2020 EMBRACING TRANSFORMATION
FINANCIAL MANAGEMENT CONFERENCE

Homeless Housing: Opportunities in the Era of COVID

Debbie Burkart, National Equity Fund
Sharon Lee, Low Income Housing Institute
Michael Monte, Champlain Housing Trust
Bill Pickel, Brilliant Corners
Marcella Maguire, Corporation for Supportive Housing

October 27, 2020

STRENGTHMATTERS®

Getting Started

- All participant lines are muted.
- You may use the **Chat** feature to ask questions.
- Please use the **Raise Hand** feature if you would like to speak.
  - The Raise Hand feature is located in the Participant panel.
- Any questions not answered during the presentation will be addressed at the end of the session.

Continuing Professional Education Requirements for CPAs

- **Polls are Required for CPEs**
  - If you are seeking CPE credits, please submit ALL polls and the conference evaluations.
- We use **Polls** and the **Zoom attendance record** to verify participation throughout the webinar.
  - **Participants must submit ALL polls** and **be logged in no later than 10 minutes after the scheduled session start time to receive a certificate.**
- You may request a certificate of completion via the conference evaluations.
  - Links to the evaluations are emailed to all registrants.
- For more information on CPE credits, contact Lindsay Wells at consult.lwells@gmail.com.

Meet the Presenters

Debbie Burkart
National Equity Fund

Sharon Lee
Low Income Housing Institute

Marcella Maguire
Corporation for Supportive Housing

Michael Monte
Champlain Housing Trust

Bill Pickel
Brilliant Corners

Poll #1

PSH IN YOUR PORTFOLIO ?

Champlain Housing Trust

Michael Monte, COO

The Champlain Housing Trust is a community land trust that supports the people of northwest Vermont and strengthens their communities through the development and stewardship of permanently affordable homes and related community assets.

We provide homes for around 7,000 people.

Our portfolio includes around 2,200 apartments and 635 shared-equity homes.

We own a variety of real estate: SRO's, group homes, senior housing, coops, NOAHS, LIHTC, and dozens of community facilities.

Over 50% of our LIHTC portfolio serves less than 30% of income; 18% of our renters are formerly homeless.

And since 2013, we have purchased 6 motels/hotels, all directed at serving the homeless.

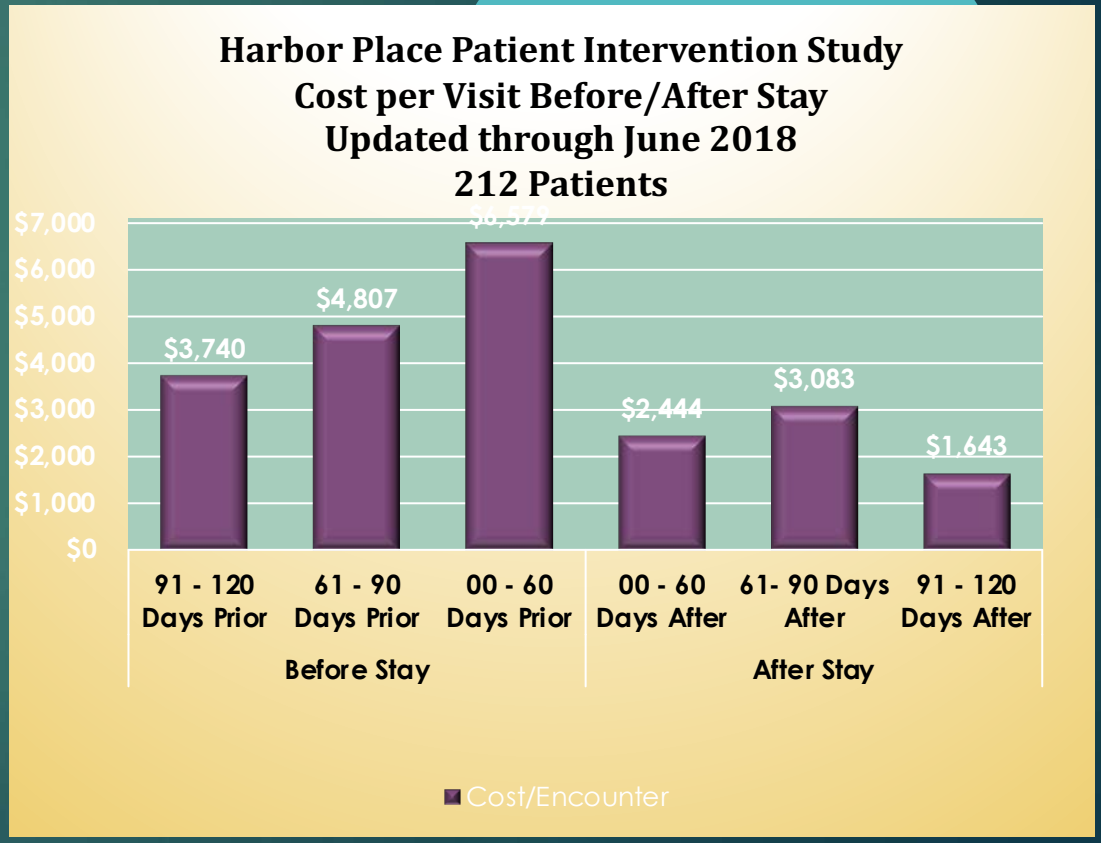
Harbor Place

A motel that provides low cost accommodation and concierge services

- We operate as a motel with a special purpose
- 59 rooms – 30 single with microwave and mini-frig and 20 kitchenette units.
- State of Vermont pre-books 30 rooms, Medical Center Hospital pre-books 7 rooms and the balance are available for the state, the hospital, the local designated mental health agency and self-paying guests.
- In March, we transitioned to COVID isolation and recovery for people who don't have a safe home environment in which to quarantine.
- In October, transitioned back with larger state contract.
- Our Motto: "Lower costs, better results"

The Numbers

- CDFI financed, with some grant sources and seller financing.
- Breaks even every year
- Onsite case management services available through local partners
- Cost savings to the State
- Average Statewide rate=$75 a night
- Harbor Rate=$38
- First two years savings=$700,000
- And then there is the cost to Health Care



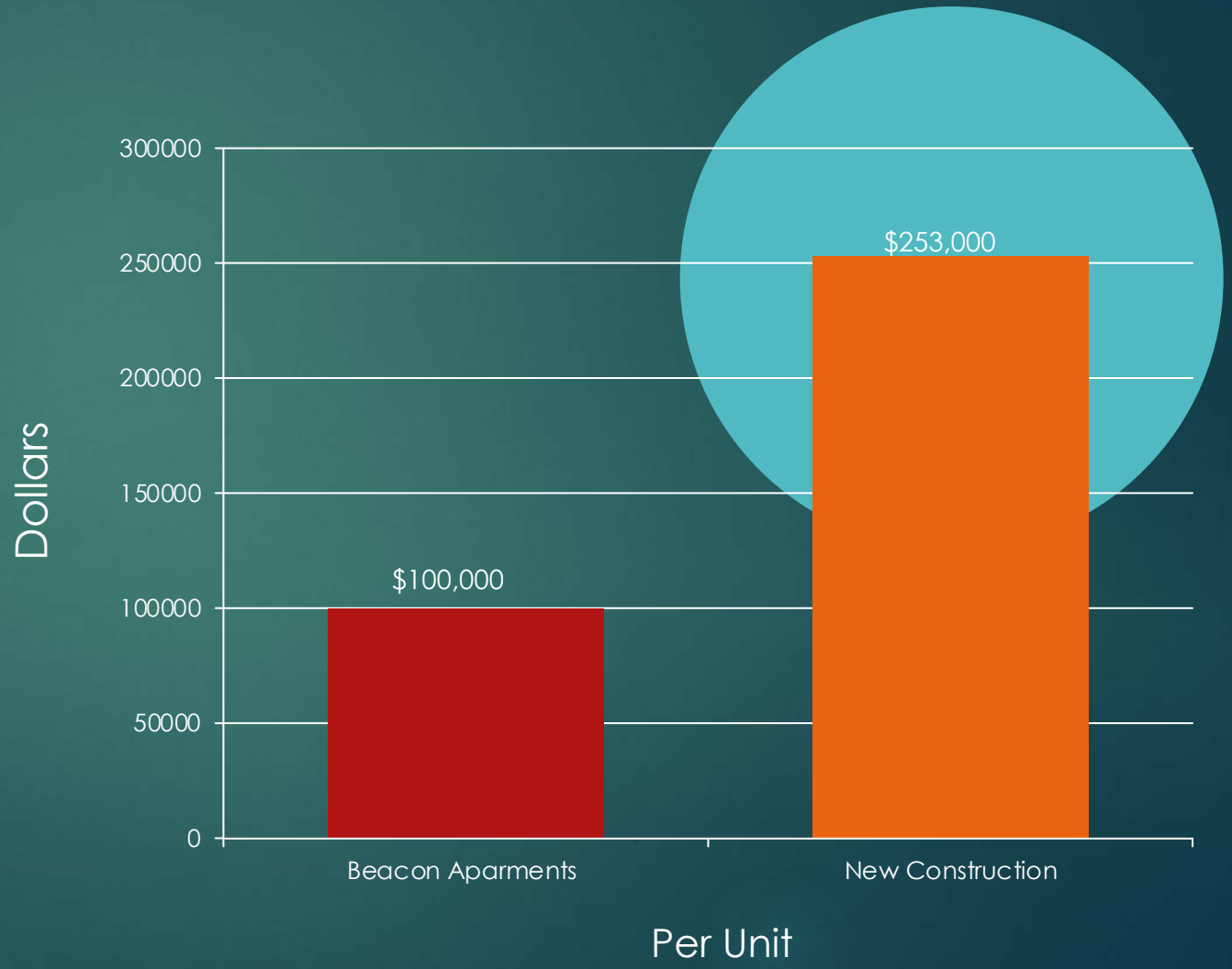
Beacon Apartments

Opened in January 2016, a motel converted into 19 permanent, supportive apartments, as well as a night manager apartment

- Most residents lived in encampments (often for many years) before moving into Beacon Apartments
- Co and tri morbid issues.
- Tenants chosen from prioritized community wait list
- Flexible rental subsidy from the Burlington Housing Authority
- On-site night manager unit
- On-site services 7 days a week, 8 hours a day

The Numbers

- $100,000 per unit development cost
- 15-year lease/purchase agreement with below market value purchase price



Bel Aire

Former motel converted into 8 apartments, 3 that house up to 7 people with high health needs who are either homeless or in substandard housing, opened in August 2017.

- $6M grant from the hospital for purchase, capital improvements and operating.
- As of January 2019, 47 individuals served (several had more than one stay)
- 24 of the 47 were hospital discharges, remaining were hospital diversions or pre-op stays (i.e., colonoscopy prep)
- TDC: $1.7M, about $142,000 per unit.

Covid Opportunity

Purchased three Motels hotels with Covid Relief Funds

- 113 room Hotel, converted to 68 Apartments for homeless individuals and families. Vouchers. No Debt. Average 800 sq. ft., fully furnished. Pays for services, security and cash flows. $188,000 TDC per unit. TDC: $12.8M
- 28 suite Motel, converted to Shelter for Victims for Domestic Violence, highest users of motel system. 21 suites and offices. Average 500 sq. ft., fully furnished. “Break even” lease agreement. TDC: $3.8M
- 36 Room motel converted to 32 rooms, exclusively for homeless covid isolation and quarantine. Future use as affordable housing. State contract pays for all expenses ($810k) TDC: $2M

Lessons

- Capital Needs
- Staffing
- Security
- Services
- Neighbor Relations
- Zoning
- Receivables
- Plan B (and C…)

Poll #2

ARE YOU IN THE MARKET

Low Income Housing Institute

Seattle, WA

Sharon Lee, Executive Director

Strength Matters Presentation

The Marion West

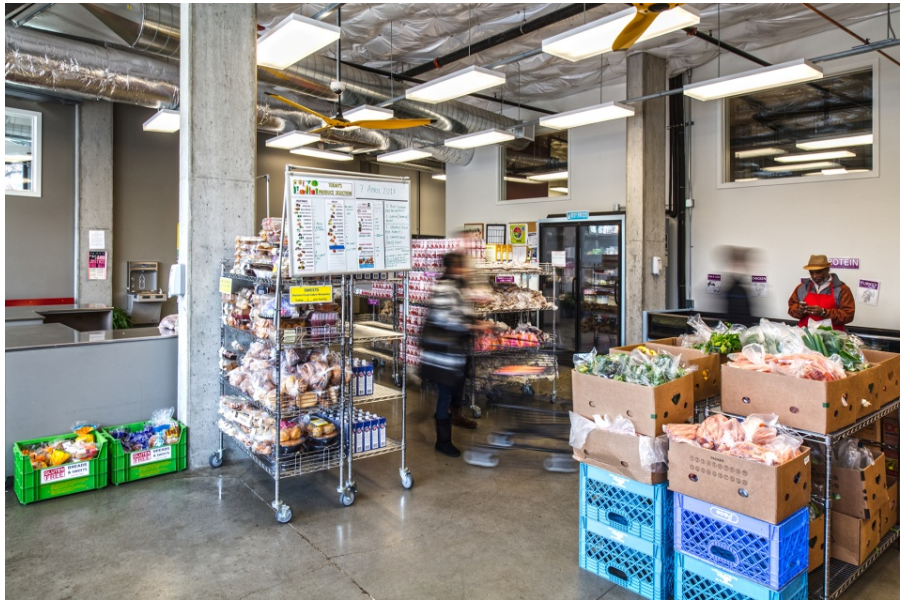
49 apartments for homeless young adults and low-wage workers

Multiple Award Winner:

- Two 2017 Golden Nugget Grand Awards, including **Residential Housing Project of the Year**
- Affordable Housing Finance Reader's Choice Award for Best Mixed-Use project
- NAIOP Commercial Real Estate Development Association Judge's Innovation Award.
- Puget Sound Regional Council VISION 2040 Award

University District Food Bank

Rooftop vegetable and herb garden



June Leonard Place

48 apartments in Renton

PSH for families and veterans, and units for low wage workers

Elderly veterans at risk after 3 contract coronavirus at Seattle affordable housing facility Arion Court

Abutting a new high-rise condo tower, the much smaller Arion Court houses 38 single-occupancy units, where low income and formerly homeless people... (Dean Rutz / The Seattle Times) **More**

By Lynda V. Mapes

Seattle Times environment reporter

COVID-19 Response

- LIHI operates 2,300 affordable apartment units
    - Our staff has implemented physical distancing requirements: limiting guests, increasing cleaning, and put in measures to protect our staff
- LIHI recently created 95 additional tiny houses and shelter beds
    - Opened T. C. Spirit Village in the Central Area
    - Doubled the size of Lake Union Village in South Lake Union
    - Opened an enhanced 24/7 shelter in Bitter Lake neighborhood
- 3 Urban Rest Stops in Downtown, Ballard, and U District neighborhoods provide free hygiene services to people experiencing homelessness
- Essential staff continues to support 12 tiny house villages in Seattle, Tacoma, and Olympia
    - This includes 400 tiny houses, serving 1,000 men, women, and children each year

Lakefront Community House

600 N 130th St, Seattle, WA 98133

- Located in Bitter Lake neighborhood by the Bitter Lake Community Center
- 28 furnished rooms for men, women, and couples experiencing homelessness
- Total occupancy is 55 individuals
- 24/7 staff and on-site case management
- LIHI staff and volunteers prepared the building for occupancy in under a month!
- Former residential treatment converted to an enhanced shelter

Lakefront Community House

The building also includes community spaces, case management offices, and a commercial kitchen and community dining room for on-site food service.

Mario and Brigitte move in with their dog at Lakefront Community House.

“This is a place where you can recover and move forward at your own pace."

-Brigitte

Tiny House Villages

- Mayor Jenny Durkan recently shared that tiny houses are *"...probably the most successful shelter we have to get people into long-term housing, and it has become some of the most sought-after shelter for some people experiencing homelessness..."*

- THVs can be built fast and are a great crisis response tool. At the start of the pandemic, at City of Seattle's request, LIHI built T.C. Spirit Village in just 4 weeks.

- LIHI hopes to continue building more villages and bringing more people inside!

Tiny House Builders

Tiny house materials being delivered to a family that will be building a tiny house from their driveway while in quarantine.

Woodcrafters Construction carpenters are building 7 tiny houses from home until they can return to project sites.

Sound Foundations NW volunteers working on a tiny house out of “tiny house factory” at Camp Second Chance in West Seattle.

T. C. Spirit Village

612 22nd Ave, Seattle, WA 98122

- 28 tiny houses for African American, Native American, and Alaskan Native men and women experiencing homelessness
- Land leased from The Christ Spirit Church (Pastor Willie Seals and Carolyn Riley-Payne pictured on the right signing agreement with LIHI)
- 24/7 staffing and on-site case management along with a community kitchen and hygiene building with restrooms, showers, and laundry
- Referrals from the church, Seattle Indian Center, Urban League, Chief Seattle Club, and the Navigation Team

With the support of staff and volunteers, Spirit Village was set up in record time: four weeks! First new resident Lola (right) told reporters that moving into a tiny house felt like a dream come true, “I think I actually sleep with a smile on my face here”

Ray Williams and Pastor Willie Seals led a blessing event prior to residents moving in. 13 tiny houses were built by the Tulalip Tribes TERO Program, and doors were painted by artist Ty Juvinel.

Lake Union Village Expansion

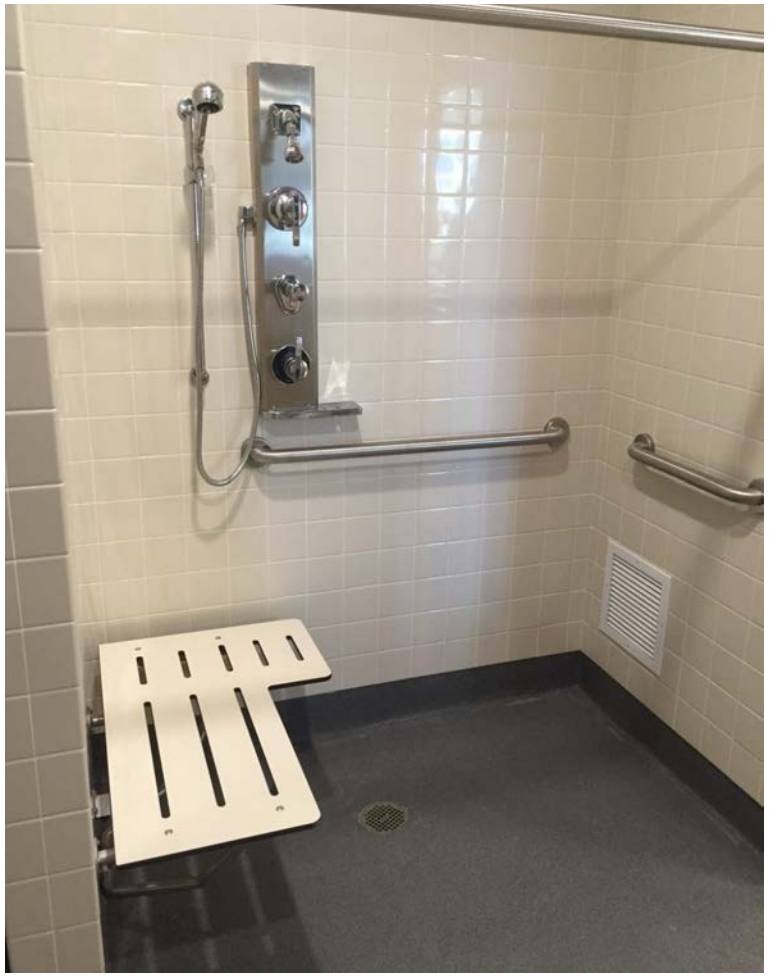
800 Aloha St. Seattle, WA 98109

- 22 additional tiny houses added to existing village for a total of 44 tiny houses
- 24/7 staffing and on-site case management along with a community kitchen and hygiene building with restrooms, showers, and laundry
- LUV is operated on a Housing First harm reduction model

Incredible volunteers dedicated countless hours of time to expanding Lake Union Village so new residents like Jeffrey and Anne (right) could have a safe and stable space to sleep.

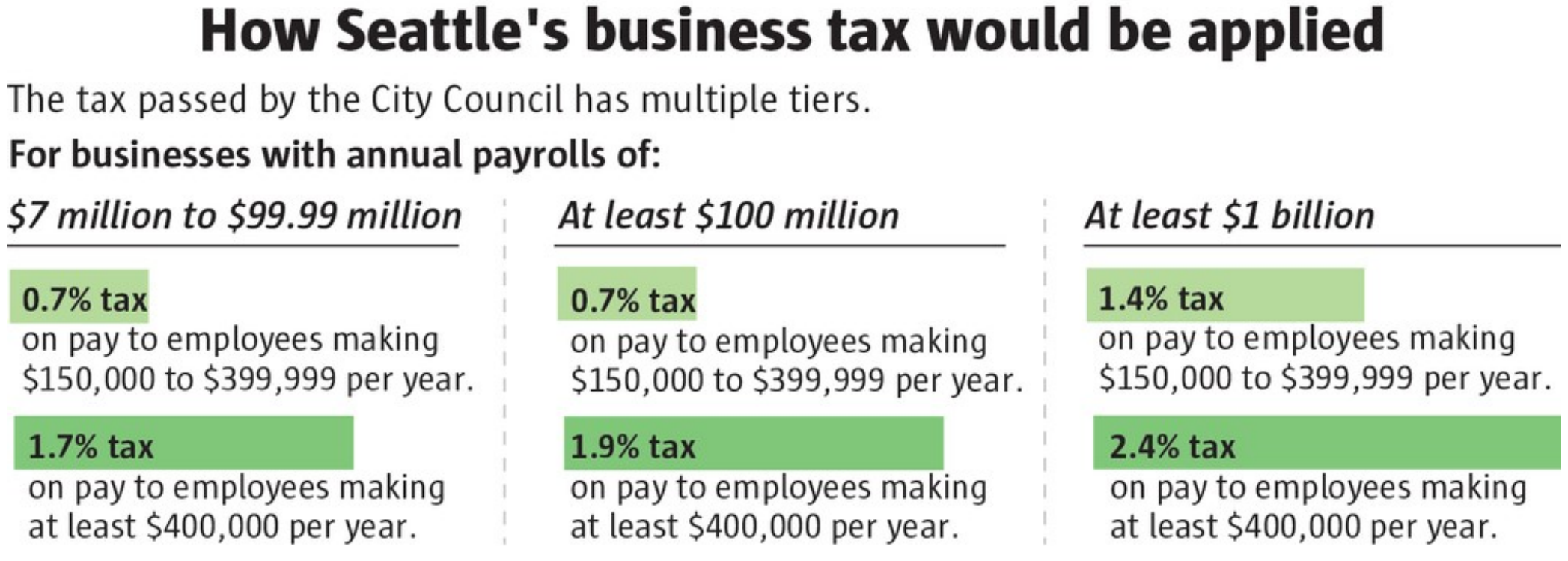
Tiny houses were built by pre-apprenticeship programs, high schools, and volunteer groups. The Burrard Group and Seattle Seahawk Bobby Wagner provided funding to support the construction of tiny houses.

Urban Rest Stops Showers, Laundry, Bathrooms, Referrals to



JumpStart Payroll Tax

Businesses with at least $7 million in annual payroll will be taxed 0.7% to 2.4% on salaries and wages spent on Seattle employees who make at least $150,000 per year, with tiers for various payroll and salary amounts. For example, a company with an $8 million payroll and one employee making $180,000 would pay a tax of 0.7% on $180,000 — or $1,260.



King County Health Through Housing Sales Tax

Health through Housing Proposal Summary

The King County Executive is proposing Councilmanic **enactment of a** ***Health through Housing 0.1% Countywide Sales Tax*** **authorized under** RCW 82.14.530 (*aka* the Legislature's 2020 HB 1590).

GOAL: HOUSE 45% OF CHRONIC HOMELESS POPULATION (based on HMIS)

By October 2022, house 2,000 King County residents who are experiencing or at risk of chronic homelessness—while reducing racial-ethnic disproportionality—by:

1. acquiring single-room settings like hotels while economic conditions are favorable,
2. putting them into immediate service as emergency and affordable housing,
3. funding operating and supportive services within housing, including behavioral health services, to keep people healthy and housed; and
4. converting acquired single-room settings into permanent supportive housing over time while continuing to develop additional affordable housing.

Holiday Inn

14115 Aurora Ave N., Seattle
102 Studio Sized Hotel Rooms
114 Beds

The Holiday Inn

The Holiday Inn Express features warmly decorated rooms, flat-screen TVs and desks, as well as mini-fridges, microwaves, and coffeemakers in each room.

The hotel also has:

- A 440 square foot fitness center
- A 1000 square foot indoor pool and hot tub space that can be converted into community space.
- A 1140 square foot lobby, dining, and community room space.
- Offices
- Laundry facilities
- A kitchen/pantry
- Additional meeting rooms

The Proposal

→ We propose using a combination of public and private resources to finance the acquisition of the Hotels for shelter purposes.

→ The Holiday Inn on Aurora is a hotel that can be acquired and quickly converted to high quality, non- congregate shelter.

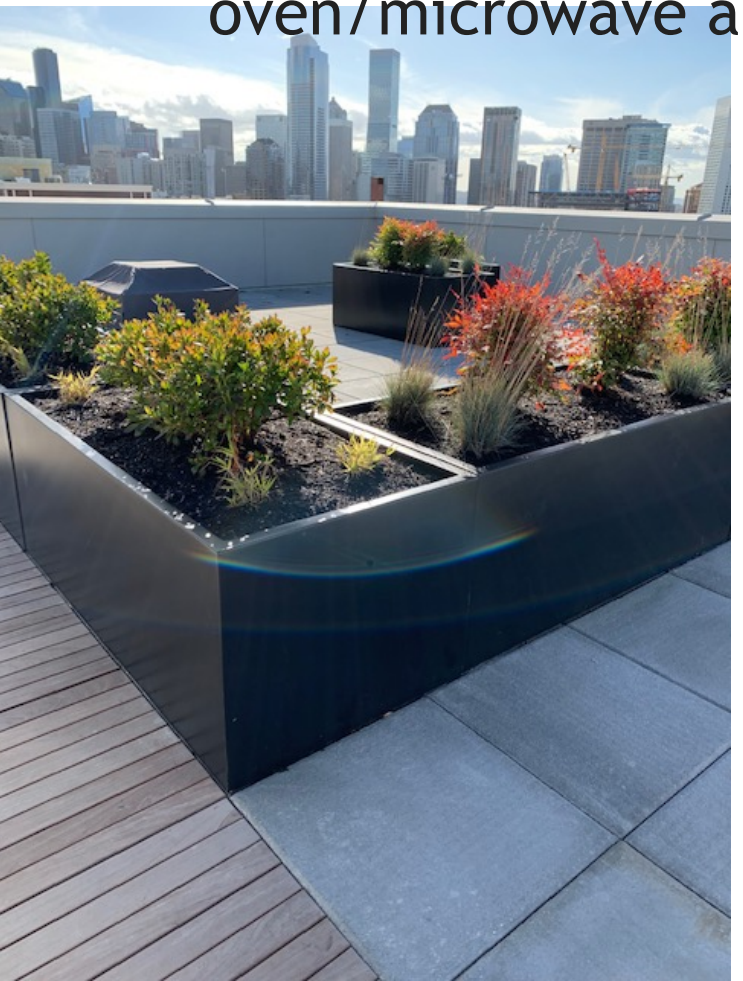
→ In the long term, these hotels can be easily converted to 100% permanent supportive housing.

→ Like in the case of the Holiday Inn, many of these hotels also have large parking lots that can be developed into affordable housing in the long term.

Clay Building

600 Howell St. Seattle

76 units of studios. W/D in each unit. Convection oven/microwave and cooktop.



Poll #3

TINY HOUSES ?

Q & A

FLEXIBLE HOUSING SUBSIDY POOL

AN OVERVIEW OF THE MODEL

William F. Pickel | CEO, Brilliant Corners

CURRENT STRATEGIES TO END HOMELESSNESS

SHELTERS

SUPPORTIVE HOUSING DEVELOPMENT

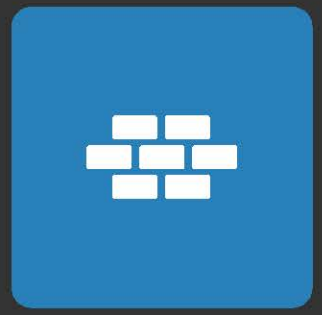
SUPPORTIVE SERVICES

SHORT-TERM FINANCIAL SUPPORTS

BROKEN SYSTEMS

SILOS

INSUFFICIENT FUNDING / SCARCITY MINDSET



INFLEXIBLE FUNDING

HOUSING FIRST:

PERMANENT SUPPORTIVE HOUSING:

FLEX POOLS: FULLY RESOURCING ALL THE ACTIVITIES NEEDED TO ACCESS THE HOUSING MARKET

LANDLORD ENGAGEMENT

RENT SUBSIDY ADMINISTRATION

TENANCY SUPPORTS

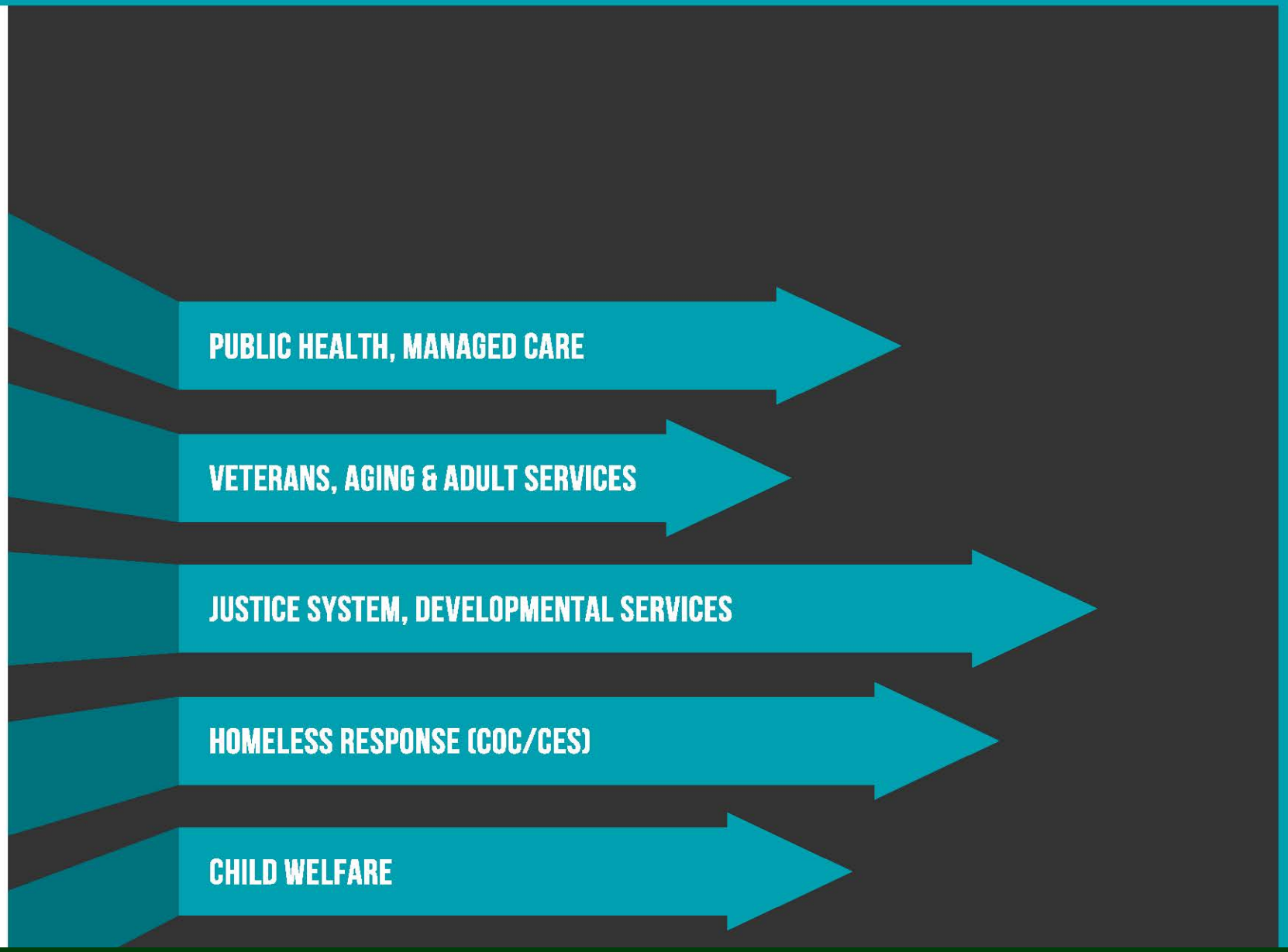
INTENSIVE CASE MANAGEMENT SERVICES

THE FOUR PILLARS OF THE FLEX POOL

Maximizing Access to Existing Housing Units	✔
Maximizing the Low-Income Housing Tax Credit	✔
Spurring Non-Traditional Supportive Housing Development	✔
Leveraging Federal Vouchers	✔

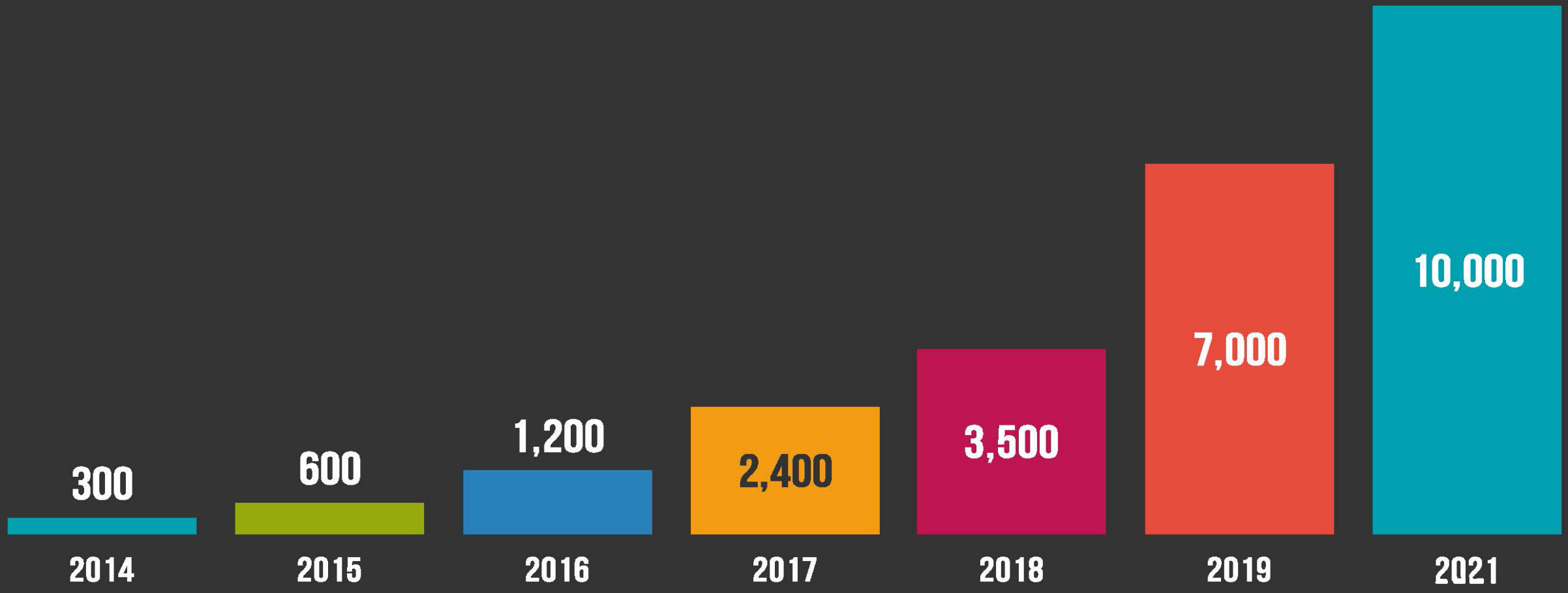
THE MODEL OF "YES" - HOUSING RESOURCES

Any size: single units, set-asides, entire buildings	✔
Permanent Supportive Housing (existing and planned)	✔
Affordable housing (existing and planned)	✔
Market-rate (existing and planned)	✔
Interim housing	✔
Recuperative Care	✔



A SHARED HOUSING PLATFORM

PEOPLE HOUSED



Poll #4

RENTAL SUBSIDIES ?

Partnering with Health Care and Public Health

Marcella Maguire, Ph.D.
Director, Health Systems Integration

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CSH

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

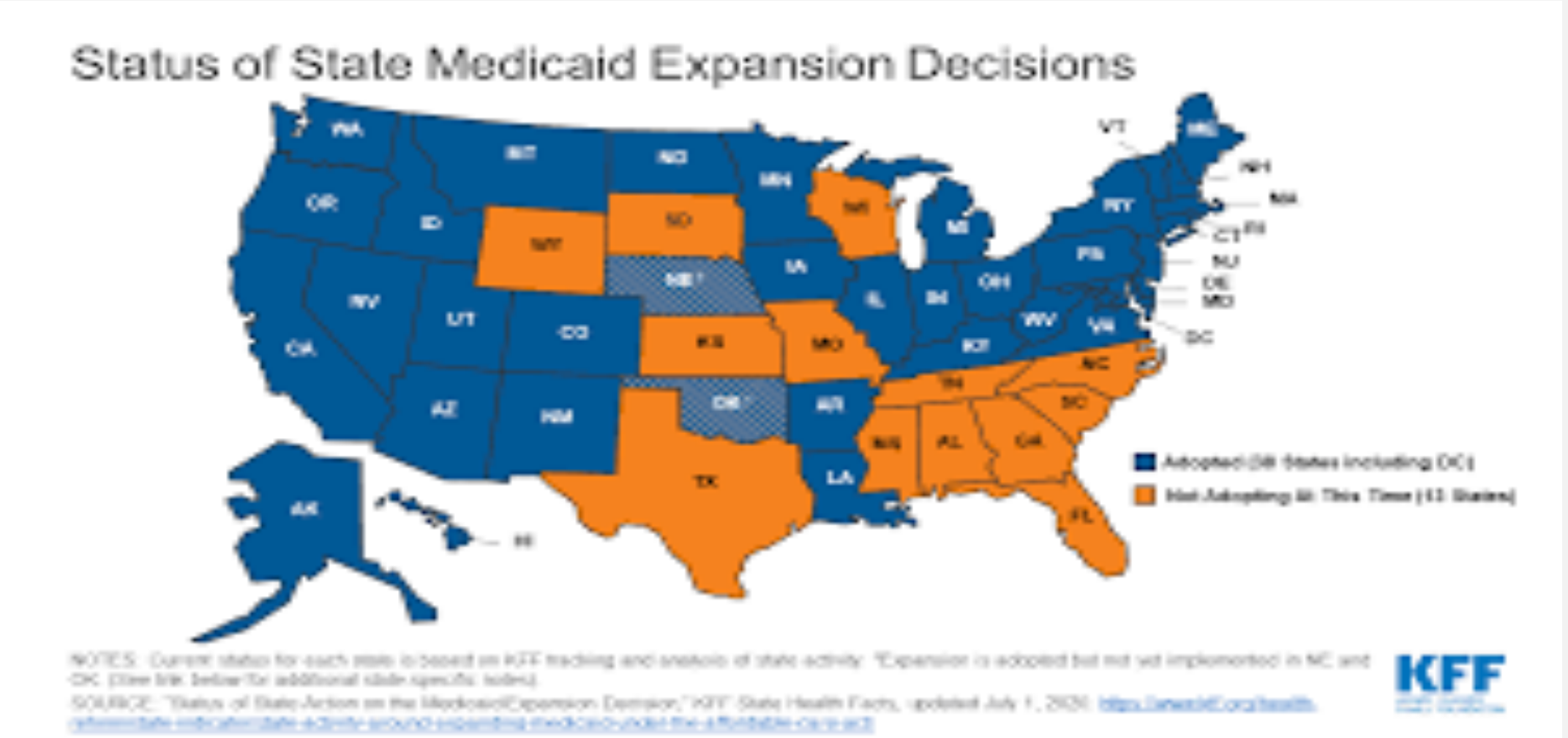
TRAINING AND EDUCATION

LENDING

POLICY REFORM

CONSULTING & TECHNICAL ASSISTANCE

Current Status of State Medicaid Expansion



Source: https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/

Federal -State Partnership

- Federal Oversight and Structure
- Significant State Flexibility
- Each State is required to have a State Medicaid plan that outlines how Medicaid works in that state.

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Where are states on Tenancy Support Services

States using an 1115

- California
- Washington
- Maryland
- Massachusetts
- Rhode Island
- Virginia

States IN between

- Florida
- Hawaii
- Illinois

States Using a 1915(i)

- Minnesota (CMS approved)
- CT and ND (CMS submitted)
- New Hampshire

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Where are states?

States using focused on SDOH including Housing

- North Carolina
- Oregon

States in Discussion

- Arizona
- Delaware
- District of Columbia
- Indiana
- Montana
- Nevada

https://www.csh.org/resources/summary-of-state-action-medicaid-housing-services-2/

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Common process for states

Influence your state legislators HERE!

Define population and/or policy goals

Analysis: How many people, what will this cost?

Submission to the state legislature for budget approval

Waiver written and negotiated with CMS

CSH

Common process for states

State Trains on Provider Enrollment, Eligibility Determination, PCP development and process

Waiver approved: State begins to implement

Contracts negotiated between services agencies and health care payors

Activities from previous box occur: Expect a learning curve

Services Delivered, Agencies Reimbursed

Aligning Housing Resources to match services

CSH

Administrative Models for Billing

SH Provider Bills	• Requires significant up front cost and likely changes in IT, staff, policy and procedures etc. • Maintains accountability
SH provider partners with another agency for Service Delivery	• Limited up front changes • Less clear accountability
SH Provider submits paperwork to another agency who submits claims	• Some up front changes • Fee charged for process, decreases revenue for the agency. • Staff changes still likely.

https://d155kunxf1aozz.cloudfront.net/wp-content/uploads/2019/11/Medicaid-Administrative-Models.pdf

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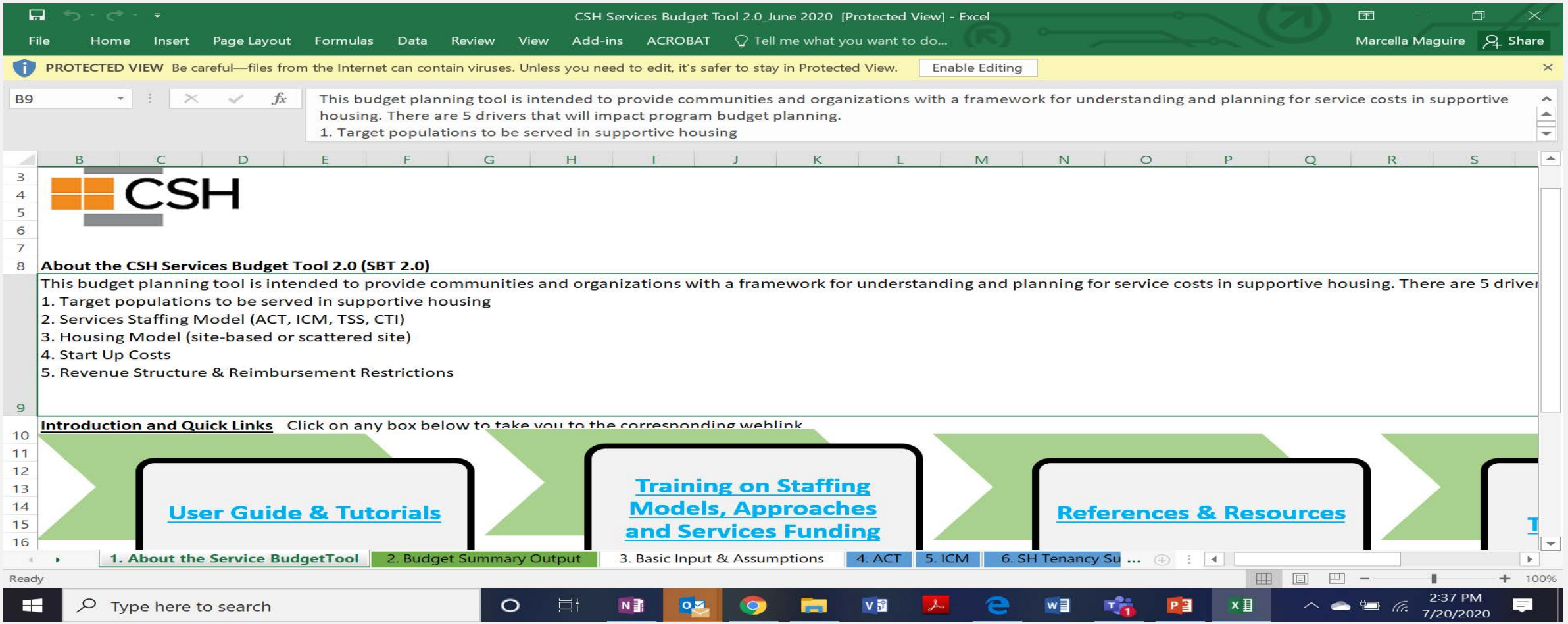
Services Budget Tool



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Your Source for Professional Development

Your Agency & Medicaid

Discovering New Opportunities for Service Funding

8 Virtual Sessions over 4 weeks | 4 Self-Paced Online Courses | Tech Assistance

csh.org/training

Public Health Messaging Opportunities

The Dangers of any congregate setting

Racial Equity

Preventing Community Spread

“Winter is Coming”

CHOICE

THANK YOU

Please join us again for one of our many course offerings.
Visit **www.csh.or/training**

Poll #5

MEDICAID ?