Supportive Housing Development

Tuesday April 11th, 2023
Where to Start when Developing Supportive Housing

COHHIO Conference April 11, 2023
About CSH

CSH collaborates to advance solutions that use housing as a platform for services to improve the lives of the most vulnerable people, maximize public resources and build healthy communities.
What We Do

CSH is a touchstone for new ideas and best practices, a collaborative and pragmatic community partner, and an influential advocate for supportive housing.

01.Training & Education
Research-backed tools, trainings & knowledge sharing

02.Policy Reform
Systems reform, policy collaboration and advocacy

03.Consulting & Assistance
Custom community planning and cutting-edge innovations

04.Lending
Powerful capital funds, specialty loan products and development expertise

lines of business

CSH

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What is Supportive Housing?
What is Supportive Housing?
Supportive housing combines affordable housing with services that help people who face the most complex challenges to live with stability, autonomy and dignity.
Key Components Of Supportive Housing

1. Engages households with multiple barriers
2. Housing is affordable
3. Provides unit with lease
4. Engages tenants in flexible, voluntary services
5. Coordinates among key partners
6. Supports connecting with community
Engages Households with Multiple Barriers

- Chronic Homeless
- Persons with Chronic mental health challenges and substance use disorders
- Child Welfare-Involved Families
- Justice Involved Persons
- Frequent or high utilizers of emergency services
- Persons with intellectual and developmental disabilities
- Seniors
- Transition Age Youth
- Veterans
- Medically Fragile
- Others
Thinking about your target population/s

- What is the need in your area?
- How will your proposal meet the need?
What is the Need for Supportive Housing in your community?

- Point In Time Data
- Housing Inventory Count Data
- Justice involved- ODRC & OMHAS
- Local Mental Health Board
- Public Housing Authority
- Children Services
Using Data To Build Project Support

- Number of persons experiencing homelessness
  - Demographics – age, race/ethnicity
  - Affordable housing need
  - Supportive housing need
  - Number of available units
  - Number of affordable units
  - Vacancy rates
Data Sharing & Gaps

Do you have the full picture?

What is missing?

Can the data be validated?

Are barriers to data sharing impacting the data story?
Supportive Housing Models
Supportive Housing Model- Single Site

Single building or property.
Supportive Housing Model - Scattered Site

Dispersed units across multiple properties
1. Concept: Determine the Supportive Housing Model

- **Build** or **Lease**
  - **Single-site** or **Scattered**
Building a Team
Supportive Housing Core Team

1. Property and Housing Management
2. Housing Developer
3. Supportive Services
4. Input from lived experts
Project Sponsor

Which organization is prepared and committed to take on the following?

- Planning, implementing and ensuring the successful ongoing operation of the supportive housing project.

<table>
<thead>
<tr>
<th>Points to consider in becoming a project sponsor</th>
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<tbody>
<tr>
<td><strong>Is this project and your proposed role as project sponsor consistent with your strategic plan and any new major commitments expected during the next two years?</strong></td>
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<tr>
<td><strong>Is the Board of Directors in favor of your involvement in this supportive housing project and role as project sponsor? Are they willing to play an increased role if required for the project to succeed? Are they willing to take on any financial obligations related to the project?</strong></td>
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<td><strong>Does your organization have a plan for staffing and funding the work that will be required to successfully fulfill the role and responsibilities of the project sponsor?</strong></td>
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Keys to Success

• Similar mission and goals
• Everyone contributes to the partnership
• Clear and constant communication
• Earn trust over time
• In it for the long-haul
• Sharing and collaboration
• Mutual respect
Building Partnerships

Questions to Ask

1. What is their self-interest? Ours?
2. What outcome do we want from the collaboration?
3. What resources can our organization bring?
4. What do they provide that we cannot?
5. Who will represent them – us?
6. Have we collaborated before? How did it go?
3 Key Components to SH Development

**Capital**
- Capital Funds Available
- Developers with Experience

**Operating**
- Property Management with SH Experience
- Operating Subsidy

**Services**
- Service Providers
- Service Funding

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Development

**Funding**
- OHFA Resources – Tax Credit and Non Tax Credit
- FHLB of Cincinnati
- Local (City or County) HOME/CDBG/HOME-ARP
- Philanthropy
- Deferred Developer Fee

**Developers**
- Have they developed SH in Ohio? In other states?
- Do they meet OHFAs Definition of Experience and Capacity?
- Can be non profit or for profit
- Are the willing to help the sponsor develop capacity?
Operating

**Property Management**
- Experience managing supportive housing?
- Experience managing housing funded by OHFA? Housing developed with federal funds?
- Willing to coordinate with services to assure housing retention?

**Operating Subsidy**
- Threshold requirement for tax credit funded supportive housing – 50% of units are covered by a project based subsidy
- Non tax credit- 100% of units must be covered by project based subsidy or equivalent
Services

Service Providers

✓ Experience serving target population
✓ Successfully history of serving target population
✓ Connections with other providers- MOU in place

Service Funding

✓ Medicaid billing agency (30-50%)
✓ Resources from local MH Board
✓ Philanthropy
✓ CoC
Supportive Housing Institute

- Comprehensive training series for SH development teams
- Core team: Developer, Service Provider & Property Management
- RFP Aug 2023
- Training – Sept ‘23-Jan ‘24
- Topics Include: Siting a project, Service Best Practices, Housing First, Understanding service, capital and operating budgets, Fair Housing, Year One Issues, Coordination Best Practices with Services and Management
Inspiration!

Project Profiles
Arbor Ridge - Canton
100% SH – 2015 Institute

Project Details:
- 14 One bedroom units
- Target Pop: Homeless and referrals from MH board
- Integrated into residential neighborhood
- Community and service space
- Testa – for profit development partner

Ownership
- ICAN, nonprofit supportive housing developer, owner, property manager, and service provider

Financing
- Total Development Costs: $2.5 million
- HDAP, AHP, HOME, OMHAS Capital
- Project Based Rental Assistance through Housing Authority
- Private foundations and donations for furnishings including welcome home kits
B-First- Alliance, Ohio
100% SH – 2014 Institute

Project Details:
- 10 units – 8 two bedrooms and 2 three bedrooms
- Target Pop: Families
- Durable materials – units & furniture that can withstand impact of kids
- Community room and service space
- Integrated into residential neighborhood
- Partnered with a development consultant

Ownership
- Alliance for Children and Families – NP service provider, property manager & developer

Financing
- Total Development Costs: $2.5M
- OHFA Homeless Grant
- City and County HOME funds
- Private Funds
- CSH Pre-Development Loan
Stoney Point-Akron
100% SH - 2015 Institute

Project Details:
• 68 One bedroom units
• Target Pop: Chronic and MH referrals
• Modular construction
• Service and community space

Ownership
• Community Support Services – NP Service Provider

Financing
• Total Development Costs: $11.3 million
• Financing: LIHTC, HDAP, local HOME, Deferred DF and FHLB
• PBV from Akron MHA
Ohio’s affordable housing shortage has grown more dire in recent years, complicating efforts to help move people quickly out of homelessness. Join the Ohio Housing Finance Agency, the Federal Home Loan Bank of Cincinnati, and YWCA Hamilton to learn about the basics of affordable housing development and how agencies can leverage a variety of funding sources to develop shelter and affordable rental units in their communities.
Thank you!

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