

Vermont Roadmap to End Homelessness

*Final Report
December 20, 2016*



CSH

The Source for Housing Solutions

Advancing housing solutions that:



Improve lives of
vulnerable
people



Maximize public
resources



Build strong,
healthy
communities

Assessment of Existing Resources and Systems

CSH discovered what many working to end homelessness inside and outside of Vermont already know:
Vermont is on the leading edge of the fight to end homelessness in America.

Strengths

- Resources for Key Populations
- Partnerships
- Supportive Housing
- New, Innovative Programs

Gaps and Barriers

- Lack of Access to Affordable and Supportive Housing
- Insufficient Resources
- Nascent Coordinated Entry
- Reliance on Crisis Systems (Motels)
- Access to Transportation
- Availability of Data

Types of Housing Interventions

Supportive Housing

- *Evidence-based housing intervention that combines non-time-limited affordable housing assistance with wrap-around supportive services for people experiencing homelessness, as well as other people with disabilities.*

Affordable Housing

- *Housing for which the occupant(s) is/are paying no more than 30 percent of his or her income for gross housing costs, including utilities.*

Rapid Rehousing

- *Intervention that rapidly connects families and individuals experiencing homelessness to permanent housing through a tailored package of assistance that may include the use of time-limited financial assistance and targeted supportive services.*

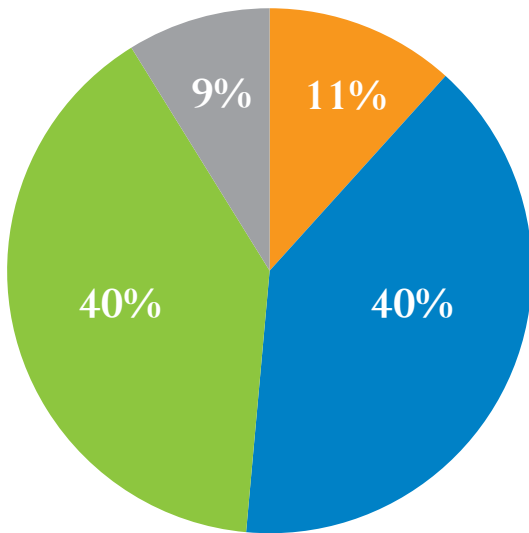
Homeless Prevention

- *Strategy that prevents homelessness for people seeking shelter by helping them stabilize and preserve existing housing, or identify immediate alternate housing arrangements and, if necessary, connecting them with services and financial assistance to help them return to permanent housing.*

The Way Forward

Build on the strengths of the existing system and increase investments in what works: Providing access to safe and adequate affordable housing with supportive services when needed.

3,148 New Permanent Housing Interventions Needed to End Homelessness in Five Years¹



| | Individual Households | Family Households | Total |
|------------------------------|-----------------------|-------------------|--------------|
| Permanent Supportive Housing | 304 | 64 | 368 |
| Affordable Housing ≤ 30% AMI | 1,005 | 246 | 1,251 |
| Rapid Rehousing | 1,005 | 246 | 1,251 |
| Prevention | 224 | 54 | 278 |
| Total | 2,538 | 610 | 3,148 |

¹Estimates based on data provided by the Vermont Office of Economic Opportunity and Vermont's Point in Time (PIT) Count of homeless persons conducted in January of 2016.

1. Scale Supportive Housing in Vermont

Create 368 units of supportive housing over five years

- Create and maintain the portfolio via 50% development/50% leasing existing units
- Form a Supportive Housing Interagency Subcommittee of the Vermont Housing Council
- Develop a unified supportive housing funding program to offering capital, operating/rental subsidies, and supportive service funding concurrently

2. Complete the Design and Roll Out of Vermont's Coordinated Entry System

Prioritize complete implementation of Vermont's Coordinated Entry System

- Allocate additional funding to staff operation of Coordinated Entry and full implementation of the state's HMIS data system
- Prioritize persons in high need for services for all units, using community-wide data mechanisms such as vulnerability index score or data on frequent utilization of crisis systems
- **Since the issuance of this report, Vermont received HUD funding to support this effort*

3. Increase the Supply of Affordable Rental Housing

Create 1,251 units of affordable housing over five years targeted to households with incomes at or below 30% of the Area Median Income

- Allocate additional funding via Vermont Housing and Conservation Board for affordable housing development (capital costs and operating subsidies) in combination with Low-Income Housing Tax Credits and federal Section 8 rental subsidies
- Encourage participation of public housing authorities to project-base vouchers

4. Support What Already Works

Support and expand existing initiatives that move the needle on ending homelessness

- The 15% Goal program
- Housing Review Teams, Housing Support Workers, and state supported rental subsidies (The Vermont Rental Subsidy Program)
- Housing First programs, such as Pathways Vermont and Family Supportive Housing
- Care Coordination Programs, such as Support and Services at Home Program (SASH)
- Increased funding for Rapid Rehousing support and services (1,251 households) and Prevention (278 households)

5. Design and Test New Innovative Programs

Explore new program models to efficiently use public resources, leverage private investments, and improve outcomes

- Design a Frequent Users (FUSE) initiative targeting individuals cycling between homelessness and institutional settings
- Consider a Pay for Success (PFS) approach targeted to a sub population of persons experiencing homelessness
- Create a statewide supportive housing Quality Initiative to establish and monitor uniform programmatic guidelines and standards of quality and excellence in supportive housing

Implementation Costs

Build on the strengths of the existing system and increase investments in what works

\$416,738,000 Total Investment Needed to End Homelessness in Five Years

| | # of Units | Capital Costs ¹ | Operations/Leasing/ Rental Assistance Costs (Years 1-6) | Services Cost (Years 1-6) | Total Cost |
|-------------------------------------|--------------|----------------------------------|--|------------------------------|----------------------|
| Permanent Supportive Housing | 368 | \$42,292,000 | \$16,089,000 ² | \$8,394,000 ³ | \$66,775,000 |
| Affordable Housing ≤ 30% AMI | 1,251 | \$288,810,000 | \$46,450,000 ⁴ | \$4,449,000 ⁵ | \$339,709,000 |
| Rapid Rehousing | 1,251 | -- | \$6,207,000 | \$3,231,000 | \$9,438,000 |
| Prevention | 278 | -- | \$591,000 | \$225,000 | \$816,000 |
| Total | 3,148 | \$331,102,000⁶ | \$69,337,000⁷ | \$16,299,000 | \$416,738,000 |

¹ Capital Costs Includes the costs to construct housing: Real estate/land acquisition, hard construction costs, soft costs (e.g., legal fees, permits, environmental, developer fees, etc.) for new construction as well as moderate rehabilitation. These are one-time costs.

² Includes new supportive housing operating funding needed each year and previously committed funding compounded yearly.

³ Includes new supportive housing service funding needed each year and previously committed funding compounded yearly.

⁴ Includes new affordable housing operating funding needed each year and previously committed funding compounded yearly.

⁵ Includes new affordable housing service funding needed each year and previously committed funding compounded yearly.

⁶ Some portion of one time capital costs could be generated by private investment through the existing Low Income Housing Tax Credit program.

⁷ Some portion of projected operating costs would be offset by federal Section 8 funding, if available.

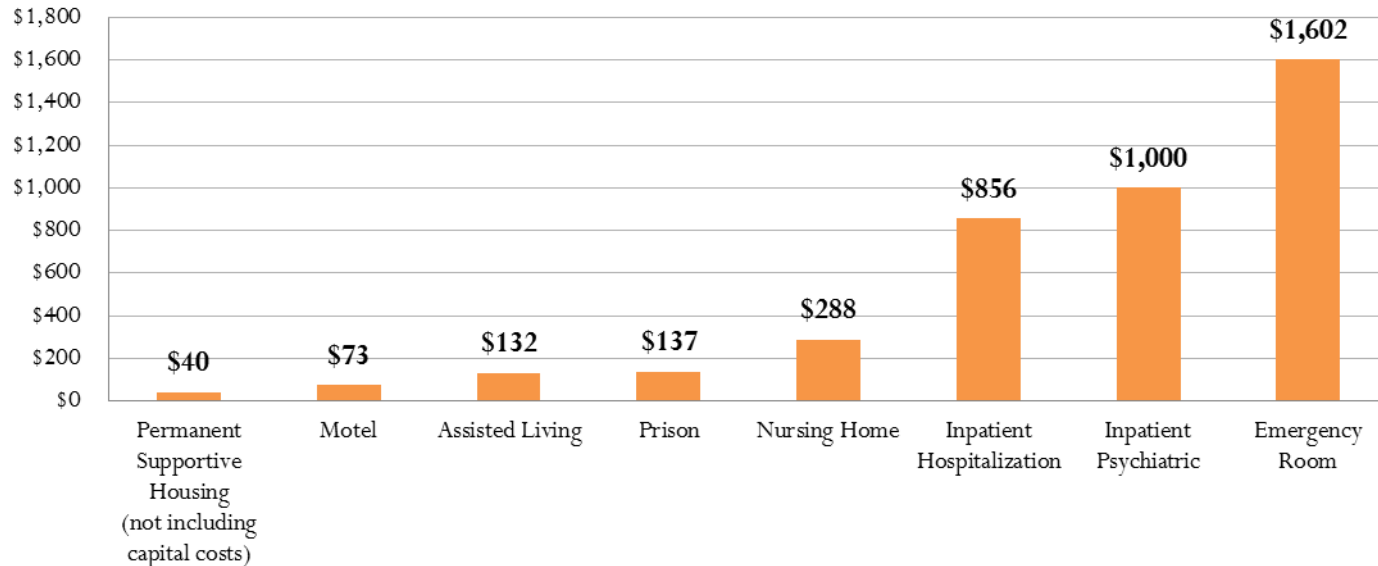
Potential for Cost Savings

Implement strategies which have the potential to save state resources and improve outcomes for vulnerable individuals and families with complex needs

- Expand supportive housing for individuals with complex needs
- Expand rental subsidy program as a bridge to permanent housing for families
- Scale coordinated entry to rapidly move households into cost effective housing options
- Expand housing interventions to reduce reliance on motels

Estimated Daily Operating Costs in Vermont

Daily costs do not include capital costs



Sources: CSH, Vermont Financial Modeling; Vermont Agency of Human Services; Vermont Department of Corrections, Genworth Cost of Care Survey, 2015.

Supportive Housing offers a cost effective alternative for certain vulnerable populations residing in state funded institutions. Supportive housing helps individuals obtain housing stability and avoid returns to costly crisis services and institutions, improving individuals' health, well-being and social outcomes, while reducing public sector costs.

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