

## Paths Toward Housing Solutions

We at Concord Coalition to End Homelessness (CCEH) are committed to actually **ending** chronic homelessness\* in Concord. We are working with numerous partner organizations and vigorously pursuing multiple “Paths Toward Housing Solutions” to make more housing units available to achieve this goal.

CCEH estimates that there are 150-175 chronically homeless individuals in the greater Concord area. They may be living in a shelter, in their car, or in an encampment, and some have been homeless for many years. CCEH is in contact with the majority of these individuals through our Resource Center and Emergency Winter Shelter. We are collaborating with other service providers and engaged in outreach to connect with those who do not use our services, so we can turn our estimate into an accurate, dynamic “by name list” of everyone who is chronically homeless in Concord. From there, we can track Concord’s progress to ZERO chronically homeless individuals!

But finding available, affordable housing options is extremely challenging. What follows is a chart of seven different “Paths” that CCEH is working on, along with the number of people we believe could be housed using each Path over the next five years. Some of the Paths are more clearly defined than others, and CCEH is still learning about the opportunities and barriers for each path. So, this chart is not a “strategic plan,” but rather a practical approach to the most viable paths to house people experiencing homelessness.

### Some points to note:

- Even an “affordable” one-bedroom apartment costs about \$1,000 to rent. Most of the individuals we serve are disabled and surviving on disability income of about \$800 per month.
- So, even as more “affordable” units are made available, chronically homeless individuals will usually need an on-going rental assistance voucher as well. With a voucher, the individual pays 30% of their income towards rent, and the voucher covers the rest.
- Until very recently, the wait-lists for vouchers were 5-8 years long, and it was rare for any of our Resource Center clients to have one. The American Rescue Plan and other Covid-related funding brought a wave of vouchers, and numerous Resource Center clients were issued a voucher, but several are still struggling to find a place to use it.
- In each of the Paths, CCEH is committed to providing on-going case management to the client to help them follow the terms of the lease, connect with any services they need, and stay stably housed.
- The total financial investment needed to end homelessness will depend on the combination of housing solutions that are ultimately implemented. Some housing solutions require little-to-no upfront costs, especially if the person has their own rental voucher. Solutions involving the new construction of apartments can be as high as \$300,000 per unit. Providing on-going case management will require on-going funding. Every available source of funds will need to be tapped to reach the goal, including federal, state, and local government funding, grants, fundraising events, and donations from generous individuals.

**We invite you to join us in making these Paths Toward Housing Solutions a reality, and we welcome any input or questions you may have.**

*\*CCEH is focused on chronically homeless individuals, (homeless for more than one year and have a disability.) Only about 20% of all people who experience homelessness are chronically homeless, but getting these people housed makes the entire homeless services system work more efficiently and be better able to serve those who fall into homelessness due to an immediate crisis, such as loss of a job or a medical issue.*

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## Paths Toward Housing Solutions (Updated 3/21/22)

	<b>Number of Individuals Housed</b>								
<b>Housing Solution</b>	<i>2021 (actual)</i>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>Total 2022- 2028</b>
<b>1. Build Relationships with Existing Apartment Landlords</b>	(4)	4	4	4	4	4	4	4	28
<b>2. Set Aside Units in Future Housing Developments</b>			5	5	4	4	4	4	26
<b>3. Purchase Ready-to Rent Small Multi-Unit Homes</b>	(6)		3	3	3	3	3	3	18
<b>4. Renovate Properties into Multi-Unit Homes</b>			8		6		7		21
<b>5. Creative Solutions, Including Programs with Other Agencies</b>	(13)	6	6	6	6	6	6	6	42
<b>6. 24/7 Supervised Housing</b>				15					15
<b>7. Cottage Homes</b>				3		3			6
<b>Total from all Housing Paths</b>	(23)	10	26	36	23	20	24	17	<b>Grand Total=156</b>

***Read further for a description of each Path,  
its opportunities and barriers, and its current status.***

## 1. Build Relationships with Existing Landlords

### Overview:

In this tight rental market (<1% vacancy when 5% is “healthy”) landlords have their pick of tenants. The rental applications from individuals who are homeless stay at the bottom of the pile, because they can’t give a recent landlord reference and may also have an eviction or criminal record.

CCEH is working to establish collaborative relationships with property management companies and landlords so that they will give these folks a try when one of their apartments becomes available.

### The Benefits/Upside

- It does not require the time and money that developing new housing requires, so it could be much faster and cheaper than other Paths

### The Obstacles/Downside:

- This Path only works if the person has their own rental voucher, so they can afford the rent
- Often, the rent on an available unit is higher than the maximum rent the rental voucher allows
- Some landlords refuse to accept any tenants with rental vouchers
- The stigma of homelessness makes some landlords very reluctant to be involved
- This Path does not add any much-needed *new* apartments to Concord’s housing inventory

To entice landlords to rent to people who are experiencing homelessness, CCEH is offering a Landlord Incentive Program that includes the following:

- A one-time “sign-on” bonus of \$1,000 per unit.
- Guaranteed rent through the individual’s rental voucher.
- Vacancy loss coverage to hold a unit while the voucher processing is underway.
- A damage mitigation payment, up to \$2,000 per unit, for damages not covered by the security deposit
- On-going case management from CCEH to help the tenant understand and follow the rules of the lease, connect with any other services they need, and stay stably housed.
- Landlords may choose to be recognized on the CCEH website and social media.

### Status and Next Step as of: 2/28/22

In 2021, CCEH was able to house four individuals with this Path, in part because of the “wave” of vouchers that were available under the American Rescue Plan and other programs. Currently, CCEH is aware of ten individuals with vouchers and we are working with them to find an apartment.

CCEH has created a database of landlords who collectively own about 60 rental properties. A volunteer is systematically reaching out to let them know about CCEH’s Landlord incentive program and see if they’ll jump on board. We will catalogue which properties have rents that are too high for a voucher, and which landlords have a blanket “no vouchers” policy. We will engage with the rest to see if they will consider a client of the Resource Center whenever they have a unit become available.

## 2. Set Aside Units in Future Housing Developments

### Overview:

In this Path, a housing developer promises to have *some* of the apartments in a proposed apartment building “set aside” or prioritized for people experiencing homelessness. CCEH is reaching out to affordable housing developers in our area to see if they will partner with CCEH to do this, with CCEH providing the on-going case management services to help the tenants stay stably housed. Having an organization like CCEH committed to provide these services increases the developer’s score in the competitive application process for funding.

### The Benefits/Upside

- We are in the midst of a housing crisis. The state (and the country) never fully recovered from the real estate crash of 2008. There was a tremendous scaling back of housing production, and we are truly feeling the effects of that, as well as many other factors, now. This Path taps into new housing development that will ease that crisis, and focuses part of it directly on ending homelessness.
- When an experienced, affordable housing developer partners with CCEH in this way, the impact on CCEH’s time and money is limited to providing the case management support, which keeps us free to seek out more partnerships!

### The Obstacles/Downside:

- It can be difficult for developers to braid all of the subsidized financing together to make this work. The units set aside for people who are homeless need to either have a “built-in” rental voucher (a “project-based” voucher) or, have other development subsidies that make it possible for the rents on the set-aside units to be only about \$300 so it’s affordable without a rental voucher.
- The process is long and expensive. First, the developer has to find available land, then it can take one or more years to get all the necessary approvals and funding, and more time to actually build the project.
- Construction costs have skyrocketed and the availability of materials has become unpredictable since the pandemic.

### Status and Next Steps as of: 2/28/22

CCEH has partnered with Dakota Partners Inc., who is developing a 98-unit apartment complex in south Concord over two phases. In each phase, five one-bedroom units will have project-based vouchers and be prioritized for individuals coming from homelessness. The first phase should be ready for move-in at the end of 2023, and the second phase at the end of 2024.

In 2021, CCEH unsuccessfully worked with additional developers to create affordable housing with a set-aside for our clients on an existing building in Concord. In that case, the acquisition and renovation costs, and the availability of funding and project-based rental vouchers made the project not feasible.

CCEH is currently exploring a partnership with the developer of another proposed new-construction apartment complex, and CCEH is evaluating two City-owned sites for suitability for housing development.

CCEH is advocating for a bill that will require the State to inventory and publicly post its underutilized property that could be made available for housing development.

### 3. Purchase Ready-to-Rent, Small Multi-Unit Homes

#### **Overview:**

The reluctance of many landlords to rent to individuals with a history of homelessness has led CCEH to look for small, multi-unit homes we can purchase and then rent to our clients. One-bedroom and studio units are often ideal for individuals who are chronically homeless. It allows privacy, autonomy, and a manageable-sized space to maintain. If the building is in good shape, and the purchase price is reasonable, CCEH can make a down-payment of approximately \$100,000 and use a private mortgage for the remainder. So long as the tenant has their own tenant-based rental voucher, the rents can cover the operating costs and the mortgage, yet it is still affordable to the tenant.

In this market, finding such a property is challenging, and often the units are not vacant. CCEH is committed to not displacing existing tenants with this Path, so it could mean waiting for the “natural turnover” of tenants before a person coming from homelessness gets housed. In 2021, CCEH was able to purchase a triplex using this Path, and two of the three units were vacant, allowing our clients to move in right away!

#### **The Benefits/Upside:**

- This is a relatively quick and cost-effective Path to making housing available to our clients.
- It makes existing housing stock available to people experiencing homelessness (though it does not add “new” housing).

#### **The Obstacles/Downside**

- The real estate market is crazy-busy now. To be competitive, CCEH must act very fast and forego detailed inspections on the property.
- CCEH needs approximately \$100,000 as a cash down-payment, and we must either have a credit line available or work with a seller who supports our mission and is willing to wait while CCEH secures a mortgage.
- This Path only works when our clients have their own tenant-based rental voucher.
- If units are already occupied, there’s no way to know when “natural turn-over” will occur and one of our clients can move in.

#### **Status and Next Steps as of: 2/28/22**

- CCEH purchased a triplex in October 2021; two vacant units provided homes for two households experiencing homelessness.
- Our Resource Center staff are focused on tracking which clients have a tenant-based rental voucher and understanding their specific housing needs and barriers.
- CCEH is working with a real estate broker to track multi-family properties that come on the market.
- CCEH is seeking out sources of funding to have the down-payment cash “on hand”.

## 4. Renovate Properties into Multi-Unit Homes

### **Overview:**

Government funding is available on a competitive basis to create new permanent supportive housing, and this includes converting non-residential buildings into apartments, or increasing the number of apartments in an existing apartment building. This funding can be coupled with Project Based Section 8 rental assistance, which is the “golden ticket” for ending homelessness. It allows the rents to cover all the operating costs of the apartment, yet still remain affordable to a tenant whose only income may be disability payments.

This was the Path CCEH used to create our Green Street Apartments, which have four one-bedroom units, all with Project-Based Rental Assistance, and all prioritized for people coming from homelessness. Green Street Apartments were completed in December 2020.

### **Benefits/Upside:**

- New, affordable units are added to Concord’s housing stock.
- New Section 8 rental vouchers are added to Concord’s inventory.
- The new units are prioritized specifically for people experiencing homelessness.

### **Challenges/Downside:**

- The funding is competitive, so it is not guaranteed.
- The process is long, and takes a great deal of staff time.
- The overall cost per unit can be very high (\$250,000- 300,000) because of the rigorous subsidy requirements (but these costs are generally covered by the subsidized financing).
- Finding and securing an appropriate site is challenging.

### **Status and Next Steps as of: 2/28/22**

In February 2022, CCEH purchased a 4-unit property and plans to convert it into 8 one-bedroom apartments. Applications are being submitted to NH Housing Finance Authority and Community Development Finance Authority for funding and Project-Based Section 8. Zoning variances are being sought. If all goes well, the apartments will be ready for move-in by late spring, 2023. The apartments will be managed by Concord Housing + Redevelopment.

## 5. Individualized Creative Solutions, Including Programs with Other Agencies

### Overview:

CCEH's Resource Center staff have always worked with clients to help them apply for housing programs offered by other agencies, but the unfortunate truth is that there are not enough housing programs or rental subsidies to help everyone who needs one. So, our staff have also always worked with clients to figure out if there is someone within their personal network of support who could provide the boost they need to find a safe, stable housing situation. For example, there may be a relative in another part of the state or country who would take them in, if they could afford transportation to get there. Or, if they could get their car fixed, there is someone outside of town they could share an apartment with. Our case managers collaborate with numerous other local and regional agencies to access their programs or figure out these individualized, creative solutions.

Due to the "drop-in" nature of our Resource Center, it has been challenging to accurately track how many people are successfully housed through other agencies or other creative solutions. But CCEH has initiated focused "case conferencing" on specific clients to keep them moving forward towards a housing solution. We are also sharpening our data-collection system, so we can make sure that clients who get housed through this Path are accurately included, so we can track our progress towards reducing the number of people on the "By Name List" to zero!

### Benefits/Upside:

- This approach is low-cost to CCEH (case manager staff time is the primary cost).
- This approach acknowledges that there are not enough subsidy resources available, and it is empowering to a client when they can resolve their homelessness through a creative solution.

### Obstacles/Downside:

- It is not a "clear-cut" Path, so clients and case managers need to be flexible problem-solvers.

### Status and Next Steps as of: 2/28/22

The State Bureau of Housing Supports is currently providing training to help homeless service agencies collaborate more effectively within their local region and use "case conferencing" to find housing solutions for the people they serve. CCEH is working with our local Belknap-Merrimack Community Action Agency and many other local agencies on this effort. The State is also shifting to a new database for tracking the people who are experiencing homelessness in each locality, and prioritizing people for the housing programs and subsidies that are available.

## 6. Structured, “24/7” Supervised Housing

### Overview:

Most people coming from long-term homelessness can be successful moving into their own apartment, so long as they have supportive services to address any underlying issues (this is the “Housing First model). However, some people will require a more structured environment to stay successfully housed. This includes things like a “recovery house” with live-in peer support, or an apartment building with on-site case management, or a night-time security guard to prevent the tenant from allowing numerous other people stay with them in the apartment.

### Benefits/Upside:

1. For people who need this level of structured support, this is a life-saving resource.

### Obstacles/Downside:

2. This type of housing can be extremely expensive to operate year after year, and there are not any readily-available sources for operating subsidies.
3. Some models, such as a “recovery house,” require training and expertise to manage properly (and CCEH currently lacks this expertise.)

### Status and Next Steps as of: 2/28/22

CCEH continues to look for properties that could serve as a Recovery House, and to reach out to potential partners who could operate such a house.

## 7. Cottage Homes

### Overview:

CCEH is working to find housing solutions that are not dependent on a Section 8 rental voucher, since they are such a limited resource. This Path envisions a “pocket community” of 6-8 small cottage homes on a site. We envision high quality, energy efficient homes that are 600 square feet or even smaller. They would be prefabricated in a factory, which would reduce development costs. (Estimated cost per unit is \$65,000- \$100,000, excluding land and infrastructure costs.) If market-rate rents are charged for most of the units, they could subsidize the rent on one unit, so that it is affordable to someone whose only income is disability payments.

### Benefits/Upside:

- This model eliminates the need for Section 8 rental voucher.
- Smaller homes are often attractive to young professionals who could afford the market-rate cottages.

### Obstacles/Downside:

- Finding available land for a pocket community is challenging.
- This Path assumes that the land and development costs are fully covered by grants, donations or other subsidies, so that the rents only need to cover the operating costs (with no mortgage.)

### Status and Next Steps as of: 2/28/22

A small Cottage Home Committee of professionals has been convened by CCEH, and they have drafted a floorplan of a model cottage home. They are seeking out prefabricated home builders to get quotes on production costs.