community**).

Outreach and engagement

Engagement is a process, not an event. When staff members begin a relationship with tenants, the first order of business is to look for a way to work together. This usually involves a series of interactions, meetings, and shared experiences over time.

The length of time it takes to establish a working relationship varies with each tenant, the particular circumstances, and the actions of the staff person. Indeed, the wrong outreach strategy can cause some consumers to reject services, at least temporarily, creating strained relationships and difficulty maintaining contact with potential Permanent Supportive Housing tenants.

The extent to which tenants are willing to work with staff can evolve and change. Excessive turnover can cause fundamental problems because tenants distrust temporary relationships with staff and become reluctant to bond and share information. Programs can anticipate and ease the transition of staff departures by using a team approach, which helps ensure that tenants have relationships with more than one staff member.

Setting individualized goals

Identifying and working on personal goals promotes independence and recovery. The role of support service staff is to work in partnership with tenants to achieve personal goals. Goals should be driven by tenants and should be related to what they want. Otherwise, tenants have no internal motivation and are unlikely to achieve their goals.

Goals are desired outcomes, and objectives are the stepping stones required to achieve goals. Setting objectives is important because small, measurable steps can help tenants and staff observe and note progress. Objectives to meet long-term goals, for instance, may include saving money, getting new clothes, attending a class, using mental health services, or participating in a self-help group such as Alcoholics Anonymous.

Progress toward goals can be tracked in an individual service plan that is regularly reviewed and updated. When an objective or goal is not achieved, staff has an opportunity to explore what the obstacles are, thus opening the door for further discussion.

Access to community-based services

Support service programs have to determine which services are to be provided by program staff and which are to be obtained in the community. Since a common goal of Permanent Supportive Housing programs is to facilitate the integration of tenants into the community, using community-based services is beneficial whenever possible. Usually, the level of support that tenants receive is determined by the availability of services elsewhere and the opportunities that Permanent Supportive Housing providers have to create new services.

In any event, programs should maintain a centralized directory of contacts and organizations as well as access to published directories of medical, social service, and other community-based organizations.

Many types of community-based treatment and rehabilitation programs have been designed for people with mental illnesses (for example, continuing day treatment programs, community mental health centers, dual diagnosis treatment centers, ACT teams, clubhouses, employment programs, and peer support programs). To be most effective, Permanent Supportive Housing staff must develop relationships within their local network of health care and human services organizations. A basic understanding of different programs that are available in the community and of the roles of different departments and personnel in local hospitals and psychiatric facilities is essential.

Groups, classes, workshops, and special events

Activities that bring tenants together and promote developing relationships and mutual aid are important. Working with people in groups is an efficient method for providing a service or teaching a skill, in contrast to reaching only one person at a time. It also affords a setting that can encourage social interaction and support among tenants.

Classes and workshops are usually popular and provide opportunities to learn new information and skills on topics such as cooking, yoga, nutrition, and job interviewing. They are excellent vehicles to involve diverse groups and can be adapted to address a wide range of interests and abilities while promoting community integration.

Special events such as poetry readings and lectures can also be of interest and provide opportunities to engage tenants who might not otherwise participate in the program. Groups can also include evidence-based practices such as Illness Management and Recovery.

Case records

Permanent Supportive Housing programs are often required to maintain case records or charts that document the work with all people who are receiving support or are designated to receive services. Case records are important for many reasons, including helping with planning and monitoring progress toward goals, providing quick access to important information, guiding thinking about the work that is being done, assisting with continuity of service, documenting accomplishments and areas that need improvement, and revealing patterns of effective and ineffective interventions and support.

Also, supervisors can use records to monitor and support staff members' work. Records can also document that regulatory requirements and agency policies are met. Requirements vary about the amount and type of information that must be documented and how frequently Progress Notes and service plans should be recorded. Most important is that case records remain current.

Programs may choose or be required to track prescribed medications, hospitalizations, physicals, and contacts with other community services. Computerized recordkeeping systems lessen the burden of updating and storing paper records and give the organization comprehensive information about service use.

To release or receive tenant information to or from other organizations requires permission and signed consent from tenants according to Health Insurance Portability and Accountability Act (HIPAA) regulations. Failure to adequately protect the privacy of medical, psychiatric, and substance use treatment and other confidential information is a breach of law and professional ethics and can be subject to legal action.

While the extensiveness of case records varies widely with the type of tenants and funder requirements, the following is a content sample:

- Identifying information;
- Consent forms/release of information;
- Assessments (for example, psychosocial, mental status, substance use);
- Service plan, goal setting, and life plans;
- Progress Notes (usually weekly to monthly);
- Documentation of service participation;
- Medical, mental health, and substance use;
- Vocational and educational;
- Income; and
- Miscellaneous documents.

Staff competencies

Support service staff must have a set of core competencies to be effective at their jobs. These competencies fall into two general categories: knowledge and skills.

Knowledge

Support staff must know many things to offer assistance to tenants. Some of the specific knowledge areas for staff include the following:

- **Neighborhood and area features.** Staff must intimately know their service area's communities and neighborhoods to help tenants make informed choices and to support full integration. This means knowing about community amenities such as transportation, stores, medical facilities, pharmacies, places of worship, recreational facilities, and other key community resources.

- **Community resources.** Support staff must be familiar with all community health, mental health, and rehabilitation services, including community-based agencies, faith-based organizations, drug and alcohol treatment providers, self-help and peer-support groups, and natural supports.

- **Municipal services.** At times, Permanent Supportive Housing staff may need to enlist the help of various municipal departments, including building and codes, fire, water, sanitation, and public safety.

- **Entitlements.** Many tenants of Permanent Supportive Housing may receive or be eligible for benefits that help with income and health insurance, along with various other government benefits and entitlement programs.

- **Special needs.** A basic understanding of special needs including mental illness, HIV/AIDS, co-occurring substance use problems, trauma, and the recovery strategies for each is vital in offering support to tenants.

- **Policies and procedures.** A thorough understanding of all policies and procedures is crucial, including those related to ethical and legal aspects of confidentiality and the rights of tenants.

- **Safety and security.** This includes emergency procedures and universal precautions.

- **Housing resources.** It is critical that staff have comprehensive knowledge of the various housing programs that may be available to people with mental illnesses and other special needs and how to access these programs.

- **Eligibility for housing.** To ensure that people with mental illnesses can access affordable housing in the community, it is essential that staff understand the eligibility standards used by affordable housing and subsidy programs, especially standards that relate to citizenship, disability status, criminal histories, housing histories, etc. It may be useful for staff to get copies of the housing applications for local affordable housing options to determine what types of information must be collected to submit an application.

- **Fair housing rights and responsibilities.** Staff should be familiar with the state and federal fair housing laws that apply to ensure that people with mental illnesses and other disabilities are aware of all their rights and are able to advocate with housing providers to get their needs met.

Skills

Support staff must use a variety of skills in their work with tenants, colleagues, natural support networks, and other community agencies. The most important of these skills are interpersonal, since they underlie the ability of staff to engage in effective outreach and engagement and provide the foundation for services focused on supporting tenant empowerment and choice.

Some of these critical skills include the following:

■ **Effective communication.** Whether in person, on the telephone, or in documenting case records, the ability to communicate clearly, directly, and honestly is the hallmark of a competent worker.

■ **Being empathic.** Empathy—the ability to imagine or understand how someone might feel in a particular situation—is an important part of a professional relationship, particularly in a human service setting. Empathy can make tenants feel understood and helps develop a positive working relationship with staff.

■ **Being trustworthy.** Because of the life experience of many tenants, some who live in Permanent Supportive Housing may not be very trusting. A trusting relationship allows for positive, mutual work. Trust comes, in part, from being predictable and consistent.

■ **Being respectful.** A critical element in developing a helping professional relationship is the ability to treat tenants respectfully. To convey respect to another person, staff must avoid being judgmental and anticipate that the other person may hold differing perspectives or have a different value system.

■ **Being flexible.** Since a basic principle of program design includes individualizing services, staff must be able to adapt their approach to service delivery to meet the personal needs of tenants and the community.

■ **Active listening.** To engage tenants in making good choices, staff must be willing and able to spend sufficient time with them. Active listening involves being interested and engaging tenants, asking clarifying questions, and coaching them through a problem-solving process, when necessary. It also means setting aside judgments and biases and remaining objective.

Staffing ratios

The size of an individual or team caseload should be determined by the known or anticipated profiles of the people served. The beauty of the Permanent Supportive Housing approach is that it can be tailored to work with any special population, by adjusting level and type of service and helping people select the most appropriate housing type and location.

With flexible and accessible onsite support, most people can live in Permanent Supportive Housing. For ease of program budgeting and scheduling, it is natural to want to make hard and fast rules about staff-to-client ratios in Permanent Supportive Housing. However, what works best depends on many factors as follows:

■ The services provided;

■ Participants' needs;

■ Whether the program is new or established;

■ The length of staff shifts; and

■ How large a program is.

In general, a typical Permanent Supportive Housing caseload should be 10 to 20 tenants per staff member. This will provide an average of one to two visits per tenant per week, depending on length of visits, travel time, and other issues.

Some programs serving people with intensive support needs, such as chronically homeless people with co-occurring disorders, use a tenant-to-staff ratio of 10:1. Other programs might have as many as 20 tenants per staff member. Again, some people may need less staff contact, others more. The factors that affect staffing ratios include the following:

■ New tenants need the most intensive services. In the first 3 months in Permanent Supportive Housing, substantial time should be invested with each tenant (based on individual level of need and preference) to help transition into the Permanent Supportive Housing program.

■ For caseload planning purposes, it is reasonable to assume that individual needs will decrease once tenants are settled into their new homes. Be mindful that this will vary for each person. However, a new program with all new clients requires more staff time than a mature program in which some clients have been in their apartments for a long time.

■ Tenants' ongoing need for services will be affected by many individual and environmental factors and will fluctuate over time. For example, tenants might not need assistance with cooking after the first few months, but might have more intensive support needs when trying to return to work. Staffing plans must be able to accommodate these changes; therefore, tenant-to-staff ratios should not "creep up" to a level that makes it impossible for staff to provide intensive support to tenants when it is needed.

■ Programs with a larger number of tenants might be able to have a larger tenant-to-staff ratio by using a team approach. Communication among staff about tenant needs and activities facilitates providing supports on evenings and weekends on an "on-call" basis, and also allows team members to share duties when a number of tenants have intensive support needs. In other words, a 20-to-1 ratio would work better in a program with 200 tenants and 10 case managers than in one with 20 tenants and one case manager.

■ In a scattered-site model, travel time must be considered. Staff can only make so many appointments in a day and remain effective.

■ Some programs have "specialist" staff members in addition to case managers. Entitlements and health care specialists, vocational counselors, and community organizers, for instance, bring specialized skills to the team.

Staff training

Although the roles and responsibilities of staff members vary with the type of program, ensuring housing stability and promoting recovery and independence are central to most supportive services programs. *Training Frontline Staff* in this KIT provides a strong base for understanding Permanent Supportive Housing. However, effective training must occur on an ongoing basis and must include imparting a thorough understanding of local housing and service options.

Case conferencing or discussing the service plans of individual tenants with the entire service team also can be an effective learning tool. If possible, staff should have opportunities to attend conferences and training workshops so they can remain current about advances in treatment and services. To be most effective, supportive service staff should receive training as needed in the following areas:

■ "Housing 101";

■ Fair housing and reasonable accommodation;

■ Major psychiatric disorders and associated symptoms;

■ Evidence-based practices that support recovery and independence;

■ Engagement skills and strategies;

■ Use and management of psychiatric medications;

■ Substance abuse services (including integrated services for people with co-occurring disorders);

- Outreach and engagement;
- Case management;
- Counseling skills;
- Community building;
- Group work;
- Cultural competence;
- Entitlements;
- The stages of change model and readiness for change;
- Cognitive behavioral strategies;
- Motivational interviewing;
- Crisis intervention skills and strategies; and
- Documentation and case recordkeeping.

Direct care staff needs access to tailored in-service training on an ongoing basis. This should be a combination of formal classroom training, individual and group supervision, guided reading, and peer mentoring.

Training should include not only topics specific to Permanent Supportive Housing, but also other general areas of knowledge essential to community mental health workers.

Supervision

Awareness is growing among providers about the practices and principles that produce recovery outcomes for residents. The most effective programming occurs when organizations provide dynamic services that keep pace with current research and advancement in direct service practice. Basic principles that support consumer success in housing include making informed decisions, working toward recovery and personal goals, and providing person-centered services that are sensitive to cultural values. Supervision that supports these values is essential.

Working in Permanent Supportive Housing can be very demanding. Because paraprofessionals conduct much of the work, capable, professional supervision provides clinical insight and helps staff maximize effectiveness in their relationships with tenants. Supervision serves to hold staff accountable to the standards of consumer-centered services, provides a forum for orienting staff to the mission and roles of the organization, teaches skills, connects staff to resources, and helps staff identify learning needs and goals while providing support.

Through guidance, staff also should understand how their role fits into the overall agency mission and goals. In Permanent Supportive Housing programs where units are targeted for people with serious mental illnesses and other special needs, it is preferable to have at least one professional staff person to supervise every three to six paraprofessional staff members.

To effectively build relationships with tenants, staff must have competencies and support in the area of engagement. Supervision offers opportunities to explore creative engagement strategies and identify why certain engagement attempts may have failed.

The staff also needs guidance and support to manage the daily complexities of the work, such as helping tenants identify personal ambitions and understand how success in meeting their goals can promote housing stability. Other areas requiring supervision include how to respond when the actions of an individual are pitted against the interests of the community (for example, relapse to substance use, psychotic behaviors, and hygiene problems).

Supervision is affected by a variety of issues including supervisory experience, the environment of the program, personal skill levels, and the organizational culture of the setting. The purpose of the material that follows is to help you as a supervisor consider the factors of supervision that affect delivering consumer-oriented services.

Providing ongoing supervision

Depending on the circumstances, setting, and organizational culture, supervision can happen in a variety of ways. For all staff, a time should be designated to meet regularly for a pre-determined period. Over time, individual supervision may occur less frequently and you might offer group supervision, depending on whether the supervisor and staff feel the need to meet individually. It is always important to provide regular, ongoing meetings as opposed to quick discussions on the run.

In the absence of supervision, Permanent Supportive Housing staff often will provide services based on their personal orientation and skill set, which often are not completely consistent with program goals. Programs that do not offer regular supervision often find themselves responding to crises. You cannot eliminate crises in Permanent Supportive Housing; however, ongoing supervision helps by giving staff the tools they need to address problems before they escalate. In particular, offering consumer-centered services inherently minimizes crises by offering tenants skills and strategies to manage their symptoms and make informed decisions about their treatment and living situation.

Ongoing supervision also creates a safe environment to address strengths and weaknesses of individual staff. In addition, this type of coaching allows time to identify goals in the direct service relationship and promotes quality assurance.

Programs must commit time and resources to ongoing supervision. You must have time built into your schedule to accommodate this service, including a workload and case assignment that will not interfere. In addition, programs must commit to providing or referring staff to supervisory training.

Supervision structure

You should structure supervision sessions to meet the needs of the Permanent Supportive Housing project, your needs as a supervisor, and the needs of the supervisee. As with any meeting, for economy of time and efficiency, an agenda is necessary.

Agendas will vary depending on the supervisee's job description, but often will include the following:

- **Caseload review or review of responsibilities.** Some sessions may review all cases briefly, while others focus on difficult cases where guidance is needed. Supervisors can model suggested approaches or give feedback about methods currently being used. Assessing the skills that newer tenants may need to develop to maintain their housing is essential and should be included in caseload reviews.

- **Review of goal setting.** An integral part of support staff's role is to understand and believe in tenants' strengths and capacity for growth. This is often accomplished through goal planning with tenants. In helping identify goals, it is essential that workers support the personal aspirations of tenants. This can be difficult for many staff without the support of supervision. Through supervision, staff can help tenants link housing retention to their individual goals.

- **Housing retention review.** Staff should ensure that tenants have maximum support in developing any skills required to retain housing. These include the following:

  - ☐ Money management;
  - ☐ Communication skills;
  - ☐ Community living abilities;
  - ☐ Conflict resolution skills;
  - ☐ Assertiveness training;
  - ☐ Relapse prevention;
  - ☐ Socialization support;
  - ☐ Housekeeping; and
  - ☐ Health care.

  Supervision can often help identify areas that require additional support.

- **Documentation review.** Permanent Supportive Housing requires specific recordkeeping in compliance with various government and private funding streams. Supervision helps ensure that basic requirements are met and that the documentation reflects good practice standards.

- **Program goal review.** Through supervision, the project helps maintain its programmatic goals. Ensuring that all staff members are aware of the rights and obligations of tenancy, the confidentiality standards, the project's mission statement, and all policies and procedures is an important part of supervision.

- **Team and peer relationship review.** Supervisors should promote team cohesiveness and encourage team members to support and trust one another.

- **Job satisfaction review.** The importance of work differs among people and can change over time. A supervisor should have a sense of how the job is meeting an employee's goals and needs both inside and outside of work.

- **Performance assessment.** Communication and assessment of job performance should be regular and ongoing. The supervisor can provide resources, training, education, or revise expectations based on a review of the employee's performance.

Regardless of the agenda, when problem-solving with a supervisee, it is always beneficial to work in partnership by opening yourself to listening to the supervisee's perspective and assisting with mutual problem-solving.

Skills supervisors must address problems in the workplace

Skills supervisors must address problems in the workplace including the following:

■ **Maintaining self-awareness.** Work is personal; all supervisors have personal reactions, likes and dislikes, and favorites. Self-awareness of these personal traits is crucial.

■ **Managing diversity.** Success in supervision requires adopting a view that difference is not wrong. As long as employees can get the same results doing it their way, let them do it their way, except for non-negotiable items: charts, paperwork, legal issues, etc. You must accept people's differences but not necessarily their behavior. Being a supervisor means accepting diversity—people will not always think like you do and might have different styles and different strengths or types of intelligence.

■ **Communicating expectations and performance goals.** It is your job as supervisor to communicate expectations of the job—goals, standards, opportunities, mission, and vision. When employees have problems, ask yourself if you have communicated effectively your expectations for their performance. Are you clear about your expectations and goals?

■ **Setting the tone for the organization.** Sometimes elements of the organizational culture can negatively affect conduct and performance. For example, are you angry that staff members are always late to meetings, when you, the supervisor, start meetings late and do not end them on time? When someone is having a problem, think about how the organizational culture affects the issue. For example, is the culture loose and easygoing but the person requires more structure and direction? It is the supervisor's responsibility to attend to the messages that staff perceive.

Supervisor's self-assessment

■ Do I feel that I understand this worker and the source of his or her difficulties (conduct, performance, access to resources, etc.)?

■ Am I in any way contributing to the problem? Do environmental factors contribute to the problem?

■ Does this worker feel I understand him or her?

■ Have I raised—or am I willing to raise—difficult issues in a straightforward, non-threatening manner?

■ Am I open to being influenced by him or her?

■ Am I willing to follow through with what it will take to keep this worker?

Developing Policy Manuals

As with any social service program, every Permanent Supportive Housing program should have a clearly written set of operating policies and procedures. These procedures should be compiled in a manual that is accessible to, and written in language that can be understood by, all levels of staff.

At a minimum, a program's policies and procedures manual should address each area discussed below, although additional material might be necessary to address operating concerns such as funding requirements, local laws, and mental health system policies.

In addition to the items that should be addressed in any social service agency's policies (such as employee timekeeping and paid time off, conflict of interest policies, etc.), the items detailed below are important to consider when offering Permanent Supportive Housing.

The material that follows is adapted from *Developing the Supportive Housing Program*, part of the CSH/CUCS Supportive Housing Training Series, available online at **http://www.hud.gov/offices/cpd/homeless/library/shp/training/index.cfm**.

Support service policies

A thorough description of policies relating to providing support services helps ensure that tenants have access to needed support services and that staff complies with funding requirements and other regulations. Important areas to consider include the following:

- Budgeting assistance;
- Representative payee services;
- Referrals;
- Service documentation;
- Intake process;
- Confidentiality;
- Non-discrimination and equal opportunity;
- Identifying and reporting child abuse and neglect;
- Petty cash;
- Transporting clients in employee's personal car;
- Tenant grievances; and
- Terminations from services.

Housing guidelines

Depending on the types of housing and rental assistance, housing policies might address the following:

- Terminations from subsidy/housing and evictions;

- Terminations from services and its impact on housing;

- Terminations of subsidy and its impact on tenant responsibilities;

- Waiting list;

- Application process;

- Tenant selection and screening;

- Determining subsidy amount;

- Reasonable accommodation and modification;

- Tenant responsibilities with regard to reporting changes in income and family composition;

- Eligibility requirements (for example, applying for Section 8 subsidies as a qualification for bridge subsidies);

- Procedures and allowable uses for startup funds and contingency fund;

- Affordability standards for housing;

- Housing Quality Standards (HQS);

- Addressing complaints with housing, including safety hazards and discrimination;

- Rent collection;

- Room inspections;

- Repairs and maintenance;

- Moves and roommate changes;

- Lease violations ;

- Health and safety violations;

- Communication between housing and service staff;

- Building security and visitor policies; and

- Fire prevention and inspection policy.

Emergency policies and procedures

Whether a program is single-site or scattered-site, the safety and well-being of tenants is paramount. Program manuals should address the following areas:

- Psychiatric and medical emergencies;

- Accidents and death;

- Criminal activity and victimization;

- Natural disasters;

- On-call phone numbers;

- Emergency contacts and resources; and

- Writing and filing incident reports.

Sources of Technical Assistance and Training

As you work to implement or expand Permanent Supportive Housing options for people with psychiatric disabilities, you might have questions or need hands-on assistance to address the issues unique to your state or community, such as local politics or funding streams. Those mental health providers with access to resources may want to consider hiring an outside party to help develop and implement a Permanent Supportive Housing agenda.

The federal government funds a number of technical assistance activities that can help establish or improve the housing and supportive services components of Permanent Supportive Housing.

SAMHSA can provide information about technical assistance centers that it funds. HUD also funds technical assistance and the HUD Field Office in your state should be able to make referrals to technical assistance and training providers. See a list of HUD offices at **http://www.hud.gov/localoffices.cfm**.

A number of private nonprofit and for-profit organizations offer consultation and training on developing Permanent Supportive Housing. Among the organizations involved in developing this KIT that provide technical assistance are the following:

- Advocates for Human Potential, Inc., **http://www.ahpnet.com**
- Center for Urban Community Services, **http://www.cucs.org**
- Corporation for Supportive Housing, **http://www.csh.org**
- Technical Assistance Collaborative, Inc., **http://www.tacinc.org**

Local and statewide organizations are often available to provide training and technical assistance. Inquire about these opportunities through the state housing finance agency, or network with community development corporations.

Building Your Program

Sources of Funding

This section of the KIT identifies sources of funding for housing, including capital funding and subsidies, and for supportive services for tenants.

Funding Sources for Housing

Because Permanent Supportive Housing integrates housing and services for extremely low-income people with disabilities, it has more funding components than other types of affordable housing. Depending on how the housing is provided, either two or three separate funding components in Permanent Supportive Housing projects exist:

- Capital funding;

- Subsidies; and

- Funding for supportive services.

For the housing component of Permanent Supportive Housing, capital funding is used in project-based supportive housing, while subsidies are used in both project-based and tenant-based approaches.

The chart on the next page provides more information about some of the available housing resources commonly used to create this type of housing. Note that several of these housing programs also can fund supportive services.

Funding Sources for Housing

Program or Funding Source	New Construction	Acquisition	Rehabilitation	Tenant-Based Rental Assistance	Project-Based Rental Assistance	Support Services	Leasing Property	Operating Costs	Pre-Development Loans	Home Ownership Activities
Consolidated Plan (HUD formula grants)										
Emergency Shelter Grant			X			X		X		
Community Development Block Grant	X	X	X			X		X		X
HOME Investment Partnership Program	X	X	X		X					X
Housing Opportunities for Persons with AIDS	X	X	X	X	X	X	X	X		
Continuum of Care (HUD homeless assistance programs)										
Supportive Housing Program	X	X	X		X	X	X	X		
Section 8 Moderate Rehabilitation SRO				X						
Shelter Plus Care				X	X					
Public Housing Agency (HUD low-income housing programs)										
Public Housing				X						
Section 8 Housing Choice Voucher Program				X	X					X
Other HUD Programs										
Section 811 Supportive Housing for Persons with Disabilities	X	X	X	X						
Section 202 Supportive Housing for the Elderly	X	X	X	X						
HOPE VI	X	X	X			X				
Section 232 Mortgage Insurance	X	X	X							
U.S. Department of Agriculture Programs										
Section 515 Rural Rental Housing Program	X	X	X							
Section 538 Rural Rental Housing Guaranteed Loan	X	X	X							
Other Housing and Finance Tools										
Low Income Housing Tax Credits	X	X	X			X		X		
Housing Trust Funds	X	X	X						X	
Tax Exempt Bond Financing	X	X	X						X	
Affordable Housing Finance Programs of Government	X	X	X						X	
Below-Market Lenders – Community Develop. Loan Funds									X	
Historic Tax Credits		X	X			X		X		
Program-Related Investments	X	X	X						X	

Capital funding

Capital funds are used to purchase, rehabilitate, or newly construct Permanent Supportive Housing. This one-time funding needed to "capitalize" new Permanent Supportive Housing development comes primarily from government housing programs. Often as many as five to seven different sources of funding are needed to make Permanent Supportive Housing developments financially feasible.

Some mental health authorities have used their own resources for capital to finance housing for people with psychiatric disabilities.

In addition to local and state funding, some of the most common sources of capital funding used to finance Permanent Supportive Housing include the following HUD programs:

- Community Development Block Grant;
- HOME;
- Low Income Housing Tax Credits;
- Section 811 Supportive Housing for Persons with Disabilities;
- Housing Opportunities for Persons with AIDS;
- Supportive Housing Program; and
- State and local government resources such as affordable housing trust funds.

The following section, *Local and State Housing Plans*, offers some strategies for accessing these resources for Permanent Supportive Housing.

Subsidies

Rental subsidies or operating subsidies are needed in Permanent Supportive Housing to ensure that the housing remains affordable to people with the lowest incomes. Because the tenants of Permanent Supportive Housing are extremely poor, their rent payments (based on 30 percent of income) are not enough to cover the costs of operating the housing (for example, utilities, insurance, maintenance, repairs, property management, etc.).

When nonprofit groups develop Permanent Supportive Housing, the operating or rent subsidy pays the difference between the rents the tenants pay and the actual monthly cost of the housing. When Permanent Supportive Housing is provided through leases with landlords in the private rental market, rental subsidy funds are needed to cover the market rent for the housing. Unfortunately, there are almost never enough rental subsidies to meet the need for housing assistance among people with serious mental illnesses and other disabilities. Given this, some mental health authorities have used their own resources to fund temporary "bridge" rental subsidies to assist people with serious mental illnesses until other rental subsidies become available from mainstream housing agencies.

In general, subsidies come in two forms:

- Tenant-based rental assistance; and
- Project-based rental assistance (or operating subsidy).

Tenant-based rental assistance

Tenant-based rental assistance allows people with disabilities to choose their own housing unit from a community's private rental housing market that meets their individual preferences and needs and that is fully integrated into the community. The rent subsidy is *portable*, meaning that if tenants move to another unit, the subsidy moves with them. For more detail about tenant-based rental assistance programs, see *Tips for Agency Administrators and Program Leaders*.

In addition to local and state government funding, some common sources of tenant-based rental assistance used to create Permanent Supportive Housing include the following HUD programs:

- Section 8 Housing Choice Voucher Program;

- Shelter Plus Care;

- HOME; and

- Housing Opportunities for Persons with AIDS.

Project-based rental assistance

Project-based rental assistance involves subsidies that are committed to a specific unit in a building through a contract between the owner and the agency administering the subsidy. The subsidy commitment is usually for a long term (for example, 5 to 10 years).

In project-based rental assistance, the rental subsidy is tied to a particular unit and remains with that unit. As eligible tenants move into the unit, they pay a percentage of their income for rent and the project-based rental assistance covers the difference between the tenant portion of rent and the approved monthly rental charge for that unit. If the tenant moves out of the unit, the project-based assistance stays with the unit to assist the next eligible tenant that moves in. In the new Section 8 Housing Choice Voucher project-based rental assistance program, a tenant in good standing moving out of a project-based unit must be offered a tenant-based subsidy, provided the tenant has lived in the project-based unit for at least a year.

Project-based rental assistance is useful to support creating new affordable housing units for people with disabilities. By providing a long-term guarantee of rental income through a project-based subsidy, a housing developer is often able to obtain the capital financing needed to fund construction and rehabilitation of new housing affordable to the lowest income households. Some of the most common sources of project-based rental assistance used to create Permanent Supportive Housing include the following HUD programs:

- Section 8 Housing Choice Voucher project-based assistance;

- Shelter Plus Care;

- Section 811 Supportive Housing for Persons with Disabilities (rental assistance contract built into the grant); and

- Housing Opportunities for Persons with AIDS.

For more information

For more about financing housing in Permanent Supportive Housing, see the following publications:

- *Combining Affordable Housing Funding Sources.* Prepared by Dan Landes for AIDS Housing of Washington. October 2005. Available online at http://www.aidshousing.org (click on the "Resource Library")

- "Section 8 Project-Based Voucher Program— Creating New Housing Opportunities for People with Disabilities." *Opening Doors* issue #28. Technical Assistance Collaborative, Inc. March 2006. Available online at **http://www.tacinc.org**

- *Financing Supportive Housing Guide.* Corporation for Supportive Housing. Available online at **http://www.csh.org**

Funding Sources for Support Services

Some mental health authorities have redistributed Mental Health Block Grant funds or other state or local mental health funds and revised Medicaid policies to finance services for Permanent Supportive Housing tenants. In states in which substantial resources have supported group homes, this effort may include "unbundling" mental health authority contracts so that housing resources can operate and be financed separately from service contracts.

In the past, mental health authority services and housing were often bundled into one contract because most programs were operated with staff support in group residences.

However, state systems have moved more and more toward using Medicaid as their primary source of funds for rehabilitation and case management services, which necessitates an unbundled approach.

Below is a brief discussion of how to use Medicaid to finance the supports for people living in Permanent Supportive Housing. The chart on the next page provides more information about some of the available service resources commonly used to create this type of housing.

Funding Sources for Support Services

Program and Funding Source	Activity								
	Primarily Serves	Care Coordination	In Home Health	Personal Care	Skill Training	Day Services	Employment-Related Services	Community Support	Other
Medicaid Resources									
Medicaid Home and Community-Based Service Waivers	MR/DD, Elders/Disabled	X	X	X	X	X		X	X
Medicaid Rehab Option	SMI	X	X		X	X	X	X	
Medicaid Clinic Option									X
Medicaid Personal Care	Elders/Phys. Dis.			X					
Medicaid Home Health			X						
Targeted Case Management	MR/DD, Elders/SMI	X							
PACE	Elders	X	X	X		X			
Assisted Living Waivers	Elders, HIV/AIDS	X	X	X		X			
Vocational Rehabilitation (VR) Resources									
VR ACT Independent Living Centers	Phys. Dis.			X	X		X	X	
VR – Employment Services	Phys. Dis.				X		X		
VR – Adaptive Equipment and Renovations	Phys. Dis.				X		X		
Homeless Specific Resources									
HUD (McKinney/Vento) Supportive Housing Program	Homeless	X			X		X	X	
Veterans Administration (VA) Healthcare for Homeless Veterans	Homeless Vets	X	X					X	
VA/Dept. of Labor Homeless Veterans Reintegration Program	Homeless Vets				X		X	X	
Health Resources and Services Administration (HRSA) Health Care for the Homeless	Homeless	X	X	X				X	X
CMHS/SAMHSA Projects for Assistance in Transition from Homelessness (PATH)	Homeless	X		X	X			X	
Other Resources									
HRSA Ryan White Care Act	HIV/AIDS	X	X	X				X	
Administration on Aging (AOA) Older Americans Act	Elders	X	X	X		X		X	
HUD Housing Opportunities for Persons with AIDS	HIV/AIDS	X			X		X	X	
State and Local General Funds	Any	X	X	X	X	X	X	X	

Using Medicaid to fund housing-related services

Medicaid funding always follows the person rather than being tied to the residence, so when tenants move into their own residence, the type and level of support they need can be arranged and be immediately available. However, Medicaid will not cover room and board costs, as these are not medical services.

This shift toward using Medicaid to fund the supports for tenants of Permanent Supportive Housing will require most mental health authorities to unbundle services from housing in contracts, since services are "benefits" attached to the person not to a place.

If organized successfully, using Medicaid can be a real advantage for establishing Permanent Supportive Housing. Community Support, ACT, Intensive Case Management, and Crisis Intervention/Stabilization (all services that can be covered under the Medicaid Rehabilitation Option or as part of services in a state's Waiver Programs) must be tailored to the person's individual needs, regardless of where that person resides.

Successfully using Medicaid as part of a Permanent Supportive Housing agenda requires you and your staff to do the following:

- Work with the designated Single State Medicaid Agency to ensure that sensible service descriptions, reimbursement mechanisms, and rates are established and approved;

- Establish program requirements that reinforce the importance of embracing consumers' own recovery plan to the greatest extent possible as the required treatment plan for Medicaid treatment planning purposes;

- Ensure developing a policy that specifies an individual's housing is not contingent on compliance or enrollment in specific services and allows flexibility for consumers to choose service providers and service plans;

- Establish presumptive eligibility requirements and provide flexibility so people can more easily avoid getting delayed by Medicaid eligibility determinations before they can engage in services;

- Work with providers, consumers, and other stakeholders to set measurable quality and performance standards with incentives and consequences for failing to meet standards;

- Regularly report on provider performance and, when possible, on outcomes;

- Establish credentialing and competency requirements so that a broad range of professionals and paraprofessionals (including consumers) can provide services;

- Add incentives for good performance after successfully implementing the program;

- Establish a rigorous training and mentoring program for providers and consumers that spans infrastructure, supervision, and all aspects of practice; and

- Include training and performance requirements for providers to ensure they understand their obligations to tenants and how they are required to support consumers on tenancy issues.

For more information on funding

The Corporation for Supportive Housing offers a series of white papers on Medicaid funding, including the following:

- *The Basics of the federal/state Medicaid Program;*

- *Medicaid in Supportive Housing: Lessons for Policy-Makers;*

- *Supportive Housing Providers' Experiences and Perspectives on Medicaid; and*

- *Current Opportunities for Medicaid Financing .*

These are available at http://www.csh.org. Click on "Medicaid White Papers" in the list of publications.

Building Your Program

Local and State Housing Plans

This section of the KIT provides an overview of the following:

- **The importance of participating in housing planning process;**

- **The Consolidated Plan, Continuum of Care, and Public Housing Agency plan, which control the distribution of federal housing funds; and**

- **Strategies for increasing the housing resources available to low-income people with disabilities.**

Organizations that make services or affordable housing available to low-income people must be aware of local and state strategic planning documents that affect the way federal funding for services and housing are provided in a community. The U.S. Department of Housing and Urban Development (HUD) allows communities and states considerable flexibility in the way they spend HUD funds.

However, to ensure that funds are spent according to community needs, HUD requires recipients of funding to engage in planning processes that are open to community input.

The three primary plans are as follows:

- The Consolidated Plan (or Con Plan), which governs spending under a number of HUD programs;

- The Continuum of Care (CoC), which governs spending for HUD programs targeted to homelessness; and

- The Public Housing Agency (PHA) Plan, which is required of any agency receiving funding for public housing or Section 8 vouchers.

Other plans with a potential effect on Permanent Supportive Housing will also be discussed. In addition to meeting government requirements, these plans provide an opportunity to assess housing and other community needs, develop community-wide priorities for housing, demonstrate progress in serving low-income people, and ensure that resources are allocated fairly. Local service providers, private citizens, and a variety of other interested parties that are not part of the government division administering federal funds typically participate in all three plans.

Consolidated Plan

Local and state governments must complete a Consolidated Plan, or Con Plan, to qualify for four specific HUD funding programs:

- Community Development Block Grant (CDBG);

- Home Investment Partnerships (HOME);

- Housing Opportunities for Persons with AIDS (HOPWA); and

- Emergency Shelter Grants (ESG).

In general, larger communities (more than 50,000 people) have qualified for a specific allotment of funding under these programs, while HUD has provided funds to states to benefit smaller communities. Thus, in metropolitan areas, funding is generally governed by a Con Plan developed by city or county housing, planning, or community development agency. At the state level, the Con Plan is typically developed by the state housing agency.

The programs governed by the Con Plan are often called *formula grants* because the amount of funds provided to a community is determined by a federal formula that uses several measures of community need including poverty, population, and housing conditions. Each community develops its own programs and funding priorities, but these programs must meet national program objectives that HUD sets.

As a planning document, the Con Plan must identify and document the extent of community need for housing and related programs and set goals for meeting these needs. HUD provides specific guidelines for the Con Plan regarding what data to use as indicators of need and how to define each goal. The goals that are included in a Con Plan then serve as the criteria against which HUD evaluates a community's performance for each fiscal year. In this way, the Con Plan also serves as a monitoring document for HUD and provides community members a method for evaluating their community's performance.

Federal regulations govern preparing, submitting, and evaluating Con Plans. Consult the most recent guidelines, available from HUD, for more information and to ensure that all information is current.

For more information, see the following:

- Consolidated Planning: **http://www.hud.gov/ offices/cpd/about/conplan/#guidelines**

- Consolidated Plan, Final Rule, 24 C.F.R. Part 91 (2006): **http://www.hud.gov/offices/cpd/about/ conplan/finalrule_bookview.pdf**

Activities under formula grants

Becoming involved in the local or state Con Plan presents a significant opportunity to influence how federal housing funds will be spent, and thus participation can help further the success of a Permanent Supportive Housing initiative.

HUD has three main goals that its housing and community development grant programs—including those controlled by the Con Plan—must meet the following:

- Provide a suitable living environment;
- Provide decent housing; and
- Expand economic opportunities.

The broad nature of these goals provides communities the flexibility to address unique needs. Knowing that these goals are loosely defined and can contain a variety of activities is beneficial to citizens who wish to influence their Con Plan. Successful advocates must demonstrate how a desired or needed program can meet one of these broad goals.

For example, *provide a suitable living environment* could include activities that improve neighborhood safety such as crime watch and anti-drug activities or improved infrastructure such as new street lighting or sidewalks. This category also includes activities such as reducing the segregation of people by income by decentralizing affordable housing opportunities or revitalizing deteriorating neighborhoods. Other activities that might provide a suitable living environment include restoring and preserving physical features of special historic, architectural, or cultural value.

Provide decent housing and expand economic opportunities have more obvious possible activities. Examples of housing activities that could help

people who are homeless or have a mental illness include helping people who are homeless obtain housing and increasing Permanent Supportive Housing and housing that is accessible to people with physical disabilities. Economic activities can be as diverse as providing job training to people who are homeless, including vocational training in a Permanent Supportive Housing program, or providing access to credit for community development activities such as revitalization.

In addition to meeting the broad goals, funds spent on activities under the Con Plan must primarily benefit low- and moderate-income people. Refer to HUD's latest guidelines for more information about how this requirement is to be met, but in general, it is important to realize that this standard gives communities and states a significant amount of flexibility. Advocates for low-income people with disabilities have often had to compete vigorously for a "fair share" of these funds.

HUD income definitions

To help provide affordable housing, HUD has developed four categories of income that it uses when determining who a program must serve. These categories are based on the Area Median Family Income (AMFI) for a city or town, which HUD establishes by HUD each year. As defined by HUD, the categories are the following:

- Extremely low-income— earning 0–30% of AMFI;
- Very low-income— earning 31–50% of AMFI; and
- Low-income—earning 51–80% of AMFI.

Content of the plan

Consult HUD's Web site for the latest requirements, but HUD has required a number of elements in the plan. Each of the following elements can provide an opportunity to advocate for the needs of Permanent Supportive Housing tenants:

- **Description of the planning process.** HUD requires applicants to reach out to people with low incomes and other government agencies and allow them to participate in the planning process. This process must be described in the Con Plan. Advocacy efforts could target a specific mention of including Permanent Supportive Housing providers, tenants, and advocates in the planning process.

- **Community profile.** The Con Plan must identify the income levels and number of people who fit the income level for the community and describe the housing needs of people in these categories. Although each community will use Census and other data to count people and make estimates, input from citizens and service providers can greatly enhance this section of the Con Plan, especially for people with mental or physical disabilities or who are homeless. The Census does not provide comprehensive data on these populations, and local government officials may need help understanding that the income levels of these groups are far lower than others in the community.

- **Housing market analysis.** The Con Plan must include information about housing, such as median rents, rates of homeownership, condition of housing stock, vacancy rates, and affordability data. Input can help ensure that the market analysis accurately portrays the housing needs of low-income people with disabilities.

- **Non-housing community needs.** The Con Plan must describe some of the community's other needs related to providing a suitable living environment and expanding economic opportunity. Examples could include water supplies, transit, business development, or services for seniors. Many such needs might be relevant to helping tenants become integrated into communities.

- **Strategic plan.** The Con Plan must identify priorities, specific objectives, and strategies for meeting those objectives. Input can help shape a strategy for meeting the needs Permanent Supportive Housing tenants and others who need affordable housing. Because annual reports to HUD are based on this plan, input can also help present an accurate picture of the amount of progress being made.

- **Certifications to HUD.** Applicants must certify to HUD that various requirements are being met. Of particular interest to Permanent Supportive Housing advocates are requirements that applicant agencies analyze impediments to fair housing and that agencies receiving ESG funds are helping people who are homeless find appropriate housing, treatment, and supportive services.

How to get involved in the consolidated plan

- Identify the agency responsible for the plan. The list on HUD's Web site might be helpful:
  http://www.hud.gov/offices/cpd/about/conplan/local/index.cfm

- Get organized. Ideally, people with disabilities, their families, and their advocates should come together and develop an overall strategy.

- Be informed. Find out if your local government receives federal housing funding directly from HUD and is required to have a Con Plan. Find out who has the lead role in preparing the Con Plan and developing the schedule for the process. You can do this by calling the chief executive of your community or the planning and community development department of your local government.

- If your community does not have a Con Plan, contact the state's housing or community development department to get involved in your state's Con Plan.

- Find out what your Con Plan "program year" is, when the next plan will be prepared, and what the schedule is for public hearings, consultation requirements, etc.

- Review critical documents. Get a copy of the most recent Con Plan from state or local officials. HUD requires that this copy be made available to the public, free of charge and within 2 working days. Become familiar with the content and format of the Con Plan.

- Get a copy of the Citizen Participation Plan, which reveals when, where, and how the disability community can be involved, from the housing or community development departments in your community. This document should be readily available and a limited number of copies should be free of charge.

- Review the Citizen Participation Plan to ensure that the Con Plan process is truly accessible to people with disabilities.

- Obtain and review the annual performance reports, which HUD requires within 90 days after the program year closes. The performance report can help the disability community determine who is actually benefiting from the federal housing funds provided by HUD.

- Pay close attention to the statistics included in the performance reports, particularly the information about extremely low-income households. These are the households whose incomes are below 30 percent of median income, which includes virtually all people with disabilities who receive SSI benefits. These statistics can help determine whether the jurisdiction's federally funded housing activities are creating affordable housing opportunities for people with disabilities with very low incomes.

- Attend public hearings and submit written comments. HUD regulations require public hearings on the Consolidated Plan throughout the entire planning process. At these hearings, citizens from the community have the opportunity to comment on the various parts of these plans. Comments may cover the content of the plan or the process itself.

- Organize the disability community to attend the hearings and have a number of people speak. Comments made during the public hearings are recorded and should be submitted to HUD as part of the final plan. If you are unable to attend these public hearings, find out the process for submitting written comments including to whom they should be addressed and a deadline for submission.

Continuum of Care

The Continuum of Care (CoC) is quite different from some other planning processes required of local communities and states to receive HUD funding. First, the focus is exclusively on homelessness. Second, the planning is the result of an ongoing collaboration of public and private partners, and a government agency or private organization might lead the process.

The Continuum of Care is both a planning process and an application for HUD's most important funding streams for assisting people who are homeless. The funds are available each year through a national competition announced in a HUD Notice of Funding Availability (NOFA), which is commonly called the *SuperNOFA*.

The three programs, funded under the McKinney-Vento Act, are the following:

- Supportive Housing Program (SHP);
- Shelter Plus Care (S+C); and
- Single Room Occupancy (SRO).

The criteria under which CoC plans are evaluated have evolved in the years since the CoC was first implemented. However, it is important to realize that the CoC now places much greater emphasis on the following goals:

- Providing Permanent Supportive Housing;
- Linking people who are homeless to mainstream resources (that is, resources not specifically for people who are homeless); and
- Serving chronically homeless people (as opposed to others experiencing homelessness).

HUD's Definition of the Continuum of Care

"A community plan to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency."

Source: http://www.hud.gov

Guide to Continuum of Care Planning and Implementation

Strategic planning

Strategic planning is the heart of the Continuum of Care. Communities are encouraged to envision and plan comprehensive long-term solutions to address homelessness. This information is then used to guide the application process for HUD funding. Communities rank funding proposals based on their level of agreement with the community-wide plan and goals. Proposals that meet urgent needs or fill gaps in service should be ranked as higher priorities for funding, while redundant proposals should be ranked lower.

The Continuum of Care is intended to be a community-based process and may be initiated by a local government entity such as the department of health or human services, but is often led by a local service provider or policy-focused nonprofit organization.

A consortium of organizations that has an ongoing interest in homelessness often takes the lead in driving the Continuum of Care process. This may be a homeless task force, a homeless "network," or other group of organizations that tracks information about homelessness and is involved in homeless services.

Each community's Continuum of Care planning structure and geography is different and each Continuum of Care process is unique. The size of a community, who its providers are, and the community's approach to homelessness all affect the way the process works. For example, some Continuum of Care planning groups may have strong ties to the mainstream service system while others may be somewhat isolated.

Content of the plan

HUD has not dictated how a Continuum of Care process should be organized, but the agency has laid out some basic requirements that each Continuum of Care group must fulfill.

Consult HUD's most recent guidelines, but examples of process requirements have included:

- Include stakeholders;
- Define geographic region (local community or "balance of state");
- Assess the characteristics and needs of people who are homeless in the geographic region; and
- Assess needs and available resources.

The following questions can guide an assessment of community needs:

- How many homeless people exist and what are their characteristics?
- Are they families, veterans, single women?
- Do they have HIV/AIDS or other health care needs?
- Do they need mental health or substance abuse treatment?
- Are any of these populations significantly growing or changing in a way that must be addressed?

Homeless subpopulations often have unique needs that might include health care, counseling services, or simply shelter.

The community needs assessment also must look at the status of the local "continuum." What housing and services are already provided, who provides them, and to how many people each year? What services are missing?

Organizations to involve in the Continuum of Care Process

- Local homeless coalitions and networks
- Faith-based organizations
- Service providers, including mainstream providers
- Advocates and policymakers
- Housing organizations and PHAs
- State and local government leaders
- People who are or have been homeless
- Workforce service providers
- Veterans organizations
- Foundations and potential funders
- Members of the religious community
- Members of the business community
- Police officers and others in the community safety and correctional system

The planning group should also ensure that it meets HUD's latest guidelines for the essential components of a continuum, for example:

- Homeless prevention, outreach, intake, and assessment;

- Emergency shelter and safe alternatives to the streets;

- Transitional housing with supportive services;

- Permanent housing; and

- Permanent Supportive Housing.

A unique feature that characterizes the Continuum of Care is ranking priorities. A community may have a long list of service gaps, but as a group, the planning team decides which needs are the most pressing and which should be ranked as priorities.

In a perfect world, this process is completely logical and based on fact but, as in any process involving many organizations, political factors will come into play. As the group thinks about priorities, it will also look at which organizations provide priority services. Organizations often jockey for position to keep their funding streams constant. Some organizations, however, will be flexible and open to new ideas and strategies that will serve the community's need.

HUD has developed a comprehensive planning and implementation guide to help communities create a Continuum of Care. It provides excellent step-by step information on how to put together a plan and what information to include and is available at **http://www.hud.gov/offices/cpd/homeless/ library/coc/index.cfm**

CoC groups have used various methods for ranking priorities. Often groups have members who are not applying for funds rank the applications in a private session. Some have outside experts rank the applications based on group-created needs and priorities, while other groups work by consensus to decide which applications are ranked highest. The applications and ranking are then sent to HUD for funding consideration.

How to get involved in the Continuum of Care Plan

- **Identify local or "balance of state" CoC contact.** A list is available on HUD's Web site: **http://www.hud.gov/offices/cpd/homeless/local/index.cfm**

- **Gather key stakeholders.** Establish a core working group of key stakeholders in the community representing the interests of all homeless subpopulations, including people with serious mental illnesses. The group will develop a vision and guiding principles, define clear decisionmaking procedures, and establish a timeline and desired outcomes.

- **Develop strategies to meet these needs.** Design long-term strategies such as changes in mental health policies, advocacy efforts within the mental health system, new partnerships or linkages between the mental health community and other systems, applications for funding for new mental health programs, or changes to the allocation of mental health resources.

- **Hold brainstorming sessions.** Encourage participants to think creatively about potential activities that could help complete the long-range strategy. Involve a wide range of stakeholders to generate innovative ideas or alternative resources. For example, representatives from the business community may suggest creative ways to encourage local employers to hire job-ready people who are homeless and have serious mental illnesses.

- **Develop short-term action steps.** Be certain these have points of accountability and timeframes.

- **Select and rank projects.** When you rank projects to be included in the application to HUD for Homeless Assistance funding, remember that any project which does not receive renewal funding may result in a gap in the Continuum of Care system in the near future.

- **Plan year-round.** This reduces the burden often experienced during the Super Notice of Funding Availability (SuperNOFA) period; promotes more comprehensive, proactive planning and assessment; and enables the process and the programs to be improved.

- **Follow up on action steps.** This helps you monitor implementation of the plan.

- **Evaluate projects being considered for renewal funding.** You must determine if each project is still viable, meets identified needs and criteria, and can access other funding.

- **Review the previous year's process.** If necessary, recommend changes to that process. Analyze any problems that arose—such as contentious decisionmaking, limited attendance at meetings, weak participation in planning activities, or lack of involvement from some key stakeholders—and discuss ways to prevent these problems from occurring again.

- **Advocate for increased housing and resources.** The mental health community needs to inform policymakers of the need for increased funding in McKinney Homeless Assistance resources. At the state and local level, providers need to ensure that people who are homeless with serious mental illnesses are getting their fair share of both homeless-targeted and mainstream resources.

Public Housing Agency Plan

Any agency that operates public housing or administers Section 8 vouchers must complete a Public Housing Agency plan. Usually, these are government entities readily identified by the name *public housing agency or public housing authority* but, in some communities, other entities might administer Section 8 vouchers and thus be required to produce a plan. For example, some organizations that specialize in special-needs housing administer Section 8 vouchers. The list of agencies required to submit a plan is available on the HUD Web site at: **http://www.hud.gov/offices/pih/pha/contacts**

The PHA Plan has two components. A PHA must submit the following plans:

- A 5-Year Plan, which covers longer range goals every 5 years; and

- An Annual Plan.

A major goal of the PHA Plan is to give PHAs more flexibility and control over how local communities use public housing and Section 8 funds. The PHA Plan describes a PHA's overall mission for serving low-income and very low-income families and the activities it will undertake to meet the housing needs of these families.

Flexibility and control mean that PHAs are allowed to use flexible rent structures and payment standards, employ new admissions and occupancy procedures such as site-based waiting lists, and create and use alternative management options. At their option, PHAs can write into their PHA plans preferences for people with disabilities for access to programs such as Section 8 vouchers, though PHAs cannot favor people with one type of disability over another type.

Content of the plan

A PHA plan is intended to describe the housing needs of the community, strategies to address these needs, and priorities for funding for a 5-year period that reflect these strategies. The plan should include a statement about the housing needs of very low-income and low-income people in the community (as well as current residents) and cover 18 topics, including policies on the following:

- Eligibility (including establishing preferences);

- Screening;

- The use of vouchers for homeownership; and

- The designation of units as *elderly only*.

HUD also requires that the PHA Plan be created with public input and in consultation with a Resident Advisory Board (RAB). PHAs must establish at least one RAB and may have more than one, if the size or complexity of their jurisdiction warrants it. Members of the RAB are people who "reflect and represent" the residents helped by the PHA and should include both tenants of public housing and voucher recipients.

This procedure is intended to enable residents to give the PHA feedback during plan development and ensure participation by those who are most affected by PHA policies and programs. The RAB makes recommendations to the annual and 5-year PHA Plan during development and is also expected to review any significant changes to the Plan.

The PHA's resident community plays an important role in developing the PHA Plan. Residents can ensure that their needs are addressed and become more involved in issues that directly affect them.

In addition, through involvement in the PHA Plan, residents will be more aware of how the PHA prioritizes agency activities. PHAs also benefit by working with residents since the residents can provide important information about the physical condition of the developments, physical or management improvements that are needed, and resident self-sufficiency needs. This information helps PHAs prioritize capital improvement activities and obtain supportive services for residents.

To ensure broader public participation in the process, PHA Plans must be available to the public at the PHA's principal office during normal business hours both during the public review period before submission to HUD, and after HUD has approved the plan.

PHAs also are encouraged to make the PHA Plan and attachments available at other locations, such as libraries or community centers and on PHA or community Web sites.

Links among plans

Although each of the three plans mentioned above are distinct and three different agencies often administer them, several links exist among the Con Plan, Continuum of Care, and PHA Plan. To start, PHAs use housing needs data from the Con Plan, and the Continuum of Care is supposed to reference its local Con Plan, making the Con Plan the basis for housing needs data and information.

HUD also has worked to ensure that all three plans look at chronic homelessness and seek ways to eliminate it. In many jurisdictions, these links may or may not exist, but HUD is working to establish these and other links among the three. As advocates, your organization can look for links and provide information about housing needs that will make all three plans more consistent.

PHAs also are required to create plans that are consistent with the housing and community development plans of the community at large as presented in the Con Plan. The needs, goals, and activities detailed in the PHA Plan must reflect the needs and priorities documented in the Con Plan. PHAs can use the data provided in the Con Plan, rather than conducting their own needs assessment for the community. This provides an opportunity for advocates to ensure that the needs of special populations such as those with disabilities or who are homeless are included in both plans. In some communities, the same officials may be responsible for preparing both the Con Plan and the PHA Plan.

Other plans

In addition to the three major plans discussed in this section, numerous other plans prepared at the local and state levels set housing policy and rules for various funding programs. Just a few of these plans are the 10-Year Plan to End Homelessness, Qualified Allocation Plans, mental health and substance abuse planning documents, and local economic development and neighborhood plans.

As an organization interested in how housing dollars are allocated, you should determine which plans are most important in your community and decide how you can be involved. Two of these plans—The 10-Year Plan to End Homelessness and the Qualified Allocation Plan—warrant further discussion.

The 10-year plan to end homelessness

The 10-Year Plan to End Homelessness is different from the Consolidated Plan and Continuum of Care in that it is not mandated by a government agency to receive federal funds. The 10-Year Plan effort, created in 2000, was started by the National Alliance to End Homelessness (NAEH).

According to the NAEH, the purpose of the 10-Year Plan is:

> to identify weaknesses in public policy related to homelessness and lay out practical steps to end homelessness.

As a result of this effort by NAEH, the federal Interagency Council on Homelessness, which provides federal leadership for activities to assist homeless families and individuals, has made ending chronic homelessness by 2012 a national priority.

The main result of this has been a push for communities at the local level to develop their own 10-Year Plans to end homelessness, including chronic homelessness. Another result has been an increased priority placed on serving people who are homeless in HUD's mainstream programs, as well as requiring that 10 percent of overall funding is awarded to projects that predominantly serve people experiencing chronic homelessness.

To date, some 300 states and cities have followed suit by creating their own 10-Year Plans to End Homelessness. Examples of local plans can be found at: **http://www.naeh.org/section/tools/communityplans**.

A complete listing of 10-Year Plan communities may be found at **http://www.ich.gov/slocal/plans/10-year-plan-communities.pdf**.

Furthermore, the NAEH Web site provides complete guidance on creating a plan to end homelessness for a local area. However, some of the basic guidelines for creating a plan are included here.

Participation in a 10-Year Plan to End Homelessness is voluntary and may be a more politically-driven than agency-driven process. The same organizations and agencies that participate in the Continuum of Care often participate in the 10-Year Plan, and the process can be led by a local nonprofit or other organization that serves people who are homeless.

The qualified allocation plan

The Qualified Allocation Plan (QAP) is a document created at the state level to set up policies, guidelines, and scoring criteria for the Low Income Housing Tax Credit (LIHTC) program. The LIHTC program provides a large amount of funding for developing multi-family housing designed to serve people earning 60 percent or less of the area median income for a community.

More and more QAPs around the country are providing points to developers that choose to serve extremely low-income people, people with disabilities, people who are elderly, and people who are homeless. Like the Consolidated Plan, the QAP planning process has a number of public hearings at which advocates can provide input about the types of people the LIHTC program should serve.

Building Partnerships with Housing Officials

The success of Permanent Supportive Housing in your community depends in large part on your ability to develop relationships with local and state housing officials to secure their commitment to housing for people with psychiatric disabilities. Local and state officials have a great deal of leeway in allocating federal housing funds and other financial resources, but they may not target these resources to people at the lowest levels of income in the community; typically, these are tenants of Permanent Supportive Housing. For Permanent Supportive Housing to work, your program's tenants must have access to scarce financial resources. Building relationships with the housing sector is crucial to securing this access.

Elements of a plan to end homelessness

Plan for outcomes

Localities can begin to develop plans to end, rather than to manage, homelessness. First, collect data that help identify the most effective strategy for each subgroup of the homeless population. Second, bring those responsible for mainstream, as well as homeless-targeted resources, to the planning table.

Close the front door

Homelessness can be prevented by making mainstream poverty programs more accountable for the outcomes of their most vulnerable clients.

Open the back door

Where homeless people are already accessing affordable housing, this should be facilitated and accelerated. Where no housing exists—particularly for those who are chronically homeless— an adequate supply of appropriate housing should be developed and subsidized.

Build the Infrastructure

Ending homelessness can be a first step in addressing the systemic problems that lead to crisis poverty. These problems include the following:

- A shortage of affordable housing

- Incomes that do not pay for basic needs

- A lack of appropriate services for those who need them

Source: NAEH Web site, **http://www.naeh.org**

Recognizing the degree of local control

During the 1990s, the federal government increasingly gave state and local government housing officials and PHAs more control over how federal housing funds are used in their jurisdictions, through the planning processes described previously. Now these officials—not the federal government—decide which low-income populations will benefit from federally funded housing activities.

Today, government housing and community development officials who work at the state, county, and local levels take the lead in virtually all government-funded housing development, rental assistance, and homeownership activities, even if they are implemented by nonprofit or for-profit housing providers.

These key players, who usually do not work together in any type of partnership, are responsible for making such crucial decisions as the following:

- Who benefits from federal housing resources and what groups are prioritized for housing assistance;

- How these funds are spent (for example, production, rental assistance, homeownership); and

- Which housing organizations will receive the funding, based on their capacity to expand housing opportunities.

Community development officials, for example, can decide to distribute certain HUD funding as a deferred payment loan with virtually no interest payments, or as an installment loan with regular interest payments.

PHAs can now decide to use Section 8 vouchers only for tenant-based rental assistance, or can expand their programs to include developing housing using Section 8 project-based assistance or homeownership assistance. Both community development officials and PHAs have the

discretion to give a high priority to housing activities that are targeted to and affordable for people with disabilities receiving Supplemental Security Income (SSI) or Medicaid waiver benefits.

Decisions about how federal housing and community development funds will be used are contained in the strategic planning documents described previously. HUD must approve these plans before any funds can be awarded or spent. The federal housing and community development resources controlled by these plans can be used for a variety of purposes, including the following housing activities:

- Housing rehabilitation;

- Grants and loans for affordable housing development;

- Down payments and other assistance to increase homeownership opportunities;

- Tenant-based rental assistance; and

- Emergency shelter or service programs for people who are homeless.

All of these housing activities can benefit people with disabilities. For example, a portion of HOME program funding can be targeted for a rental assistance program for homeless people with disabilities or for homeownership activities that would benefit people with disabilities.

People with disabilities can also benefit from Community Development Block Grant program grants and loans used to develop affordable housing by ensuring that some units are affordable and accessible to people receiving SSI benefits.

However, studies have shown that many state and local housing officials currently do not make the housing needs of people with disabilities a high priority (O'Hara et al., 2007). The vast majority of PHAs and government housing officials are not actively working to expand housing opportunities for people with disabilities.

For example, all of the housing programs administered by state and local housing officials can be used to create "affordable" housing. In this context, *affordable* is defined very broadly and often includes housing that is affordable to people who might be considered "middle" income. Most housing agencies don't see providing housing for people with disabilities with very low incomes as their mission. In fact, many are unaware of the housing needs of people with disabilities and lack the capacity or desire to administer housing programs targeted for people with disabilities. As a result, people with disabilities do not always benefit from these federal housing resources in relation to their need.

Getting involved at the local level

People with disabilities are currently facing a housing crisis and, based on their significant housing needs, should be given a priority for housing assistance. It is critical that disability advocates learn about the Con Plan and the PHA Plan—and the resources they control—to ensure that people with disabilities receive their fair share of federal housing funds.

To be successful, disability advocates should:

- **Learn the basics.** Get a clear picture of how the housing resources are organized in your state or community. Find out which agencies prepare strategic housing documents, how often they are prepared, and how you can be part of the planning process. Get copies of the plans and review them thoroughly. Ask to be placed on a list of interested parties.

- **Gather data.** You will need to compile data about the housing needs of people with disabilities and ensure that this information is provided to housing officials who are preparing the Consolidated Plan, PHA Plan, and other key documents.

- **Provide input.** Take advantage of all opportunities to give input into these plans, such as testifying at public hearings, submitting written comments,

joining a PHA's Resident Advisory Board, and meeting with the staff responsible for preparing these plans to discuss mutual concerns.

- **Provide examples of promising practices.** These can demonstrate how housing resources can be combined successfully to create affordable housing for people with disabilities receiving SSI. Arrange for tours and site visits for state and local officials so they can see for themselves that integrated, affordable housing for people with disabilities should be an important component of their mission.

- **Serve as a source of information.** Often a city agency will send out surveys to request input about housing needs from the community; this input from citizens provides a strong case for housing needs as do the charts and statistics usually gathered for a plan. If a particular program or need is ranked as a high priority in one plan, it provides documentation for a grant and support for the existence of a program. In this way, and by direct advocacy, organizations can request support for policies that allocate funds to programs that serve their target populations.

- **Make strategic plans based on funding trends.** If your organization knows where the money is going in a community, it can plan better. You will know what the community is looking for in terms of housing and services and whether or not you are likely to receive funding for a particular activity under current priorities. You can also see that if no documented need exists for a program you had planned, there likely will not be support for it.

Finally, another good reason to participate in planning processes is to strengthen your organization through knowledge of other organizations and programs. Working on any planning process provides you with an overview of which organizations and individuals are making a difference in your community. This is an excellent way to find partners and build strategic alliances to further your cause. As you meet others who are engaged in the process, you can locate potential partners for programs and projects.

Building Your Program

Evaluating a Housing Market

This section of the KIT offers guidance on evaluating a housing market for the purposes of planning rental assistance or housing development and provides an overview of more formal market studies needed for development.

The need for better housing options for people with serious mental illnesses might seem obvious, but the solutions depend on many factors that can differ greatly from community to community. The age and type of the local housing stock, the condition of the economy, the local political climate, and the availability of transit and other resources all influence the type of approach to housing affordability that has the greatest likelihood of success. Thus, it is important to evaluate the local housing market before making a commitment to any housing strategy.

An informal evaluation can help determine the best way to allocate resources among strategies such as opening access to existing housing stock through rental subsidies, rehabilitating housing, or constructing new housing.

It can also help to identify types of housing for development, potential sites, and partners for housing development.

The results of an evaluation can also be used to influence local planning processes described in the previous section or to approach potential funding sources.

However, proceeding with a significant development through rehabilitation or construction is likely to require a more formal market study, typically performed by a third party.

An evaluation of a housing market and a formal market study seek to accomplish the same goal—to answer questions about whether a proposed housing project is financially viable. They also use many of the same indicators, such as income levels and vacancy rates, to make their case.

However, it is important to be aware that the housing and real estate industry distinguishes between the two. A market study is a formal document and usually fulfills specific requirements for a lender, funder, or other outside party.

The text that follows discusses the contents of an evaluation, points out some of the ways that a market study differs, and suggests ways to conduct an evaluation or commission a market study.

Conducting an Informal Evaluation

Evaluating the housing market for a community includes looking at numerous specific pieces of information that, when taken together, create a general picture. In short, an evaluation uses empirical data to answer the following questions:

- Who do you want to serve?

- What are their needs?

- What programs and services are already available to help?

- What gaps exist?

Although your agency may already be familiar with these needs, the impartial nature of a market evaluation is important to decisionmakers and funders who will want to support a project. Potential partners also will want to know how

you made your decisions and a housing evaluation will help explain this. As you gather data, keep these questions in mind and use any information at your disposal to answer them and paint a picture of your community's housing needs.

Contents of an evaluation

The evaluation answers questions about housing that is already available, such as how much that housing costs, where it is located, what kind of condition the housing is in, and who can afford to live there. A housing evaluation also sheds light on what kinds of housing are lacking in a community. Finally, a good evaluation of the housing market should also look at the population that an organization intends to serve and attempt to match data about the population with the housing options that are available.

Define the study area

First, your evaluation describes housing for a particular geographic area. You should identify a region, a city or town, or a neighborhood within a city.

If you are just beginning to consider developing housing or want to show other housing providers that a need exists for new or different units in the community, working on any level other than community-wide is not required. Include a map of the target area and describe why and how the boundaries were chosen. Then, gather market data that are specific to that geographic area.

Define the population

After you have defined the location in which your study takes place, tell the reader about the people who live there. How many people live in the area? Is the population growing, declining, or stable? Are there any demographic patterns that affect housing such as race, ethnicity, or family composition?

The purpose of looking at this information is to determine how many people are competing for housing, if demand for housing is likely to increase or decrease, and what the housing preferences of the population may be.

Your evaluation should include a description of the specific population or submarket you intend to serve. For example, your submarket might include the following:

- people with serious mental illnesses;
- people living in institutions;
- people living in inappropriately restrictive settings;
- adults who are living with family members;
- people who are homeless; or
- people who are chronically homeless.

Using U.S. Census data, local counts, data from service providers, and other local sources, an evaluation should enumerate the population and note any demographic indicators of interest that affect the group such as educational levels, family or household composition, veteran or disability status, and any other factors that may affect the population's ability to obtain and keep housing.

Likewise, determining the income levels of the population helps determine whether housing offered is affordable to the population or out of reach and in what price range new housing will have to be to compete with the existing housing stock. Finally, address the most recent patterns of change for your target population. Is this group growing, stable, or declining? Has a recent event such as company layoffs or natural disaster added to the problem? This information helps you decide how many units of housing will be needed over time.

Describe housing need

Once you have described the area in which you operate, who you want to serve, and how many of these people exist, look at the need for housing. For the target population, what is the following?

- Source and amount of annual or monthly income;
- Amount paid for rent (if any);
- Ability to pay startup costs such as deposits, utility payments, and furnishings;
- Amount available for rent; and
- Other factors affecting housing choice such as where people work, medical needs, and the availability of transportation.

Use this information to make conclusions about the kind of housing people want, what rent levels they can afford, and where they would be likely to want to live. This will allow you to identify gaps in what is currently available and opportunities to meet the demand for housing.

Describe the local housing conditions

The next step in evaluating the local housing market is to look at the availability of housing in the community. This section of the evaluation will describe what housing exists in the community, how much it costs, where it is located, and how available it is to people in your target market. Indicators to consider in this section include the following:

- The number of housing units;
- Owner-occupied versus rented housing and vacancy rates;
- Median sales price for housing, median rent by unit size, and median sales price and rent as a percentage of income; and
- Quality of the housing.

The number of housing units, whether they are owned or rented, and the vacancy rates help describe whether a need for more new units exists. Does the number of units exceed the number of people looking for housing or is there a shortage? Population and economic trends such as a high number of students or transitory workers or the strength of the local economy will influence rates of homeownership and rental vacancies. Any significant trends should be documented in the evaluation.

It is also important to consider the types of housing that are available and desired. For example, a community might have a number of larger homes that have been converted from single-family use to multiple units. Residents of a city with a high cost of living might have different expectations of space than residents of smaller communities.

Finally, the quality of the housing stock also affects its "marketability" and guides new development. Is the housing stock old, in substandard condition, and in need of repair or demolition? Is the best housing located in one part of town? Must other quality factors such as the availability of transportation be considered?

Quality and availability of housing and land might help you decide if rehabilitation is a better option than new construction. This analysis of what physically exists in the community will help you decide what type of housing assistance is most efficient. If quality units are plentiful, for example, tenant-based rental assistance may be a better solution than new development.

Summary and proposed solutions

In this section of the housing evaluation or market study, take information from the previous sections and summarize how available housing does or does not meet the needs and incomes of the target population. Reiterate the most important points and then brainstorm potential solutions to the problem.

For example, if rental units are available but rent is too expensive, then perhaps the solution is more vouchers for your population. Whatever the potential solutions may be, make sure the data back them up. And, if you entered the evaluation process to demonstrate that a proposed housing project is a good idea, make sure that the facts really do add up. If not, be prepared to change plans.

Once you have a proposed solution, sketch out the number of units and a rough budget. If you have identified rehabilitation or construction as a preferred approach, development professionals such as builders, architects, and planners can help with a budget if you propose to develop new units.

This process allows you to evaluate the idea further and take the project to the next phase, which is determining financial feasibility. Many other factors, such as the cost of land and materials, competition for subsidies, and how busy builders are will affect the financial feasibility of a project, even if the units are desperately needed by the market.

Deciding how far to go with an analysis

A committed development team can spend weeks and months putting together a good housing evaluation. In fact, once you get started, it is easy to keep going, changing your evaluation each time new information is available. However, a housing evaluation is meant to be a point-in-time snapshot of the housing market and the needs of your target population.

As you consider how far to go with an evaluation, ask yourself what the evaluation is for and who will use it. Is it for the policymakers in your organization who will need to decide on new directions for the agency or is it a preliminary market study for a particular housing project? Will funders base their decision to support you on the market study or are the latest data needed for the Continuum of Care? Knowing who will use the study and how will help define how much information you need to gather, as well as how technical and timely the information needs to be.

As you evaluate the housing market, ask yourself if the community is likely to experience changes in the near future that would greatly affect the evaluation and whether you will be able to refine and add to the study later.

Many organizations involved in housing keep a running "pulse" on the housing needs of the community by continually gathering data and updating information. This is often the easiest way to ensure that you have the information you need when you need it. Firms that conduct market research also keep up-to-date information and often sell that information through a monthly or quarterly subscription service for a nominal price.

Sources of information

Much of the data needed for a market evaluation are readily available on the Internet, from local government agencies, and from other housing organizations, both for-profit and nonprofit. Much of it is free, but some can be expensive.

An organization exploring housing options can do a basic study on its own, contract for one with a group of graduate students or a consultant, or have a professional organization complete a more indepth study, if needed. Some of the data can be costly, difficult to obtain, or confusing for all but professional statisticians. Focus on what you can obtain and use existing networks to help fill in the gaps. The most common sources of information are noted below:

- U.S. Census and American Fact Finder (**http://www.census.gov**);

- Local housing agency (PHA or city housing department);

- State housing agency;

- Local market study companies (these often provide subscriptions to quarterly newsletters and reports);

- Local accounting, title, or real estate companies (Web sites often provide free information);

- Business journal;

- Newspaper;

- Advocacy organizations;

- Trade associations; and

- HUD (**http://www.hud.gov**).

Proceeding with a Market Study

If your evaluation of the housing market suggests that construction or rehabilitation is needed to ensure housing affordability as part of the Permanent Supportive Housing initiative, it is likely that a more formal market study will be needed.

Many applications for housing funds, such as the Low Income Housing Tax Credit Program, require a formal market study as part of the application and have their own specific requirements for what data are included and how they are presented.

Pay careful attention to local requirements if you intend to use a study for applications that require them. Most often, you will need to engage an outside consultant to complete the market study. Fortunately, much of the information that is gathered in an evaluation of a housing market can be used in the market study.

Differences

While evaluating the housing market is useful in determining the need for affordable housing and the best method for providing it, a market study will more rigorously examine the data and evaluate whether a proposed solution is practical.

A market study is more focused on determining the feasibility of a proposed approach. It uses information from a project's sponsor such as proposed rents and the lease-up or sale schedule for a planned project and compares that to data from similar projects already in operation, as well as general information for the city or town as a whole. This information includes local rents, amenities provided at similar projects, the number of units under construction in the area, building permits issued, and current occupancy rates.

A market study is geographically specific. It usually describes the study area in three parts:

- The general housing market for a city or town;

- A description of the submarket which can be geographic, population specific, or both; and

- Data for a specific potential housing site.

General market information is relatively easy to find; you may need to show a market analyst where to get the best information about your target market, but a good market analyst will gather detailed information about the specific housing site and any housing that surrounds it. He or she may conduct extensive research on the site and its surrounding market.

A market study offers greater detail about the number of units already available and the need for new units. Called the *absorption rate*, a market study will predict how quickly or slowly new units will become occupied or "absorbed" by the market.

Data that help an analyst predict this rate include the vacancy rates and rental prices of units already available. This determination is very important for funders. A state housing finance agency wants to make sure it is giving its funds to the projects that are most needed, and a bank or other lender wants to know that the housing will operate as planned and will be able to pay back any debts incurred for construction or permanent financing.

Sample Outline of a Market Study

Identify the property

- Address
- Tax parcel numbers
- Any existing development and physical conditions
- Site factors of potential importance— environmental, traffic, utilities
- Ownership— current and past 3 years and any financial or legal aspects of ownership that may affect the development

Define the target population–for example, homeless people

- Numbers of people in target population (shelters, on streets, in transitional housing, hospitals, jails)
- Income levels and employment statistics for population
- Housing needs and wants
- Need for other services

Define the market area

- Boundaries and total population
- Any distinguishing factors (historic district, near a university, rural, high growth. etc.)
- Total housing
- Percent homeowners vs. renters

Single-family housing

- Owned or rented?
- Age of housing stock
- Substandard stock
- Number of homes for sale
- Average days on the market
- Median sales price or home values
- New stock being built—single-family permits, where, what price

Multifamily housing

- Number of units
- Age of housing stock
- Substandard stock
- Median rent or rent burden
- Fair Market Rent (FMR)
- FMR compared to income of target market
- Vacancy rates
- New stock being built—permits, location, price point
- Cost of development
- Affordable Housing
  - Mainstream resources—Available beds or units and price
  - Public Housing
  - Section 8
  - Subsidized privately owned housing (tax credit or bond projects)
  - Other subsidized units on the market already and any waiting lists or vacancies
  - Units for families or elderly

Summary and conclusions

- Fit between population needs or wants and housing stock
- Comparison of ability to pay prices
- Proposed units needed—type, price, number, location

A market study will also describe the income levels and income sources of your target population. Most lenders are not familiar with special populations and will want to underwrite the project (evaluate its credit worthiness) by making assumptions that may be true for the population at large but not for your target population. In particular, include information on the reliability of income sources and any facts about the population that would affect the operation such as a lower mobility rate (moving less often) that might improve the vacancy rate of a housing development.

You may need to provide a market analyst with data sources for this information. Alternatively, you can provide a potential lender or funder with this information in a separate overview of the project.

How to engage a market study company

If a formal market study is required or desired, many professional organizations can provide an analysis. Depending on your city, just looking in the phone book or on the Internet under "market research" will produce a variety of companies including consulting firms, accountants, market analysts, and others who can do the job.

First check to see if your funders require a specific type of firm or have any licensing or certification requirements. For example, some state housing agencies require that you use an approved market study provider and will furnish a list of those providers. A local housing department or private lender may have similar requirements.

Second, choose a provider that has experience that closely matches your project needs—one that specializes in real estate is best, and one that has experience in affordable housing is even better. Also look at the number of market studies produced by the firm each year and who is included in their list of clients.

Call former clients, especially other nonprofit organizations, for recommendations. Finally, check with your local housing agency, the PHA, and ask builders and for-profit developers for recommendations. Some may even let you look at recent studies they have purchased, which would be very useful for an informal evaluation.

The cost of a study can range from $3,000 to $10,000 depending on the market, the scope of the study, the time of year, and other factors. Average costs are about $5,000.

Building Your Program

Phases of Housing Development

This section of the KIT identifies major tasks associated with developing housing through construction or rehabilitation and describes these tasks according to five phases: concept, feasibility analysis, financing, construction, and lease-up and operation.

Two major stages of any housing project-predevelopment and development exist. As the names imply, *predevelopment* is any and every aspect that occurs before the project is physically underway and *development* refers to the actual construction or rehabilitation of the housing units.

Within these two stages are five major phases, each of which contains numerous goals, milestones, and tasks. They are as follows:

- Concept;
- Feasibility analysis;
- Financing;
- Construction; and
- Lease-up and operation.

Concept

The development concept phase is the foundation of any project. The goal of this phase is to take a rough idea or an opportunity for development and either scrap it or turn it into an actual plan for creating new housing units.

During this phase, your development team will begin to try different scenarios on for size and refine them until you have a well-fitting project concept that will meet the needs of both the organization and its clients.

Factors that your development team must consider include who you intend to serve; the need for housing in the community; funding sources; the availability of land or buildings for construction or rehabilitation; and the capability and desires of your organization to develop, own, and operate housing.

An initial concept for housing will define the following:

- Who the end users are;

- How many units the team wants to develop;

- Whether the focus of the project is short- or long-term;

- If leased or for-sale housing is better;

- What the look and feel of a project might be; and

- What potential sites are available to accommodate the project.

The concept should also identify the type of housing: multi-unit apartment building, single-room occupancy (SRO) building, scattered-site apartments, duplexes, mobile homes, etc. At the end of this phase, your team should be able to write a simple yet descriptive narrative about the proposed project that may be shared with potential partners and funders.

Location is an important consideration. One controversy in the field of Permanent Supportive Housing is whether it is a good idea to site a housing program in a rundown area where the Permanent Supportive Housing residence will become the nicest building on the block or in the entire neighborhood. A few programs may be seen to have contributed to a general improvement (turnaround) in the housing quality in an entire neighborhood. In other cases, Permanent Supportive Housing projects have failed when they were in blighted areas.

The development team

Every project requires a group of professionals qualified to help the project in a variety of specialized ways. As work progresses, the team will grow. Most projects start with the developer and then add team members as expertise and resources are needed.

Typical team members include the following:

- Architect/engineer

- Nonprofit sponsor or developer

- Property manager

- Construction manager or general contractor

- Accountant

- Lawyer

- Supportive service partner

- Project manager

- Marketing and public relations personnel

- Lender and other funders

Concepts for projects usually flow out of a need for housing observed by an organization, but they may just as easily arise out of an opportunity—a building comes up for sale, another organization drops out of a project, or a benefactor wants to donate a piece of land. However the concept comes to exist, it must go through rigorous testing and refinement before it can become real.

This process of testing a concept is the second phase of development and is called the *feasibility analysis*.

Feasibility analysis

In the feasibility analysis, members of your development team take a scientific approach to evaluating the concept. Using factual data, the feasibility analysis determines whether the project is viable from the following perspectives:

- A physical or site perspective (can you build it?);

- A financial perspective (can you fund it?);

- A market perspective (if you build it, will they come?); and

- An organizational perspective (do you have the monetary and human resources to be successful?).

Specific factors for each area tell the team whether the project will work and, if not, what factors you need to change in order to make it work. Outcomes of this phase are a physical analysis of the site, a development budget, an operating pro forma, and a preliminary market study or housing evaluation.

A complete feasibility analysis should look at the following pieces of information:

- **Physical analysis.** Look at the physical strengths and weaknesses of the site. This includes the terrain, soil, trees, and other vegetation; an environmental assessment that considers past uses and possible contamination of the site; whether appropriate street and utility access exists; if surrounding land uses are compatible with the development; the size and zoning of the land; and any easements, ordinances, or other municipal plans affecting development on the site. Will the neighborhood oppose the project?

■ **Financial analysis.** How much will it cost to build the proposed development? How much rent will the project bring in? What are the costs of operating the project over the long haul? Develop preliminary budgets and calculate how much debt the project can bear, then estimate how much subsidy the project will need. Can you obtain financing for the project?

Costs of housing

Housing costs are divided into two categories—hard costs and soft costs.

Hard costs refer to tangible property such as land and construction materials. Often referred to as *bricks and sticks* or bricks and mortar, construction materials make up the bulk of any development project's budget.

Soft costs refer to costs incurred for intangible items, such as people and services, and items necessary to fulfill regulatory requirements. The cost of paying a project manager, architectural fees, engineering fees, and permits are all examples of soft costs. While not as large a part of the budget as hard costs, soft costs are substantial and typically have many more categories in a project budget.

■ **Market analysis.** How much demand will there be for the proposed project? What are the needs and desires of the target market for the property? Will the location, potential number of units, surrounding land uses, and proposed rents satisfy these needs? Can their needs be better met by competing properties? Gather rent and sales data for the city as a whole as well as the immediate neighborhood and for similar housing projects.

■ **Organizational analysis.** Identify whether the project fits in with your organizational mission and goals. Is the governing body likely to support the project? Does your organization have the resources it needs to complete the project successfully? Who will do the work? Do you need to hire more staff and how much will it cost? Can you be more successful by partnering with another organization? In this phase, an organization should identify a preliminary development team and decide who will talk about the project to the public and how.

Finally, if the project is feasible, your organization is ready to move on to a more intense and expensive phase of predevelopment planning and will want to obtain site control right away.

Site control means that the organization is authorized to obtain information and conduct work on the site as necessary to obtain any loans or subsidies required to make the project work. Site control can be in the form of the following:

■ An actual deed (you own the site);

■ A contract to buy the property that is contingent on financing, but that the seller cannot terminate if you have gotten a commitment for financing;

■ A long-term ground lease; or

■ A legal partnership with the owner of a property.

Financing

Once you examine and revise a project concept and decide that it is feasible, you must seek funding for the project. All affordable housing projects require funding for capital expenditures (purchasing, building, or renovating housing) and operating costs (cleaning and maintenance, insurance, property taxes, etc.). Permanent Supportive Housing also requires ongoing support services funding. Sources of funding for these costs come in the form of equity, loans, and subsidies:

- Equity is money the developer or owner puts into the deal. This can be cash or an asset, such as land or a building that is owned outright, or a combination of the two. It can also come from investors in the project.

- Loans are generally for both construction and permanent financing of the project. Some projects also have bridge loans that provide funds for the project until the developer can obtain subsidy sources.

- Subsidies are below-market rate loans and grants that cover the difference between the project's cost and its ability to carry debt. Subsidies are generally given from governmental sources in return for serving a public good, in this case, providing housing to low-income people. Permanent Supportive Housing projects usually use subsidies to reduce or eliminate the need for a mortgage, as well as to pay for operating and service costs. Market rate projects typically do not have subsidies; developers simply raise the rents to pay for the costs. Most projects require multiple funding sources, referred to in the housing industry as "layered" financing.

How Capital Financing Works

Capital financing makes project-based Permanent Supportive Housing more affordable to tenants. Support for development costs, such as purchasing property, building or rehabilitating units, architectural design, building permits, etc., can come from sources such as grants, low-interest loans, or tax credits. Although Permanent Supportive Housing programs typically receive ongoing operating subsidies (such as Section 8 or other forms of rental assistance) and funding for supportive services, the initial capital financing makes the ongoing costs of providing housing much lower.

For a metropolitan market, this example assumes that development costs are $80,000 per efficiency apartment unit. With a conventional loan for development costs of 7% interest and a 30-year term, rent is $882 per month:

- $532 goes to debt service.
- $350 goes to operations.

With a low-interest loan of 2% interest and a 30-year term, rent is $645 per month:

- $295 goes to debt service.
- $350 goes to operations.

With tax credits providing additional equity that reduces the loan amount to $32,000 per unit and the same low interest loan (2% interest and a 30-year term), rent is $468 per month:

- $118 goes to debt service.
- $350 goes to operations.

Overall, development and operating costs remain the same, but the more favorable interest rate and additional equity mean that the project can charge lower rents and becomes more affordable to low- and very low-income people.

A historic preservation group rehabilitated an apartment building offering 14 units of affordable housing, using funding from a variety of sources. The building, which historically had been low-rent housing in a neighborhood occupied by immigrants and minorities, was on the verge of being condemned when the group took over the project. Seeking to preserve the building as an interesting example of a late 19th Century apartment building, the agency pulled together funding, including a $670,000 loan from the city, a $290,000 bank loan, $260,000 in Historic Rehabilitation Tax Credits, and $645,000 in Low Income Housing Tax Credits.

Source: Adapted from the National Trust for Historic Preservation **http://www.nationaltrust.org/issues/ housing/Victorian_Row_WA.html**

A nonprofit developed an apartment building to offer affordable housing to low- and very low-income residents. An interesting feature of the building is its energy efficiency—it uses solar energy for heat and hot water, has highly efficient insulation and ventilation, and was constructed largely from recycled materials. As a result, the project was able to use funding from the state and the local utility company to complement the Low Income Housing Tax Credits used to fund construction.

Source: Adapted from the Affordable Housing Design Advisor **http://www.designadvisor.org/gallery/gallery.html**

The basic tools you need to obtain financing are the development budget, the project pro forma, and a sources and uses spreadsheet. As mentioned above, the development budget lays out the hard and soft costs of developing a project—everything from construction to loan interest, consultant costs, and operating reserves. This total is the development cost.

The operating pro forma is a working budget for the project that shows how much rent will be generated and the costs of keeping the project up and running. The difference between the rent (*income*) and the operating expenses (*costs*) is called the Net Operating Income (NOI). The NOI is then used to determine what loan payments and a total loan amount can be. Once you know how much debt the project can afford, you can calculate the "gap" or amount of subsidy needed

to make the project happen. This allows you to determine realistically whether enough potential subsidies are available for the project. Both the development budget and the operating pro forma are adapted as events change.

The Lending Process in Brief

Once you have applied for a loan, the lender will take you through a series of steps before you can access the funds. Briefly, these steps are as follows:

- The bank issues an approval letter, subject to underwriting (examination of payment terms and credit worthiness) and other conditions.

- The bank issues a commitment letter articulating all the terms of the loan.

- Your organization applies for and receives additional commitment letters from other funding sources as necessary (for example, grants, additional loans).

- Once conditions in commitment letters are met (this process is often called due diligence), you order a title search or title commitment from a local title company.

- If the title is clear, the next step is to schedule a closing with the lenders.

- At the closing, the responsible parties sign documents and funds change hands (or bank accounts).

- The closing documents are recorded with the county or state by the title company; this makes the loan and any deeds or notes official.

Loan disbursements are made according to lender instructions. Usually you must complete a "draw" request that outlines what the funds will be used for and provides backup documentation to the bank. Most banks will require you to have an account with them. They wire the funds into your account and you make payments per your organization's normal processes.

Lending process

Once a project has working budgets, a project description, and a timeline, the team will "shop" the project to different lenders. During the loan analysis phase, each lender will compare the budget and pro forma against its internal loan criteria to determine what, if any, loan they can offer the project. Lenders look at organizational information as well as the project itself to determine the credit worthiness of the project and the amount of risk they feel is involved. Having some equity is key to obtaining a loan since few lenders will provide more than 80 percent of the value of the project in loan dollars.

In addition to loans, during the financing phase the development team applies for any subsidies it hopes to receive for the project. Subsidy applications are often as complex, if not more complex, than loan applications. Since subsidies typically come from government sources and have relaxed repayment standards, competition is usually fierce for them. Your project will be expected to score well by providing a variety of amenities or other aspects considered to serve the public good.

Once lenders or funders have chosen to provide funding to a project, they will issue a commitment or award letter that lays out the terms of the loan or subsidy. Your organization then accepts (or negotiates) the terms; formal loan documents are written, negotiated, and executed; and loans are "closed."

Closing is the process of signing and recording the legal documents that transfer funds from the lender to the project and allow construction to begin. The construction loan is generally repaid when permanent financing for the project kicks in—once construction is complete and the building is ready for occupancy.

Construction

Some items related to the construction of the project are considered part of predevelopment and occur while the project is in the financing phase. Typical products that must be complete before the financing phase is finished are a complete set of project plans—including all architectural, engineering, and other technical work—as well as any zoning or subdivision changes and variances needed from the local government.

Once these items are complete, the architect will help the project manager assemble a bid package to obtain bids from construction firms. Some projects require more than one company to complete different parts of the project and therefore require more than one bid package. Once bids are obtained and a contractor selected, the developer enters into a contract with the builder, applies for permits, and begins construction.

For more information on the development process

The Enterprise Foundation is a national nonprofit organization that has helped build more than 175,000 units of affordable housing. The agency's Web site contains excellent resources for housing development. Two checklists on the development process are of particular interest:

- A *Planning Tasks and Products Checklist* that lists typical development tasks in each of five development stages; and
- A *Project Data Checklist*.

These may be found online at: **http://www. enterprisefoundation.org/model percent20documents/ e369.htm**

Your development team will rely heavily on its technical personnel in the construction phase. A good relationship with the architect, engineer, construction manager, and others involved in making technical decisions is essential.

Funders are also important at this stage because they provide the flow of funds to build the project. The project manager will likely manage the flow of funds by doing the following:

- Requesting pay applications;

- Making sure the architect has certified that work is complete; and

- Providing pay applications to the lender with any lien waivers, proof of insurance, and other required paperwork.

A complete understanding of lender requirements and good communication with all team members is crucial during construction.

Marketing the project also needs to begin during construction. The team should have a designated marketing or communication person who manages the information about the project, including public relations and tenancy guidelines. A process for establishing eligibility and an application for tenancy should be created now. At the end of construction, after all inspections are completed, the project will be issued a certificate of occupancy and tenants can begin to move in.

Lease-up and operations

The most exciting phase of development is the initial lease-up and operation of the project. In this phase, the development team works to make sure that residents are housed in quality units and also are satisfied with any programmatic aspects of the project. This is also the time to make sure all aspects of operations are properly planned and running smoothly.

Usually the development team will rely a great deal on its marketing, property, management, and services members in this phase. Items to have in place before tenants move in are lease agreements, management plans, and a supportive services plan. If it has not already been completed, the developer will choose and sign a contract with a property management company, as well as any landscaping or other maintenance companies, and execute any service agreements with other partners such as those providing support services to tenants.

Any financing that has not been finalized will be completed now, and an annual budget for the project will be approved by the governing body and put into use. It is also important to establish a process for regular feedback on rent received, vacancy rates, regular expenses, maintenance costs, and other operating indicators so that problems may be addressed in a timely manner. Most importantly, a process for ensuring compliance with all local, state, and federal laws and regulations must be in place and followed. For a Permanent Supportive Housing project, this is also the phase in which services to tenants will be finalized and put into place.

Building Your Program

Appendix A: Case Study—Housing Support Teams

Housing Support Teams

Recognizing the need for specific housing-related support services for people with special needs, some communities use the Housing Support Team (HST) model. HSTs are specific human service staff that have extensive experience in delivering housing services and a thorough understanding of the affordable housing delivery system—its key players, policies, and planning activities. The HSTs are sometimes structured to provide housing-related support services to any person with a disability or special need, rather than to one specific subpopulation.

The type of housing-related support services that HSTs can provide often includes helping consumers search for housing (for example, completing housing applications [including Section 8 and public housing applications, if applicable], negotiating with landlords and public housing agencies, and providing ongoing stabilization services once the consumer is housed).

These services could include assistance with the following:

- Paying rent;
- Locating community amenities;
- Buying furnishings and needed household goods; and
- Maintaining a clean apartment.

In addition, HSTs often work with consumers to address housing problems when they arise. For example, HSTs can provide assistance with tenant-landlord mediation, including use of the protections included in fair housing laws to resolve any issues and prevent eviction.

Housing-Related Support Services, Massachusetts Housing Options Program

The Massachusetts Department of Housing and Community Development (DHCD), a statewide public housing agency (PHA), works in partnership with six other state health and human service agencies to target Section 8 vouchers to homeless people with disabilities in the Greater Boston area through the Housing Options Program (HOP).

Initially funded through a set-aside of 170 vouchers made available through a HUD Notice of Funding Availability, HOP brings together the housing resources needed by homeless people with disabilities and a range of support services. These services are funded by the Department of Mental Health, Department of Mental Retardation, Massachusetts Rehabilitation Commission, and two offices within the Department of Public Health (the bureaus of Substance Abuse Services and HIV/AIDS). This program has proved to be such a success that DHCD set aside an additional 170 vouchers for HOP.

This success of this program derives from the high level of collaboration among all of the agencies involved and the existence of a lead agency, JRI Health, which provides housing-related support services. Supported with funding from each participating state agency, JRI Health provides overall coordination of all HOP activities, minimizes the administrative burden, and ensures that HOP offers a seamless system of housing and supports for homeless people with disabilities.

JRI Health screens applicants for initial program eligibility with regard to homeless status, income, and current household composition. All applicants sign a Program Participation Agreement that lays out the expectations of the program. Participating in ongoing supportive services is not mandatory, and the rental assistance is not contingent on receiving services. However, participants are encouraged to accept ongoing services.

After the initial screening, JRI Health provides intensive assistance with housing search—including negotiating with landlords, identifying funds for security deposits, transportation, and filling out housing applications—as well as ongoing stabilization services to assist with housing-related tasks after moving in.

Within a few months after tenants move into the unit, JRI Health coordinates with existing case managers from the state human service agencies involved to ensure that participants' transition into Permanent Supportive Housing is seamless.

Contact:

Mary Anne Morrison
Director, Bureau of Federal Rental Assistance
Massachusetts Department of Housing
   and Community Development
100 Cambridge Street, Suite 300
Boston, MA 02114
(617) 573-1208
mary.anne.morrison@state.ma.us

State of Hawaii Housing Support Teams

The State of Hawaii's Adult Mental Health Division (AMHD) has partnered with Steadfast Housing Development Corporation, a private, nonprofit housing organization that administers a state-funded rental subsidy on behalf of AMHD and also provides Housing Support Team services through an AMHD contract.

The HSTs offer participants housing-related support services such as assistance locating appropriate units in the community; working with landlords to negotiate rents, utilities, and leases; and compiling necessary income and eligibility paperwork. Also, with permission, the HST contacts a case manager if consumers need clinical assistance. However, participating in the rental subsidy program is not contingent on receiving the supportive services.

Contact:

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(808) 733-8287
bfmirand@health.state.hi.u

Building Your Program

Appendix B: Sample Job Description—Housing Support Team Housing Specialist

The Housing Specialist (HS) is responsible for implementing the Permanent Supportive Housing program of the state or county Mental Health Authority. The HS will work collaboratively with designated Mental Health Authority (MHA) staff, agencies, and service providers to develop and provide stable, affordable, and long-term independent housing opportunities through short and long-term subsidies such as Section 8 vouchers or other types of permanent housing. The HS provides assistance to adults with serious and persistent mental illnesses, including homeless adults.

Duties and Responsibilities of the Housing Specialist

Permanent Supportive Housing Duties

Schedule, coordinate, and facilitate housing opportunities for consumers through housing development activities

Housing development activities include the following:

- Provide outreach to landlords and consumers to market the Permanent Supportive Housing program;
- Conduct face-to-face housing presentations; and
- Help complete applications of various rental housing resources including print media and Internet sources.

Help consumers secure and maintain affordable housing

Housing search activities include the following:

- Contact prospective landlords to schedule showings of rental units;
- Schedule housing interviews for consumers;
- Assist with the rental application process; and
- Help consumers make informed decisions.

Housing assistance activities include the following:

- Ensure the execution of a subsidy contract for the consumer and
- Maintain current information about consumers' benefits (that is, basic income and medical information) to ensure that the subsidy amount is accurate with regard to consumers' income.

Provide housing advocacy and other supportive services to consumers

- Help consumers meet tenancy obligations such as timely rent payments and other lease requirements;
- Assist consumers with housing-related issues relevant to fulfilling lease requirements such as initial household setup, budgeting, housekeeping, house rules, contacting the landlord about repairs and other problems in the home, health and safety (including fire emergency plan and other safety and security concerns), and other issues;
- Help mediate landlord-tenant issues;
- Provide followup services to consumers in maintaining their homes by providing periodic in-home visits;
- Help consumers apply for and transition to other types of long-term housing assistance, such as Section 8 vouchers or public housing;
- Collaborate with designated county agencies to ensure consumers' stability in the home; and
- Assist, guide, and refer consumers to other resources, as needed.

Administrative Duties

- Maintain security and confidentiality of consumer information;

- Prepare internal reports for MHA including demographic information; services provided to consumers; appointments with landlords, property managers, housing subsidy administrators, or other marketing efforts; and meetings with consumers; and

- Coordinate and record consumer applications to subsidy programs.

Qualifications

- Bachelor's degree preferred, preferably in the social sciences or human services field. Experience can be substituted for formal education.

- One year's experience working with special needs populations.

- Valid driver's license and clean driving record.

- Availability to work flexible hours to provide on-call support and respond to after-hours concerns and emergencies.

Building Your Program

Appendix C: Case Study—Washington, D.C.

The Washington, D.C. Department of Mental Health (DMH) embarked on a comprehensive approach to Permanent Supportive Housing as part of a long-range strategic plan the city developed in 2001. This sweeping reform plan was part of the court-ordered plan in *Dixon v. Williams,* the 3-decade old class action lawsuit brought against Washington, D.C. and the federal government.

The Dixon case was an ideal platform for a bold new approach to Permanent Supportive Housing, as it required the District and federal government to develop a community-based services system for people who had been, or potentially could be, hospitalized at Saint Elizabeth's Hospital—a public mental health inpatient facility.

The DMH took the extra step of targeting people who were chronically homeless with a mental illness or co-occurring disorder as one of the three priority groups for this Permanent Supportive Housing agenda. By focusing broadly on housing finance, rental subsidies, and service strategies, DMH developed a comprehensive Permanent Supportive Housing strategy that calls for the following:

- Financing a minimum of 100 permanent affordable housing units per year using a direct capital appropriations and access to financing through a partnership arrangement with key District housing agencies, including the D.C. Housing Authority and the D.C. Housing Finance Agency;

- Seeking bridge and permanent subsidies using both local and federal funds to ensure that scattered-site housing remains affordable and available to consumers across the city;

- Using the Medicaid Rehab Option (MRO) as a major source of funding for services, coupled with local resources to provide the same services for people who do not qualify for Medicaid but otherwise are the priority population because of the severity of their illness (including people with mental illnesses who are homeless, incarcerated, or hospitalized);

- Developing Community Support and Assertive Community Treatment (ACT) as major service modalities used in a community-based, scattered-site approach so consumers can be supported in their own recovery while they work to find employment, access benefits, and secure and maintain their own homes;

- Introducing opportunities for consumers to participate as caregivers, evaluators, and monitors of housing;

- Developing and funding supports beyond what is reimbursable with the MRO and housing subsidies;

- Incrementally shifting resources to a Housing First approach; and

- Establishing leadership roles for staff and consumers to focus their efforts on ensuring success of the plan.

This comprehensive strategy encompasses the elements necessary for consumers to be successful in housing and to access a broad range of resources that can be used together to produce successful outcomes. Each strategy alone would likely not produce the same results, regardless of the level of funding. These strategies also drive the system toward effective practice.

Gathering Support from Funders and Regulators

To accomplish the goals of this plan, DMH took several essential steps. First, DMH solicited support from a broad range of funders and regulators to knit together this comprehensive package. For example, on the housing side, the DC Housing Finance Agency (HFA) now administers the DMH capital dollars. This provides a broader range of opportunities to leverage mainstream affordable housing resources in combination with the DMH capital funds. The HFA benefits by having additional resources to expand its portfolio so that people with very low incomes can access housing being financed by the HFA. The HFA uses the DMH capital in larger projects, establishing set-asides for DMH consumers in integrated housing.

Likewise, DMH contracts with the DC Housing Authority (DCHA) to administer the DMH bridge subsidy program, giving DCHA support for one of its key functions—subsidy administration. The DCHA also assists DMH by regularly inspecting housing.

On the services side, with the support of the Medical Assistance Administration, DMH sought funding for the 70 percent of the target group eligible for Medicaid. The DMH made certain that presumptive eligibility and long-term engagement capability were built into the regulations to ensure that people who are homeless can have access to these services during the critical engagement period. The DMH also broadened the definition of Community Support to better serve people with co-occurring substance abuse and mental illness who are homeless.

Filling the Gaps in Funding

Second, DMH sought to fill the gaps that could potentially limit the Permanent Supportive Housing approach. The principal way the DMH did this was by developing a program known as Supportive Independent Living (SIL).

The DMH makes the SIL funds available to providers who, in turn, support people moving into and living in Permanent Supportive Housing arrangements. The program covers consumer "wraparound" expenses such as rental or utility costs; furnishings; and basic amenities, including kitchen setups, linens, fans, locks for doors, or other items that come with having a place of your own.

The DMH also used this program to establish expectations that providers will give consumers choices for housing, locate safe quality housing, do routine inspections with consumers, complete housing safety and quality checklists on a regularly scheduled basis, and help consumers in their dealings with landlords and utility companies. Provider staff are required to complete training on their housing-related responsibilities.

Establishing a Rental Subsidy Program

Third, DMH established a rental subsidy program, initially as a bridge subsidy program, to provide rental subsidies to try to meet the need for rental subsidies beyond what is available through the DCHA Section 8 Housing Choice Voucher Program and the HUD McKinney/Vento programs.

The DMH also used Block Grant funds to support the bridge subsidy program. Because of a lengthy Section 8 waiting list, DMH decided to use local and federal funds to subsidize housing that normally would have been handled through the Section 8 program. The DMH converted dollars from the pre-existing residential services program, which was being scaled down incrementally as the SIL program was expanded, to fund this program.

The most recent step was to adopt Housing First as the preferred model for helping people who are chronically homeless move into their own places and begin their recovery. The DMH began this program in 2004, setting aside local funds to help Pathways to Housing—a provider from New York City with a 10-year track record providing a Housing First ACT program for people who are chronically homeless—begin a Housing First program in the District.

Since then, Pathways has become a Medicaid provider for ACT and recently was awarded a federally funded Public Inebriate Grant. The DMH has subsequently provided startup funds for an additional team to serve people who are being diverted from or released from the DC Jail.

Building Community Alliances

Finally, DMH built a strong alliance with the Community Partnership for the Homeless, the nonprofit organization responsible for administering the District's Federal McKinney/Vento Homeless Assistance funds, and the DCHA.

The Partnership contributed McKinney/Vento rental vouchers for 75 households; DCHA gave these households a preference so they could be transitioned to the Section 8 Housing Choice Voucher program.

Contacts:

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Building Your Program

Appendix D: Case Study— Allegheny County, Pennsylvania

During recent years, the Allegheny County Office of Behavioral Health (OBH) established a priority goal to reduce the use of state and local hospital inpatient resources by implementing evidence-based best practice community recovery and resiliency services—including Permanent Supportive Housing. This effort was also intended to benefit the entire Allegheny County community through more appropriate and efficient use of resources to support high-priority consumers with serious mental illnesses and co-occurring disorders by reducing their reliance on hospital, emergency shelter, and criminal justice resources.

As is the case with virtually all public mental health systems, significant barriers blocked consumers' access to Permanent Supportive Housing, including a lack of units affordable to people with Supplemental Security Income (SSI) benefits (equal to roughly $600 per month).

In Allegheny County, important strategic opportunities were created by state policies that permitted OBH to retain and reinvest $5 million in savings achieved through the Allegheny County Health Choices Behavioral Health initiative. The OBH made the important strategic decision to use these Reinvestment Funds to jumpstart a comprehensive Permanent Supportive Housing initiative that would also leverage additional affordable housing resources and create new partnerships with the county's affordable housing delivery system.

Developing a Strategic Plan

To implement its vision and new housing policy, OBH developed a Permanent Supportive Housing strategic plan that focused on the fundamentals of acquiring and producing new Permanent Supportive Housing units, as well as OBH service system resources and new housing supports for consumers. With the active participation and advice of a consumer/family Supportive Housing Advisory Committee, OBH's Housing as Home strategic plan adopted six systems-oriented recommendations.

These six recommendations were designed to facilitate creating 220 to 240 new Permanent Supportive Housing units linked with flexible community-based services and supports, which could help sustain tenancy and foster community-based recovery and resiliency for high-priority consumers.

The strategies in the housing plan were also designed to create and sustain cross-system partnerships between OBH and the region's affordable housing funders/providers, including the Allegheny County Public Housing Authority, City of Pittsburgh Public Housing Authority, Allegheny County Economic Development Department, the City of Pittsburgh Urban Redevelopment Authority, and the Pennsylvania Housing Finance Agency.

The OBH is now in the process of implementing its Permanent Supportive Housing initiative, which includes a $2 million Housing Development Fund to support creating 60 to 80 new Permanent Supportive Housing units. These funds are being used to leverage other federal affordable housing development funding (for example, HUD's HOME and McKinney/Vento Homeless Assistance programs,

as well as federal Low Income Housing Tax Credit equity) and are being administered on behalf of OBH by the Allegheny County Housing Authority.

This formal partnership enhances the linkages between the county's housing and service system sectors, provides OBH with access to housing development/finance expertise, and positions both agencies to seek funding from the Pennsylvania Housing Finance Agency.

Creating a "One-Stop" Approach for Consumers

In addition to the new units created through the Housing Development Fund, OBH set aside an additional $3 million of Reinvestment Funds to lease additional housing units and to create a more integrated "one-stop" approach for high-priority consumers moving into new Permanent Supportive Housing. Through a new Permanent Supportive Housing Provider, OBH will help consumers access the following resources:

- The 60 to 80 Permanent Supportive Housing units created through the Housing Development Fund.

- Sixty additional units of scattered-site Permanent Supportive Housing funded through a $1.9 million multi-year, project-based leasing program. Some units will be occupied by consumers who currently might not be eligible for federal housing assistance due to factors such as poor housing histories or criminal records, but who could overcome those barriers with a successful tenancy.

- A new Bridge Subsidy program that will help about 100 high-priority consumers to get decent, safe, and affordable housing in the community immediately. Partnerships with local public housing agencies will help transition consumers from these temporary bridge housing subsidies to Section 8 Housing Choice Vouchers.

- A new Housing Support Team to provide comprehensive housing supports to all 220 to 240 consumers living in the new Permanent Supportive Housing units. The team will also build housing competency across OBH's entire services system.

- A new Housing Clearinghouse to manage the Permanent Supportive Housing waiting list, maintain a housing library, and develop and manage an affordable housing database that is accessible to all OBH consumers, families, and providers.

- A new Housing Contingency Fund to pay for one-time housing-related expenses such as housing search transportation, security deposits, utility hookups, and purchase of household furniture and goods.

In addition to these new housing support services, OBH will ensure that each consumer living in Permanent Supportive Housing has a clearly identified "system of care" agency. The system of care agency is expected to be available to enrolled consumers on a 24-hour/7-day-per-week basis and is responsible for ensuring that assigned consumers receive the attention, services, and supports they need to live successfully in Permanent Supportive Housing.

Community support staff from the system of care agency will work closely with the Housing Support Team to facilitate housing preparation and tenancy and to marshal the community services and supports needed by each person moving into Permanent Supportive Housing.

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Deputy Director for Behavioral Health
Allegheny County Department of Human Services
304 Wood Street
Pittsburgh, PA 15222
(412) 350-4280

Building Your Program

Appendix E: State Housing Agencies

Developed by the Technical Assistance Collaborative, Inc.

State	State Housing Finance Agency	State Public Housing Agency	State Department of Community Affairs
AL	AL Housing Finance Authority (334) 244-9200 http://www.ahfa.com	None	AL Dept. of Economic and Community Affairs (334) 242-5442 http://www.adeca.alabama.gov/columns.aspx?m=4&id=19&id2=104
AK	AK Housing Finance Corporation (907) 330-8273 http://www.ahfc.state.ak.us	AK Housing Finance Corporation (907) 330-8273 http://www.ahfc.state.ak.us	AK Housing Finance Corporation (907) 330-8273 http://www.ahfc.state.ak.us
AZ	AZ Dept. of Housing (602) 771-1000 http://www.housingaz.com	AZ Public Housing Authority (602) 771-1000 http://www.housingaz.com/pha/phaprograms.asp	AZ Dept. of Housing (602) 771-1000 http://www.housingaz.com
AR	AR Development Finance Authority (501) 682-5900 http://www.accessarkansas.org/adfa	None	AR Development Finance Authority (501) 682-5900 http://www.accessarkansas.org/adfa
CA	CA Housing Finance Agency (916) 322-3991 http://www.calhfa.ca.gov	CA Dept. of Housing and Community Development (916) 327-3618 http://www.hcd.ca.gov/hpd	CA Dept. of Housing and Community Development Division of Housing Policy and Development (916) 327-2642 http://www.hcd.ca.gov/hpd
CO	CO Housing and Finance Authority (303) 297-2432 http://www.colohfa.org	CO Division of Housing (303) 866-4651 http://www.dola.state.co.us/doh/Index.htm CO Dept. of Human Services (303) 866-7350 Supportive Housing and Homeless Programs http://www.cdhs.state.co.us	CO Division of Housing (303) 866-4651 http://www.dola.state.co.hus/doh/Index.htm
CT	CT Housing Finance Authority (860) 721-9501 http://www.chfa.org	CT Dept. of Social Services (860) 424-5578 http://www.dss.state.ct.us/svcs/Housing/section8.htm	CT Dept. of Economic and Community Development (860) 270-8180 http://www.ct.gov/ecd/site/default.asp
DE	DE State Housing Authority (302) 739-4263 http://www2.state.de.us/dsha	DE State Housing Authority (302) 739-4263 http://www2.state.de.us/dsha	DE State Housing Authority (302) 739-4263 http://www2.state.de.us/dsha/research_frame.htm
DC	DC Housing Finance Agency (202) 777-1600 http://www.dchfa.org	DC Housing Authority (202) 535-1000 http://www.dchousing.org	DC Dept. of Housing and Community Development (202) 442-7200 http://dhcd.dc.gov/main.shtm
FL	FL Housing Finance Corporation (850) 488-4197 http://www.floridahousing.org	None	FL Dept. of Community Affairs (850) 487-3644 http://www.dca.state.fl.us
GA	GA Dept. of Community Affairs/GA Housing and Finance Authority (404) 679-3174 http://www.dca.state.ga.us	GA Dept. of Community Affairs (404) 679-3174 http://www.dca.state.ga.us	GA Dept. of Community Affairs (404) 679-3174 http://www.dca.state.ga.us

State	State Housing Finance Agency	State Public Housing Agency	State Department of Community Affairs
HI	Housing and Community Development Corporation of HI (808) 587-0639 http://www.hcdch.state.hi.us	Housing and Community Development Corporation of HI (808) 587-0639 http://www.hcdch.state.hi.us	Housing and Community Development Corporation of HI (808) 587-0639 http://www.hcdch.state.hi.us
ID	ID Housing and Finance Association (208) 331-4882 http://www.ihfa.org	ID Housing and Finance Association (208) 331-4882 http://www.ihfa.org	ID Housing and Finance Association (208) 331-4712 http://www.ihfa.org
IL	IL Housing Development Authority (312) 836-5200 http://www.ihda.org	IL Department of Commerce and Economic Opportunity (618) 997-4394 http://www.commerce.state.il.us/	IL Housing Development Authority (312) 836-5354 http://www.ihda.org
IN	IN Housing Finance Authority (317) 232-7777 http://www.indianahousing.org	IN Family and Social Services Administration (317) 232-7045 http://www.in.gov/fssa/families/ housing/index.html	IN Dept. of Commerce (317) 232-8333 http://www.state.in.us/doc
IA	IA Finance Authority (515) 242-4990 http://www.ifahome.com	None	IA Dept. of Economic Development (515) 242-4807 http://www.state.ia.us/ided
KS	KS Development Finance Authority (785) 357-4445 http://www.kdfa.org	None	KS Housing Resources Corporation (785) 296-5865 http://www.kshousingcorp.org
KY	KY Housing Corporation (502) 564-7630 http://www.kyhousing.org	KY Housing Corporation (502) 564-7630 http://www.kyhousing.org	KY Housing Corporation (502) 564-7630 http://www.kyhousing.org
LA	LA Housing Finance Agency (225) 763-8700 http://www.lhfa.state.la.us	None	LA Office of Community Development (225) 342-7412 http://www.state.la.us/cdbg/cdbg.htm
ME	ME State Housing Authority (207) 626-4600 http://www.mainehousing.org	ME State Housing Authority (207) 626-4600 http://www.mainehousing.org	ME State Housing Authority (207) 626-4600 http://www.mainehousing.org
MD	MD Dept. of Housing and Community Development (410) 514-7000 http://www.dhcd.state.md.us	MD Dept. of Housing and Community Development (410) 514-7000 http://www.dhcd.state.md.us	MD Dept. of Housing and Community Development (410) 514-7000 http://www.dhcd.state.md.us
MA	MassHousing (617) 854-1000 http://www.masshousing.com	MA Dept. of Housing and Community Development (617) 727-7765 http://www.state.ma.us/dhcd	MA Dept. of Housing and Community Development (617) 727-7765 http://www.state.ma.us/dhcd
MI	MI State Housing Development Authority (517) 373-8370 http://www.mshda.org	MI State Housing Development Authority (517) 373-8370 http://www.mshda.org	MI State Housing Development Authority (517) 373-8370 http://www.mshda.org
MN	MN Housing Finance Agency (651) 296 -7608 http://www.mhfa.state.mn.us	None	MN Housing Finance Agency (651) 296 -7608 http://www.mhfa.state.mn.us
MS	MS Home Corporation (601) 718-4636 http://www.mshomecorp.com	None	MS Division of Community Services (601) 359-9325 http://www.mdhs.state.ms.us/cs.html

State	State Housing Finance Agency	State Public Housing Agency	State Department of Community Affairs
MO	MO Housing Development Commission (816) 759-660 http://www.mhdc.com	None	MO Dept. of Economic and Community Development (573) 751-4962 http://www.ded.state.mo.us
MT	MT Board of Housing/Housing Division (406) 841-2845 http://www.commerce.state.mt.us/Housing/Hous_Home.html	Housing Division of MT Dept. of Commerce (406) 841-2801 http://www.commerce.state.mt.us/Housing/Hous_Home.html	Housing Division of MT Dept. of Commerce (406) 841-2820 http://www.commerce.state.mt.us/Housing/Hous_Home.html
NE	NE Investment Finance Authority (402) 434-3900 http://www.nifa.org	None	NE Dept. of Economic Development (402) 471-3119 http://crd.neded.org/
NV	NV Housing Division (702) 486-7220 http://www.nvhousing.state.nv.us	None	NV Commission on Economic Development (800) 336-1600 http://www.expand2nevada.com/newsite/index.html
NH	NH Housing Finance Authority (603) 472.8623 http://www.nhhfa.org	NH Housing Finance Authority (603) 472.8623 http://www.nhhfa.org	NH Housing Finance Authority (603) 472.8623 http://www.nhhfa.org
NJ	NJ Housing and Mortgage Finance Agency (609) 278-7400 http://www.state.nj.us/dca/hmfa	NJ Dept. of Community Affairs (609) 292-4080 http://www.state.nj.us/dca	NJ Dept. of Community Affairs (609) 292-6055 http://www.state.nj.us/dca/
NM	NM Mortgage Finance Authority (505) 843-6880 http://www.housingnm.org	None	NM Dept. of Finance and Administration (505) 827-3681 http://www.dfafcd.state.nm.us
NY	NY State Housing Finance Agency (212) 688-4000 http://www.nyhomes.org	NY State Division of Housing and Community Renewal (866) 275-3427 http://www.dhcr.state.ny.us	State Division of Housing and Community Renewal 212-480-7481 http://www.dhcr.state.ny.us
NC	NC Housing Finance Agency (919) 877-5700 http://www.nchfa.com	NC Dept. of Administration Commission of Indian Affairs (919) 733-5998 http://www.doa.state.nc.us/cia/indian.htm	NC Dept. of Commerce Division of Community Assistance (919) 733-4151 http://149.168.102.28
ND	ND Housing Finance Agency (701) 328-8080 http://www.ndhfa.org	None	ND Dept. of Commerce Division of Community Services (701) 328-4499 http://www.state.nd.us/dcs
OH	OH Housing Finance Agency (614) 466-7970 http://www.odod.state.oh.us/ohfa	None	OH Dept. of Development (800) 848-1300 http://www.odod.state.oh.us
OK	OK Housing Finance Agency (405) 848-1144 http://www.ohfa.org	OK Housing Finance Agency (405) 848-1144 http://www.ohfa.org	OK Office of Community Development (405) 815-5370 http://www.odoc.state.ok.us
OR	OR Housing and Community Services (503) 986-2000 http://www.hcs.state.or.us	None	OR Housing and Community Services (503) 986-2000 http://www.hcs.state.or.us

State	State Housing Finance Agency	State Public Housing Agency	State Department of Community Affairs
PA	PA Housing Finance Agency (717) 780-3800 http://www.phfa.org	None	PA Office of Community Development (717) 787-5327 http://www.inventpa.com
RI	RI Housing and Mortgage Finance Corporation (401) 751-5566 http://www.rihousing.com	RI Housing and Mortgage Finance Corporation (401) 751-5566 http://www.rihousing.com	None
SC	SC State Housing Finance and Development Authority (803) 734-2000 http://www.sha.state.sc.us	SC State Housing Finance and Development Authority (803) 734-2000 http://www.sha.state.sc.us	SC Dept. of Commerce (803) 737-0400 http://www.callsouthcarolina.com
SD	SD Housing Development Authority (605) 773-3181 http://www.sdhda.org	None	SD Housing Development Authority (605) 773-3181 http://www.sdhda.org
TN	TN Housing Development Agency (615) 741-2400 http://www.state.tn.us/thda	TN Housing Development Agency (615) 741-2400 http://www.state.tn.us/thda	TN Housing Development Agency (615) 741-2400 http://www.state.tn.us/thda
TX	TX Dept. of Housing and Community Affairs (512) 475-3800 http://www.tdhca.state.tx.us	TX Dept. of Housing and Community Affairs (512) 475-3800 http://www.tdhca.state.tx.us	TX Dept. of Housing and Community Affairs (512) 475-3800 http://www.tdhca.state.tx.us
UT	UT Housing Corporation (801) 521-6950 http://www.utahhousingcorp.org	None	UT Dept. of Community and Economic Development (801) 538-8700 http://dced.utah.gov
VT	VT Housing Finance Agency (802) 864-5743 http://www.vhfa.org	VT State Housing Authority (802) 828-3295 http://www.vsha.org	VT Dept. of Housing and Community Affairs (802) 828-3211 http://www.dhca.state.vt.us
VA	VA Housing Development Authority (804) 782-1986 http://www.vhda.com	VA Housing Development Authority (804) 782-1986 http://www.vhda.com	VA Dept. of Housing and Community Development (804) 371-7000 http://www.dhcd.vipnet.org
WA	WA State Housing Finance Commission (206) 464.7139 http://www.wshfc.org	None	WA Dept. of Community, Trade, and Economic Development (360) 725-4000 http://www.cted.wa.gov
WV	WV Housing Development Fund (304) 345-5475 http://www.wvhdf.com	None	WV Development Office (304) 558-4010 http://www.wvdo.com/index.cfm
WI	WI Housing and Economic Development Authority (800) 334-6873 http://www.wheda.com	None	WI Dept. of Administration Division of Housing and Intergovernmental Relations (608) 266-0288 http://www.doa.state.wi.us/dhir/index.asp
WY	WY Community Development Authority (307) 265-0603 http://www.wyomingcda.com	Cheyenne Housing Authority 307-634-7947	Wyoming Community Development Authority 307-265-0603 http://www.wyomingcda.com

Building Your Program

Appendix F: Memorandum of Understanding Between a Public Housing Agency and a Mental Health Authority

The Anytown Mental Health Authority (MHA) and the Anytown Public Housing Agency (PHA) have agreed to enter into this Memorandum of Understanding (MOU) to better serve people with disabilities living in Anytown, USA.

This MOU establishes the working relationships of the Community Housing Program (CHP). The CHP will provide supportive housing for 50 people with disabilities living in Anytown. Through this agreement, as part of CHP, Anytown PHA agrees to designate 50 Section 8 Housing Choice vouchers to be used by 50 people with disabilities. Anytown MHA agrees to provide intensive community-based support services to help individuals with serious mental illnesses obtain and retain stable housing in the community.

Guiding Principles

All parties under this MOU jointly recognize the following:

- People with serious mental illnesses often have extremely low incomes and are in need of safe, decent, and affordable housing.

- People with serious mental illnesses are members of the community with all the rights, privileges, opportunities, and responsibilities accorded to the greater community.

- People with serious mental illnesses are diverse in terms of their strengths, motivations, goals, backgrounds, needs, and disabilities.

- In designing and implementing this CHP, the input of people with serious mental illnesses should be sought.

Roles and Responsibilities

Through this MOU, the parties involved in CHP agree to the following roles and responsibilities.

Anytown PHA will do the following:

- Set aside 50 Section 8 vouchers to be used by 50 people with disabilities as part of CHP (as documented in the Anytown PHA Section 8 Administrative Plan and PHA Plan).

- Designate a PHA staff member to be responsible for the day-to-day CHP operations and to be the liaison with Anytown MHA.

- Review policies and practices to facilitate access to CHP vouchers by Anytown MHA consumers. Examples of such policies include criminal records screenings, reasonable accommodation requests, use of special housing types, housing search time, and terminations and appeals.

- Ensure that all CHP participants understand their right to request a reasonable accommodation and be aware of the formal process for hearing these requests and acting on them.

- Meet quarterly with designated Anytown MHA staff to discuss CHP progress and identify any potential barriers to implementation.

Anytown MHA will do the following:

- Designate an MHA staff member to be responsible for the day-to-day CHP operations and to be the liaison with the PHA.

- Identify MHA consumers in need of community-based housing and refer these consumers to the Anytown PHA for initial eligibility screening. As part of the referrals MHA will do the following:

  - Help the consumer gather necessary information such as a birth certificate and documentation of income, citizenship status, and disability status;

  - Help the consumer complete the Anytown PHA Section 8 application;

  - Identify any potential issues with criminal history, credit history, or tenant history that could be a potential barrier to receiving housing assistance and gather evidence to present to the PHA regarding any mitigating circumstances;

  - Attend PHA interviews and briefings with MHA consumers; and

  - When necessary, attend eligibility appeal hearings.

- When necessary, maintain a waiting list of MHA consumers who are potentially eligible for CHP.

- Ensure that all CHP participants are informed of their right to request a reasonable accommodation and that there is a formal process for hearing these requests and acting on them. When necessary, assist MHA consumers to submit reasonable accommodation requests to the PHA.

- Provide housing search assistance to help CHP participants locate housing that meets Section 8 standards for rent and quality. When necessary, help CHP participants negotiate with landlords to secure apartments.

- Develop landlord outreach and marketing brochures for CHP and create a database of landlords willing to participate in CHP.

- Conduct an initial needs assessment and develop an individual service plan for each consumer, including a periodic evaluation and update of the service plan as the needs of the consumer change.

- Provide intensive housing-related support services and mental health case management to CHP participants who have mental illnesses. Support will be available on a 24-hour-per-day basis. Meetings between participants and MHA staff will take place in consumers' apartments as well as off site.

- Help consumers understand their rights and responsibilities under fair housing and tenant/landlord laws. This includes explaining the

responsibilities of a lease, such as paying rent in a timely manner and requesting a repair.

■ Serve as a resource to landlords and the PHA staff in the management of disputes or differences between consumers and other parties.

■ Meet quarterly with designated PHA staff to discuss CHP progress and identify any potential barriers to implementation.

Resident Rights and Responsibilities

■ No CHP participant will be terminated from the Section 8 rental assistance component of CHP or otherwise penalized by the PHA solely for terminating his or her status as a recipient of services from Anytown MHA, provided the participant continues to fulfill essential residency requirements outlined in the Section 8 voucher holder agreement and the lease signed by the participant.

■ All CHP participants will be informed of applicable grievance procedures. Program participants will have the opportunity to appeal decisions, including the termination of Section 8 rental assistance and the termination of MHA services.

■ A CHP participant who is failing to meet residency requirements and who ceases receiving MHA services will, to the extent possible, have the opportunity to re-establish the service relationship with Anytown MHA, or to make similar arrangements with another agency chosen by the individual to help him or her meet residency requirements.

Terms

This MOU will begin effective the date of ____/____/____ and will continue through ____/____/____. This MOU will be automatically renewed with the same terms and conditions annually thereafter except where either party provides written notice of nonrenewal 3 months before the annual termination date. Otherwise, this MOU may be terminated in accordance with the section on Termination below.

Termination

Either party may terminate this MOU by giving the other party 90 days prior written notice. The party wishing to terminate the agreement for cause must provide a written intent to terminate notice to the party in breach or default. The notice will provide 30 days for the party in breach or default to respond to said notice with an acceptable plan to cure cause for termination.

Amendments

This MOU may be amended in writing and authorized by the designated representatives of both MHA and PHA.

Anytown MHA Executive Director

Signed: _____
Date: ____/____/____

Anytown PHA Executive Director

Signed: _____
Date: ____/____/____

A Life in the Community for Everyone

SAMHSA

Substance Abuse and Mental Health Services Administration

U.S. Department of Health and Human Services