

2015 Update - Permanent Supportive Housing (PSH)

Adding 400 units with support services by 2018

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PSH Leadership Finance Committee &

ECHO



Permanent Supportive Housing (PSH)

Austin's key strategy to ending chronic homelessness –

PERMANENT

1. Tenant – Landlord relationship with a lease
2. Abide by the lease and you can stay
3. Client pays affordable rent - goal is up to 30% of household income
4. Federal or state subsidy pays the rest of fair market rate rent - voucher

SUPPORTIVE

1. Wrap around services available – with case management
2. Whatever the client needs to stay housed, and get better, we provide
3. Not mandatory

Housing First approach

1. Come as you are – no requirements, no screening out
2. Harm reduction





When so many need affordable housing, why take a chance on the homeless?

Other communities experience cost savings.

- ✓ Chicago saved \$900,000 annually above the cost of PSH for 200 PSH clients (\$4500/person)
- ✓ NYC saved \$16,282 annually per unit by reducing use of other public services
- ✓ Seattle saved \$30,000 annually per person in health care and social services cost savings



In Austin, PSH helps to Stabilize Lives

- Individuals stayed in supportive housing for more than three years, on average
- Most children remained in housing with their families.
- 95 percent of adults maintained or increased their total income from entry.



In Austin, PSH correlates with less involvement in Criminal Justice System

- The number of Downtown Austin Community Court cases dropped by nearly 80% in the first year in PSH.
- For the people who had jail bookings before PSH, we saw:
 - ✓ a 44% reduction in the number of people booked for a new arrest and
 - ✓ more than a 50% reduction in bookings in the first year in supportive housing.
 - ✓ A 68% drop in nights in jail in the two years following housing.

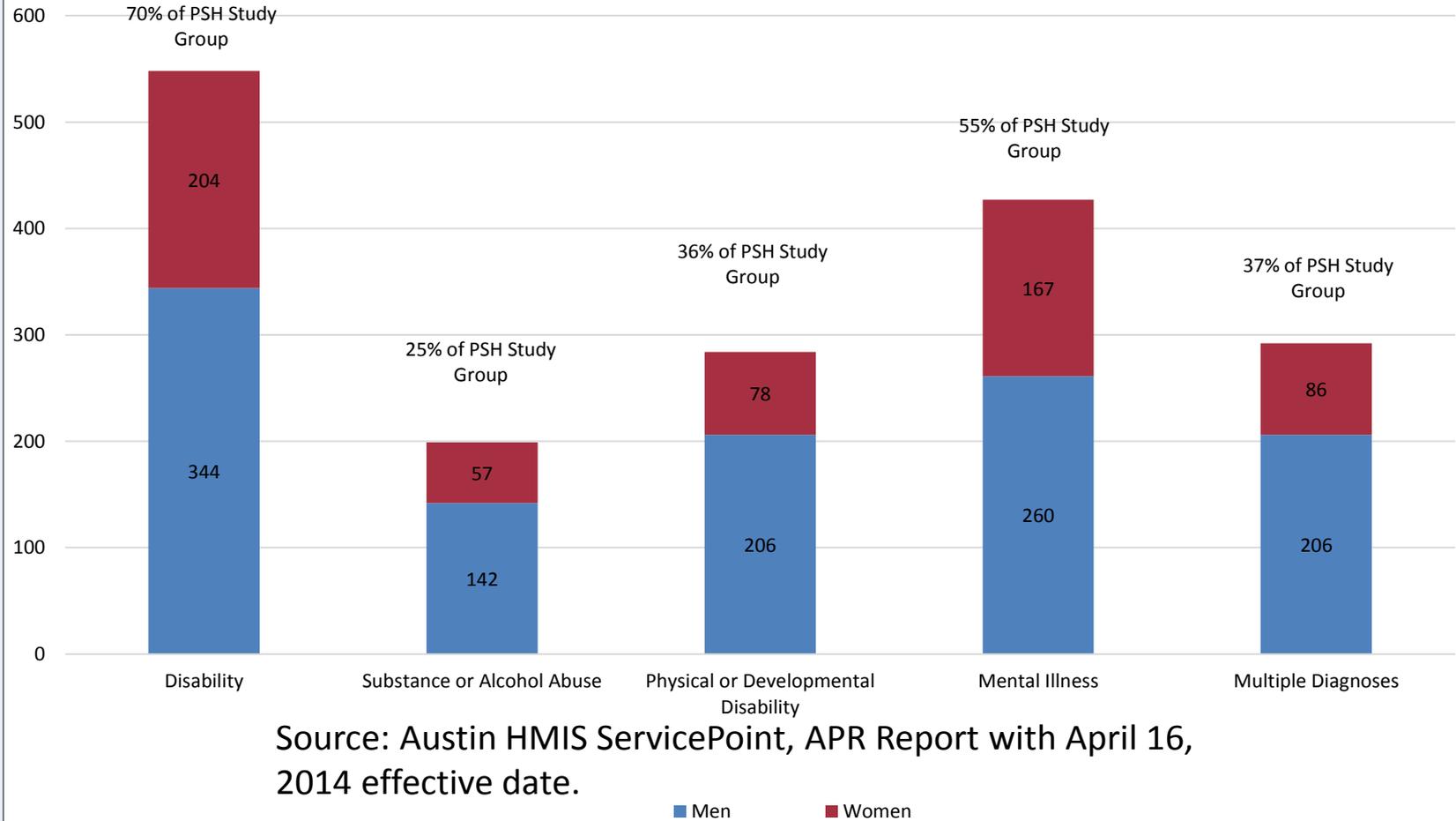


Estimated Cost Savings in Austin for people in PSH

Public System Encounter	Est. Costs in Year Prior to PSH	Est. Costs in the Year Post - PSH
Emergency Shelter	\$138,411	-
Downtown Austin Comm. Court	\$6,652	\$1,151
Jail (bookings & beds)**	\$125,663	\$63,880
Emergency Department	\$558,600	\$306,600
In-Patient Visit	\$278,400	\$177,600
Out-Patient	\$898,300	\$555,100
Total	\$2,006,026.00	\$1,104,331.00



PSH Study Group: Self-Reported Disabilities by Gender*





When so many need affordable housing, why take a chance on the homeless?

It's not a chance. It works. It offers stability.

- ✓ Stay housed & gain income,
- ✓ Use less emergency medicine
- ✓ Spend fewer nights in jail
- ✓ Children remain in the home



Assessing the current need for PSH – and housing people!

Assessments

We've assessed 1601 households. At the time of assessment:

- 31% were recommended for PSH
- 55% were recommended for RRH and
- 14% were recommended for Minimal Intervention (are expected to self-house without formal program enrollment).

PSH Referrals

- 75 HH's have had referrals accepted by PSH programs
 - 27* have successfully moved-in

PSH Unmet Need today

- 324 households are waiting for PSH services -
- more assessments done every day

City of Austin PSH Strategy

- **Austin PSH Strategy Program Definition:**

- Rental Housing that is Targeted to Chronically Homeless, Lease-Based, Non-Time Limited, Deeply Affordable @ 30% AMI, with Coordinated, Comprehensive, Voluntary Services

- **In ATX, Total PSH Units Needed: 1930**

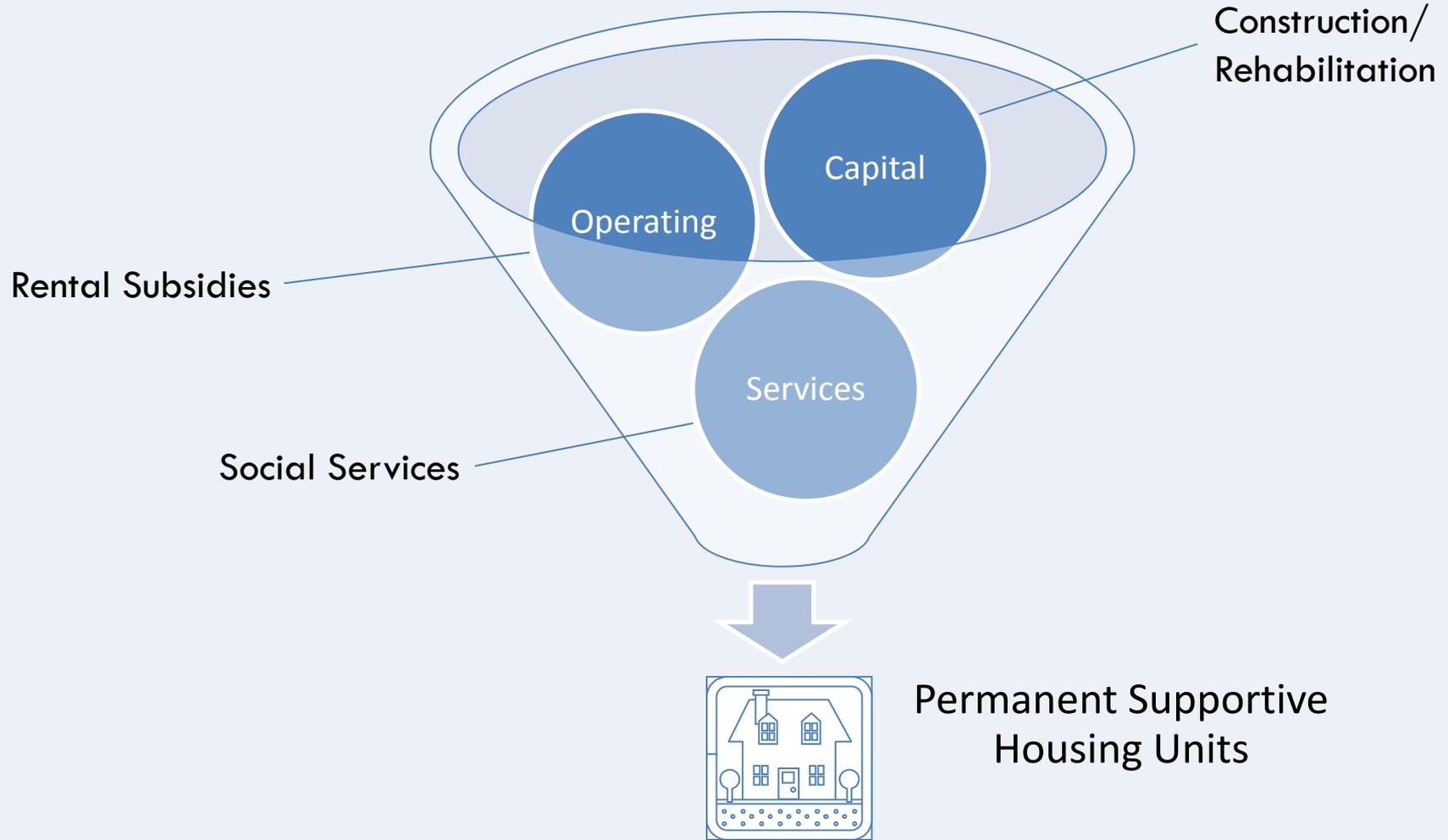
- As of 2010 – 481 units
- As of 2015 - 856 units

Goal by 2018 – add 400, with at least 200 being Housing First

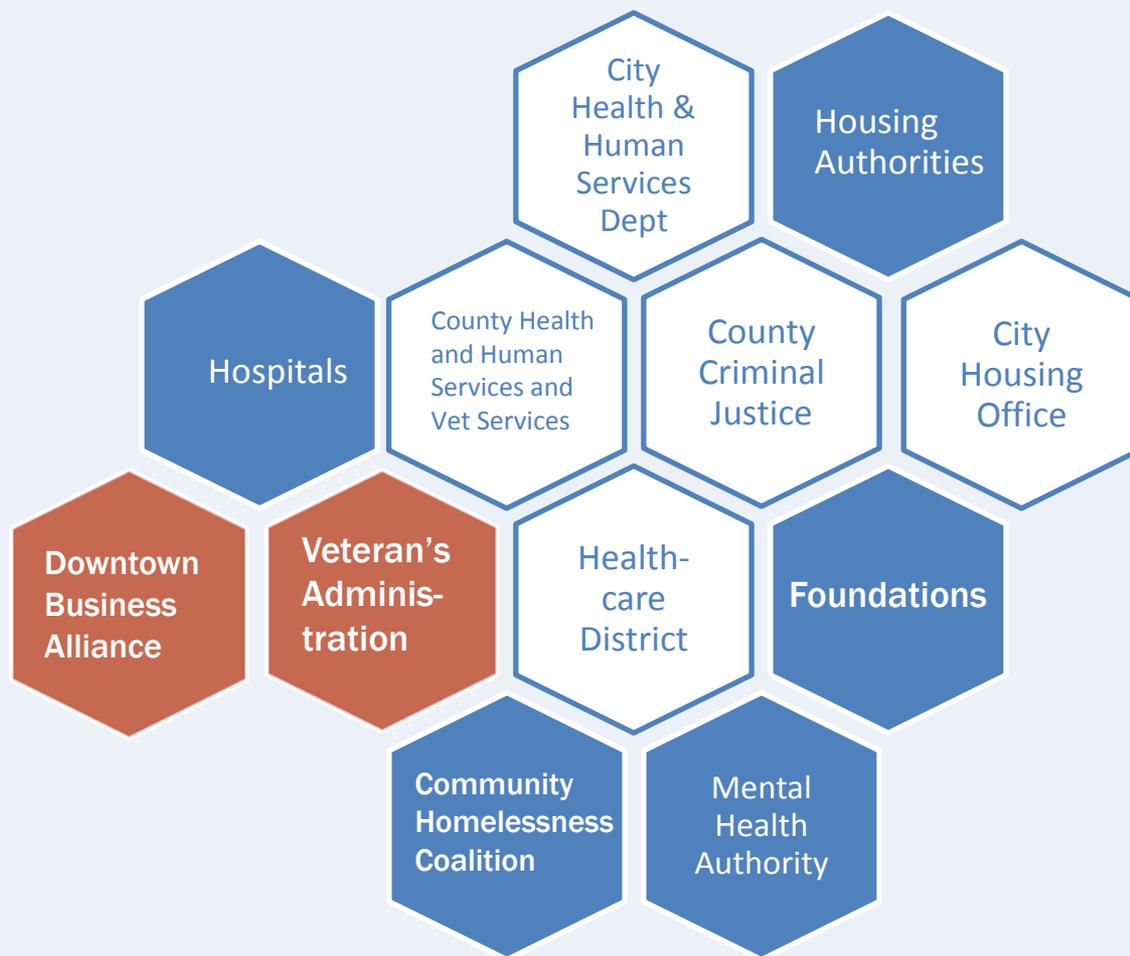
- 300 new, 100 leased
- City RFP yielding 50 Housing First units by ATCIC in Austin's first building dedicated to Housing First
- Mobile Loaves and Fishes will house some, Housing First, # tbd
- Finance Model – See memo



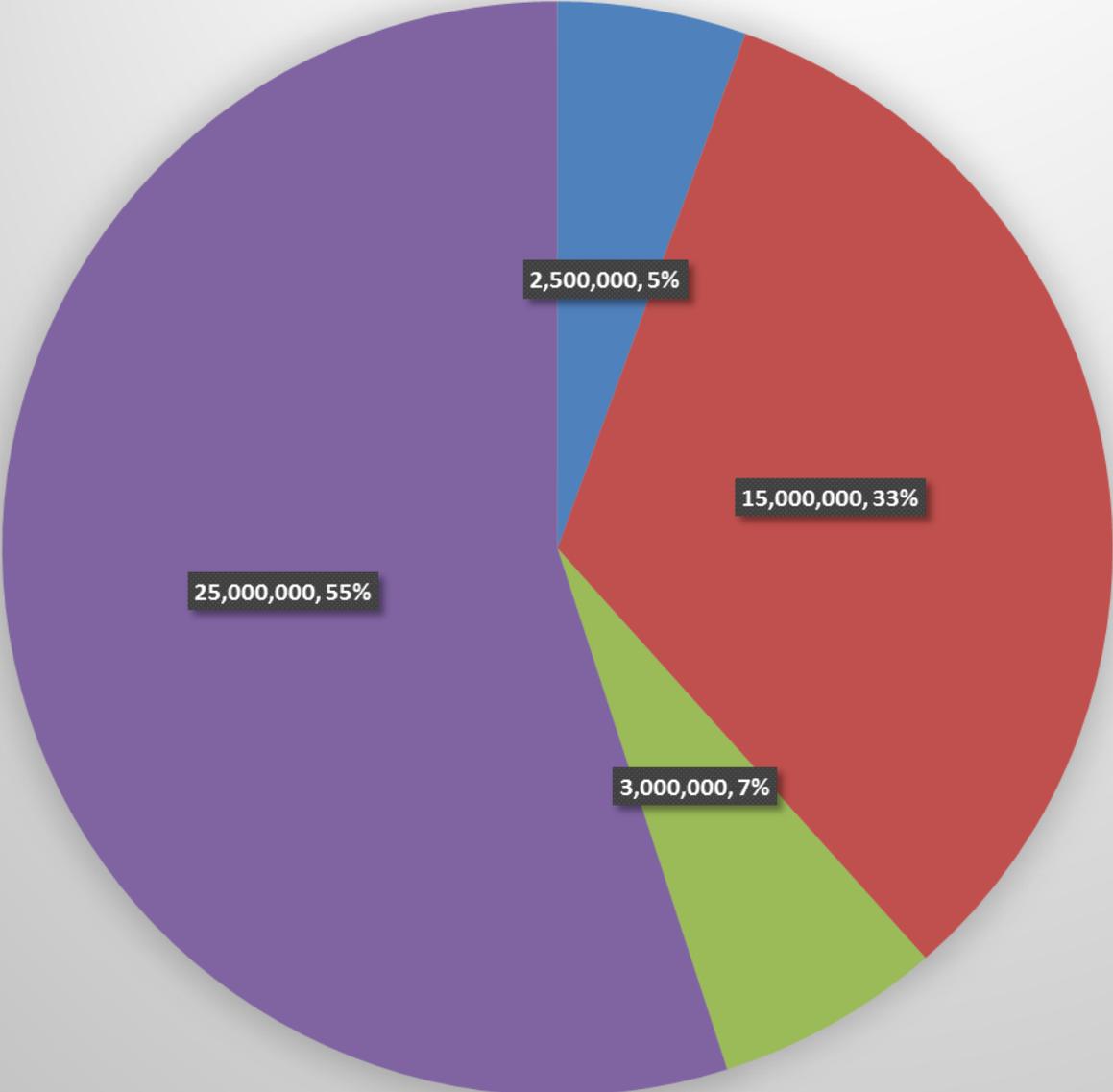
City of Austin PSH Funding Model



Leadership Committee on PSH Finance: Community Funding Strategy



Funds needed to create 400 additional PSH units – Capital needs

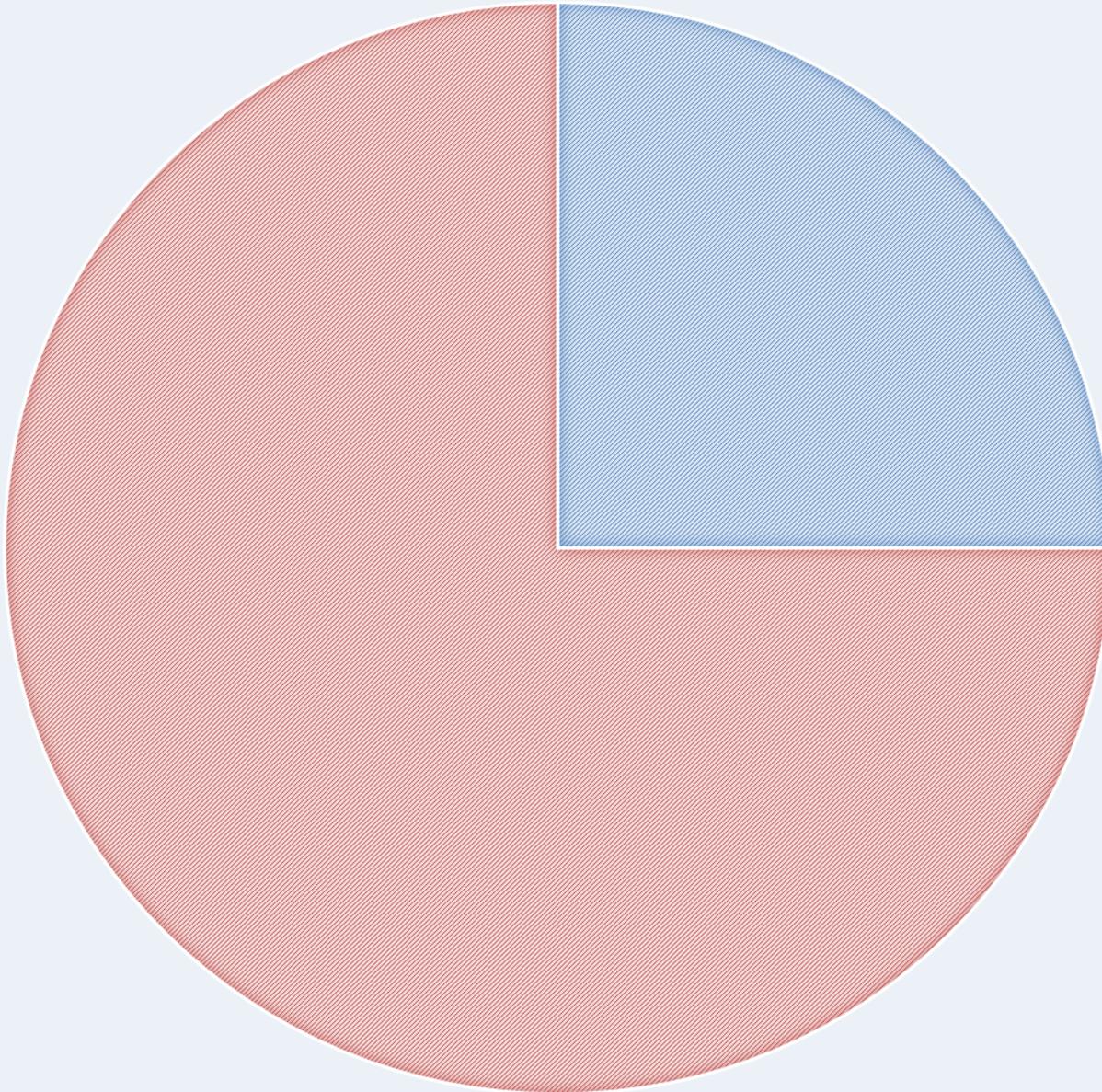


- City General Fund
- Affordable Housing Bonds
- Federal/City Pass thru
- Other Sources

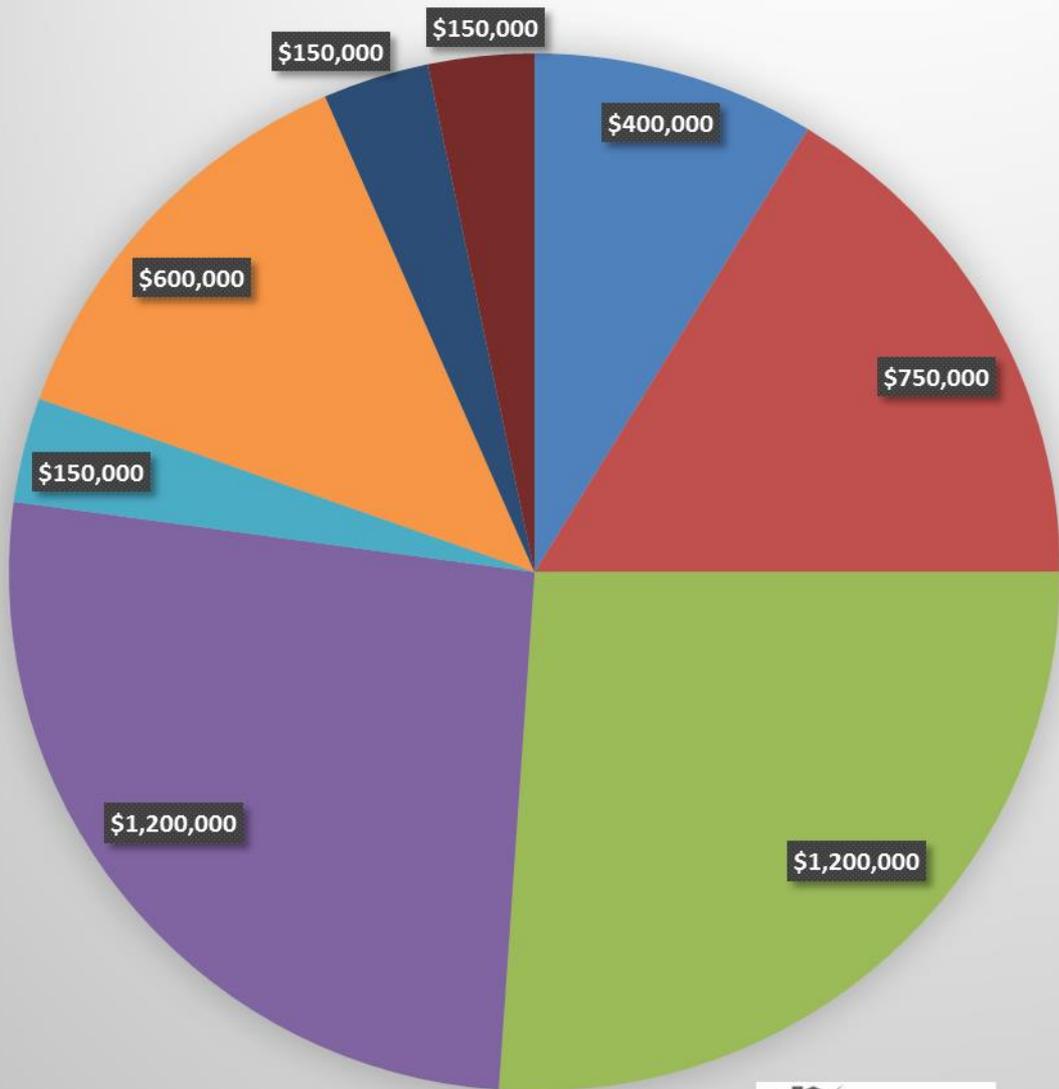


RENTAL VOUCHERS

■ VA ■ Housing Authority



Support Services



- VASH
- Local Jurisdiction Funds: Supplement VASH Services
- State Medicaid Plan MCO Billing Projection
- Local Jurisdiction Funds: Supplement for Medicaid Billed
- State - DSHS HCC Grant
- City of Austin Downtown Density Bonus
- Community Care Collaborative: In-Kind or Leverage TBD



Successes

The Palms – 16 Units Housing First – Front Steps/ATCIC

- Operating: HUD-Continuum of Care
- Services: HUD-Continuum of Care
- Capital: City General Obligation (GO) Bonds, Low-Income Housing Tax Credits (LIHTC)



Successes

Spring Terrace – 22 Units – Foundation Communities

- Operating: Travis County Housing Authority
- Services: Justice Reinvestment Initiative (Bureau of Justice Assistance)
- Capital: TDHCA-HOME, TDHCA-Housing Trust Fund, City-Housing Trust Fund, Federal Home Loan Bank, Neighborworks, Foundations, Developer Equity



Successes



“Oak Springs” – 50 Units Housing First – ATCIC

- Operating: **TBD**
- Services: **State Dept State Health Services (DSHS) Grant, City of Austin Social Services Contract***
- Capital: **DSHS Grant, City of Austin GO Bonds***

**special Request For Proposals issued by the City in September, 2014*

Request:

- Be Vocal with landlords and property owners to encourage their involvement in Permanent Supportive Housing
- Invest Strategically - whether with affordable housing, health & human services or law enforcement, ask, “Does this investment or policy further our Plan to End Homeless? Does it create Permanent Supportive Housing?”
- Support Coordinated Assessment so long as it remains Client focused, Provider informed, Funder directed and Data driven.



Good Landlord History

- Housing Market Analysis reveals affordable housing shortage
- Voucher users need access to affordable units
- Code Compliance issues in past reveal need for accountability
- Housing the Hardest to Serve report recommends a landlord incentive program
- Council Resolution directing a Good Landlord Program - October 2014
- Initial Stakeholder Meeting - November 2014
- Community Development Commission - November 2014

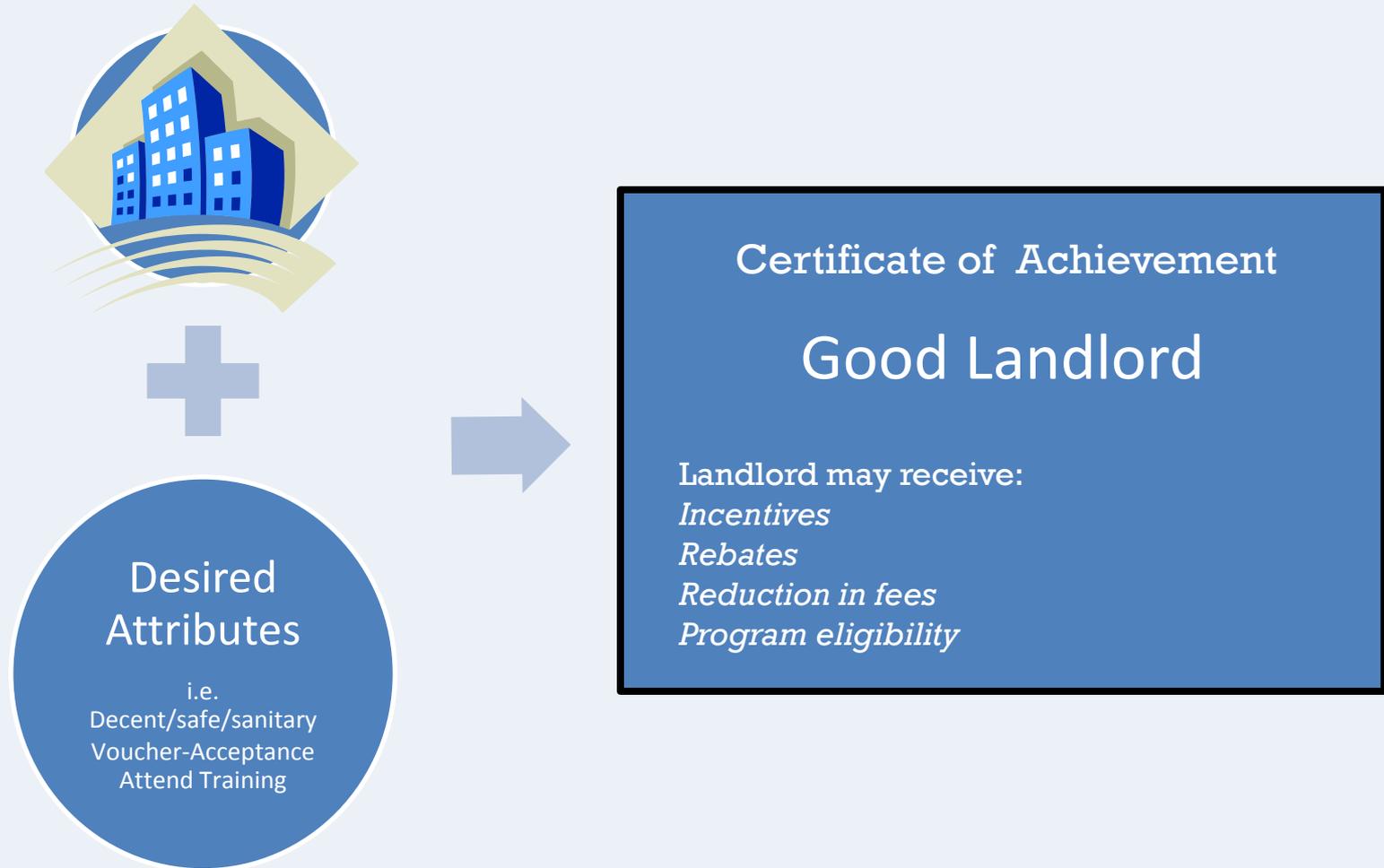
Good Landlord History

Resolution 20141002-044

...Be It Resolved:

The City Manager is directed to develop a voluntary “Good Landlord Program” for private sector landlords that meet high standards or help assist with difficult to house individuals and to bring the program back to Council for final approval by December 11, 2014. The program should include target goals and standards along with appropriate recognition and incentives...

What is a Good Landlord Program?



Good Landlord Program

- Programs have multiple purposes:
 - Maintain safe, decent housing stock
 - Educate landlords on management strategies to prevent crime
 - Maintain equity
 - Promote compatibility with surrounding neighborhoods
 - Austin's program will serve to help house the most vulnerable

Landlord Incentives

- Some of the most effective incentives tie into the regulatory system by offering regulatory relief as a product of responsible behavior.
- Landlord incentives fall into three general categories:
 - Single focus programs, such as training or crime prevention;
 - Multifaceted programs; and
 - Incentives to acquire and upgrade properties.

Examples of Potential Incentives

- Mitigation Fund
- Fee Waivers/Expedited Review
- “One Stop Shop” (new FTE) for city services
- Tax Incentives
- Rental Gap Funding

Program Examples

- **Salt Lake City** – Good Landlord Program
 - Connected to rental registration
 - Landlords participate in training, receive discount on rental license fee
- **New Jersey** – Landlord Incentive Program
 - Designated funding source (CDBG-Disaster Recovery)
 - Provides gap-rent to landlords renting to low-income
- **West Hollywood** – *exploring a program*
 - Offers landlords reduction in fees for renting to low-income

Next Steps

- Continue work with stakeholders to define Austin incentives
- Work with city departments to explore feasibility of proposed incentives (Police, Development Services, Austin Code, Housing, Health, etc.)
- Finalize report to Council on proposed incentives for Austin program

QUESTIONS / FEEDBACK