

**Concord Coalition to End Homelessness (CCEH)
Paths Toward Housing Solutions
(Updated 12/27/21)**

Housing Solution	Calendar Year							
	21	22	23	24	25	26	27	Total
Build Relationships with Existing Apartment Landlords	3	3	3	2	2	2	2	17
Build Relationships with Future Apartment Developers			13	10	5	5	5	38
Manufactured Home Communities	1	2	2	2	2	2	2	14
Purchase Duplex and Triplex Apartments	3	4	4	4	4	4	4	24
Cottage Homes		2	2	2	2	2	2	12
24/7 Supervised Housing				15				15
Individual Creative Solutions		2	2	2	2	2	2	12
Total Potential Housing Solutions 2027	7	13	26	37	17	17	17	134

The above chart illustrates the current paths that CCEH is pursuing to provide housing solutions for the approximate 100-150 long term homeless individuals, in the greater Concord community. The numbers provided are assumptions that are based on current knowledge about what might be feasible. Below, with the exception of “Individual Creative Solutions”, CCEH provides a brief assessment for each of the above paths. As a path for ending homelessness, the category “Individual Creative Solutions”, presumes that CCEH will network with area service providers, such as Fellowship Housing and Community Action Program, Belknap-Merrimack Counties, to provide additional housing.

Build Relationships with Existing Apartment Landlords

Scope: By 2027, establish collaborative relationships with property management companies and landlords whereby cumulatively they are receptive to maintaining housing for 17 individuals that are experiencing homelessness.

Evaluation: A relatively immediate and low cost approach to house individuals experiencing homelessness is through relationships with property management companies and existing multi-family landlords. CCEH's commitment to provide case management is an enticement to these landlords.

Since most of our clients cannot afford market rents, this solution is dependent on the prospective tenants having a housing voucher. This path does not create very needed additional housing units.

Status: CCEH has been reaching out to several large property management companies to try to find apartments for clients with rental assistance vouchers. Keystone Properties is receptive to providing an apartment for a person experiencing homelessness. However, all available units have had rental cost (rent plus utilities) that exceed the rental assistance threshold.

CCEH staff worked with Alliance Asset Management, the property management division of CATCH Neighborhood Housing and was able to secure an apartment for a client with a move in date of January 1, 2022.

CCEH staff has finalized and is now using a landlord incentive program, that in part offers a sign-on bonus and additional funds for damage claims.

CCEH staff continues to update its list of local landlords that might be willing to provide housing opportunities for our clients.

Next steps: CCEH will reach out to its list of landlords to: validate contacts; determine if rent levels are within maximum cap for rental assistance vouchers; review the new CCEH landlord incentive program; learn if the landlord is receptive to housing CCEH clients, and establish a method for communicating unit availability.

Development Cost

Per Individual Housed N/A

Total (x # units) N/A

Development Partners: N/A (Existing properties)

Development Cost: Sources of Funds

N/A (These are existing rental units that are not owned by CCEH)

Monthly Cost to CCEH (per unit)

Total monthly expenses: N/A (Tenant assumed to pay rent with a housing voucher)

Income sources (per unit)

N/A - Resident's housing voucher payment passes to property owner

Ownership: N/A- Tenant has lease with property management company.

Property Manager: Properties have unique managers that are not directly affiliated with CCEH.

Size of Property needed: N/A (Existing properties)

Build Relationships with Future Apartment Developers

Scope: By 2027, seek to establish relationships with developers that plan to build multi-family properties (approximately 24-40 units), whereby they agree to set aside a percent of the units to cumulatively house 30 individuals that are experiencing homelessness. Under a memorandum of understanding, CCEH would provide on-going supportive services to the individuals that receive housing.

Evaluation: CCEH's role in such projects could be either a co-owner or a supportive services provider only. This has the potential to be low-cost to CCEH. However, the ability for the developer to create this very needed additional affordable housing is dependent on receiving Low Income Housing Tax Credits and/or other financing subsidies through a very competitive process. In addition, individuals experiencing homelessness will typically still require an additional tenant-based or project based rental voucher in order to afford the rent.

Status: CCEH signed an agreement with Dakota Partners. In 2022, if Dakota Partners is able to break ground on their proposed development, when phase one of the project is complete; they will set aside 5 units of new housing for individuals experiencing homelessness. When phase two is complete, Dakota Partners intends on setting aside an additional 5 units for CCEH clients.

CCEH and Community Housing of Maine (CHOM) determined that it was not financially feasible for CHOM to develop a property owned by CCEH, First Church, into affordable housing. CCEH is currently working with the Caleb Group to see if their financial analysis of the project is different and would allow for a 30–40-unit housing facility, with 6-10 units held for individuals experiencing homelessness.

CCEH staff worked with State Senator Becky Whitley and Senator Rebecca Perkins Kwoka to propose legislation requiring the Commissioner of the Department of Administrative Services to conduct an inventory of all State-owned real estate, and designate whether it is “active use,” “not in active use,” or surplus.” The purpose of the proposed legislation is to identify vacant land that can potentially be used for the creation of affordable housing, with units set aside for people experiencing homelessness. The proposed legislation will be presented at a hearing of the ED&A Committee on Wednesday, January 12th at 10:40 a.m. in SH 103.

Next steps:

In addition to CCEH trying to find vacant land owned by the State, CCEH Staff has identified two sites that are owned by the City and that might be viable locations to develop affordable housing. Staff is working with a civil engineer to determine the cost of developing housing on the parcels. If either, or both locations are viable sites, Staff will reach out to the City and local developers to obtain interest in partnering on a housing project.

CCEH staff will reach out to The Caleb Group and Brookline Opportunities, LLC to see if their respective, Planning Board Approved, multi-family housing projects, have units that could serve our clients.

Development Cost (current assumptions)

Per Individual Housed	\$230,000
Total (x # units)	\$8,740,000 in total

Development Partners: TBD

Potential partners: CATCH, Community Housing of Maine, Caleb Group, Families in Transition, Concord Housing

Sources of Funds

CCEH: TBD (Project specific. CCEH may not have a financial interest)

Developer: Multiple sources of State and Federal funds

Monthly Cost to CCEH (per unit)

Total monthly expenses: N/A

Income Sources (per unit)

N/A - Resident voucher passes to property owner

Ownership: TBD (Primarily the developer)

Property manager: Properties have unique managers that are not affiliated with CCEH

Size of Property needed: Half acre plus

Manufactured Home Communities

Scope: By 2027, seek to house 12 individuals that are experiencing homelessness by buying and owning housing in mobile home parks.

Evaluation: Finding housing opportunities in manufactured home parks appears to be one of the few near term, low investment solutions to house individuals that are experiencing homelessness. This path also provides the opportunity to create new housing.

Status: A local Resident Owned Community (ROC) recently voted to amend their bylaws to allow CCEH to be the member and to sublet to our clients. CCEH and the ROC could not agree on a cost sharing arrangement for the \$20,000 estimated cost to remove the current manufactured homes. No further discussion is anticipated at this time.

Next steps: CCEH is placing this path on hold.

Development Cost (current assumptions)

Per Individual Housed	\$100,000
Total (two units at current site)	\$200,000, \$1,200,000 in total

Development Partners: N/A

Sources of Funds

CCEH	TBD
Other	TBD

Monthly Cost to CCEH (per unit assumptions) **SEE ALSO UPDATED ANALYSIS**

Water/sewer, electric	\$85
ROC fees	\$460
Taxes	\$85
Property Management	\$170
Total monthly expenses	\$795

Income Sources (per unit)

Resident housing voucher \$850

Ownership: CCEH within ROC

Property Manager: Concord Housing (anticipated)

Size of Property Needed: N/A (Sites already have designated lots)

Purchase Duplex and Triplex Apartments

Scope: By 2027, seek to purchase six multi-family buildings that will cumulatively house 24 individuals that are experiencing homelessness.

Evaluation: A moderate investment level approach to house individuals experiencing homelessness is through control/ownership of small, multi-family units. CCEH has determined that a duplex, with one or two bedrooms per unit, might work best for CCEH, our clients and the neighborhood. Once the property is purchased, it appears that a combination of vouchers and/or supplemented rent, can make the project financially viable.

At current interest rates, when a mortgage is obtain on the property, it substaintially reduces the out-of- pocket cost to CCEH to approximatley \$30,000-\$40,000 per individual housed.

A limitation for CCEH is the organization's ability to act in time to acquire property prior to it being sold. In addition, CCEH does not want to displace tenants residing in properties that are listed for sale.

Status: CCEH purchased a triplex apartment building in October and within 45 days was able to house three peopel that were experincing homelessness. The property is managed by Concord Housing and Redevelopment.

Next steps: In December 2021, CCEH's offer for a 4 unit property was accepted. CCEH is working through the developement process to try to turn the 4 units into 8, one bedroom apartments. It is CCEH's hope that rental asstance will be awarded to the project.

Based on this Path's ability to rapidly house clients who already have tenant-based rental assitance vouchers and the comparitively low upfront cost for each person housed, CCEH staff will seek to determine additional sources of funds, beyond fundraising, to purchase properties.

Development Cost (current assumptions)

Per Individual Housed

\$40,000 (Anticiapted on average cost with some building improvemnts at purchase)

Total (6 Duplexes, each with 2 two-bedroom apts.)

\$960,000 total out-of-pocket

Development Partners: Yes/No (project specific)

Sources of Funds

CCEH	\$960,000
Other	TBD
Loan	\$1,9200,000

Monthly Cost to CCEH (per two bedroom unit assumptions)

Water/sewer, electric

\$130

Taxes annualized

\$330

Property management

\$140

Reserves/maintenance \$500

Total Monthly expenses **\$1,300**

Income Sources (per two bedroom unit)

Resident housing voucher \$1,400

Ownership: CCEH, Private investors (TBD).

Property manager: Concord Housing (anticipated)

Size of Property needed: N/A (existing buildings)

Cottage Homes

Scope: By 2027, develop six cottage home, pocket communities that create housing for 12 individuals experiencing homelessness.

Evaluation: The cottage home, pocket community concept has unique public and private support over other Paths for Ending Homelessness. The cottage home model is a moderately priced housing solution for individuals experiencing homelessness. The model suggests that the rental income received from four market rate cottages, could support a reduced rent for two additional units, making them affordable to someone on disability income without the need for a rental voucher.

Status: To date, two quotes have been received to build and deliver a cottage home; \$90,000 and \$103,000. Staff will continue to work to try to reduce the cost of each cottage home. The cost of each unit does not include land acquisition, infrastructure, slab and soft development cost.

CCEH recently identified a potential site for a cottage home pocket community. Civil engineers with Wilcox & Barton volunteered their time to create for the property a concept draft consisting of 18 units. The infrastructure and land development cost, excluding the land purchase price, was approximately \$1,000,000. This development cost was greater than anticipated. It is useful information as a baseline for preliminary cost for 18 units at any potential site.

Background: The Cottage Home Committee meets regularly. Their goal is to have selected a manufacturer and worked with them to design and price a model cottage home by January 2022. The committee completed the design of a model cottage home in August. The committee aspires to have the first cottage home pocket community operating by fall of 2022.

Next steps: The Cottage Home Committee will continue to identify potential manufacturers for the cottage home model, as well as work to obtain an estimate of total development cost and to identify potential sites.

Development Cost (current assumptions)

Per Individual Housed \$155,000
Total (six units) \$933,000 per cluster of 6 units. \$5,600,000 total for 6 clusters.

Development Partners: TBD

Sources of funds

CCEH TBD
Other TBD

Monthly Cost to CCEH (per unit assumptions)

Total monthly expenses \$625 (all operating cost divided by 6 units)

Income sources (per unit)

Market Rate Rent

\$1,000 (x4 units)

Reduced Rent

\$250 (x 2 units)

Ownership: CCEH

Property manager: Concord Housing (anticipated)

Size of Property needed: TBD .5 to 2 acres

24 Hour Supervised Housing (Last Updated 10/25/21)

Scope: By 2027, seek to establish partnerships with providers of structured, 24/7 supportive services, whereby cumulatively they agree to house 15 individuals that are experiencing homelessness or at risk of becoming homeless.

Evaluation: For a percentage of individuals experiencing homeless, they will need to reside in more structured supportive housing with 24/7 staffing to stay successfully housed. The development cost for such supportive housing is moderate to high. However, the ongoing supportive services costs are extremely high.

Status:

CCEH has met with several providers of 24/7 structured supportive services that are receptive to partnering with CCEH to serve individuals experiencing homelessness, or at risk of becoming homeless. CCEH Staff has initiated conversations with NFI North and Easter Seals.

Next steps: CCEH continues to look for a location to provide 24/7 supportive housing. Finding and obtaining site control is a key starting point for establishing this type of housing.

Development Cost (current assumptions)

Per Individual Housed \$230,000
Total (x # units) \$3,450,000

Development Partners: TBD

Sources of Funds

CCEH: TBD (Project specific. CCEH may not have a financial interest)

Developer: Multi sources of State and Federal funds

Monthly Cost to CCEH (per unit)

Total monthly expenses: N/A

Income sources (per unit)

N/A - Resident voucher passes to property owner

Ownership: N/A (Tenant has lease with property management company)

Property manager:

Properties have unique managers that are not affiliated with CCEH

Size of Property needed: Half acre plus

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