

# **Supportive Housing**

## Carver Creek Campus

### Opportunity

# About Housing for New Hope

- We start with people wherever they are on their journey to being stably housed
- We connect people to housing and the supportive services they need in order to meet their goals
- HNH serves more than 700 individuals each year



# About Housing for New Hope

- **Street Outreach**
  - Joint City-County funded project to engage neighbors experiencing unsheltered homeless. Also includes leadership of the Annual Point in Time (PIT) count and support of encampment response.
- **Housing Location & Navigation**
  - Currently building a new landlord engagement effort, the Unlocking Doors Initiative, with dedicated funding from the City and in partnership with multiple agencies.
- **Rapid Rehousing**
  - HNH was one of the first three agencies in the State of NC to pilot Rapid Rehousing beginning in 2007.

# About Housing for New Hope

- **Supportive Housing**
  - Offers both community-based housing options with more than 30 landlord partners or at one of two HNH-owned supportive housing communities.
- **Affordable Housing**
  - The award-winning Holloway Place, opened in 2019, is the region's first attempt at affordable co-housing and serves single women at 50% AMI or less while offering a beautiful setting created in partnership with the City and private donors.



# Trends and Challenges

- Significant loss of *deeply*\* affordable housing options  
\*30% AMI or less
- Lack of an adequate supply of landlords who feel comfortable renting to clients with complex housing barriers
- A significant increase in the community's unsheltered population
- Aging populations in supportive housing

# What is supportive housing?

- Supportive Housing is a deeply affordable housing option that closely links **housing** with targeted **supportive services** to increase the likelihood of long-term housing stability.
- HUD's definition of Permanent Supportive Housing (PSH) - supports individuals who have faced chronic homelessness (at least one year of documented homelessness) and who have a disabling condition.
- Participants pay approximately 30% of their income towards rent.
- Connects participants to community agencies that support mental health, physical wellness, employment training, etc.

# Phoenix House

- Opened in 1992 on the corner of Elizabeth and Holloway Streets
- Phoenix House served men
- Dove House for women opened in 1996
- United housing with intensive supports



# Andover Apts

- Residential Permanent Supportive Housing (PSH) community serving 20 individuals
- Individuals have leases with the agency through our property management partner, First Rate
- Opened 2005/2006
- On-site Housing Stability Case Manager (shared with Williams Square)

**20  
Total  
Units**





# Williams Square

- Residential Permanent Supportive Housing (PSH) community serving 24 individuals
- Individuals have leases with the agency through our property management partner, First Rate
- Opened: 2010
- On-site Housing Stability Case Manager (shared with Andover Apartments)
- Built with additional offices for on-site services

**24  
Total  
Units**



# Streets to Home

- Community-based Permanent Supportive Housing (PSH) program serving 30+ individuals
- Individuals have leases with private landlords
- Ongoing financial assistance with rent, utilities, etc.
- Supportive Services designed to keep clients housed long-term
- Dedicated case management



# Trends and Challenges

- Clients in these programs are experiencing mental health challenges and substance use disorder concurrently
- 50% of clients have income, usually from SSI/SSDI
- Lack of available deeply affordable housing units means average length of time to enter Streets to Home is 65 days – vs 20 days to enter one of our campuses

# By the Numbers

- 2019 PSH Durham Report indicated a need for at least 500 additional units of supportive housing.
- 2023 PSH capacity is 357 units. We are operating at 99% capacity
- Community-based PSH costs \$15,699/unit per year. Campus-based PSH is just \$3,382/unit per year
- 2023 Point in Time Count included 158 unsheltered individuals, a 105% increase since 2020. A 10% increase from 2022.



# By the Numbers

- Familiar Faces Initiative looks across multiple systems:
  - Homeless Services
  - Health System/Emergency Services
  - Jail and Law Enforcement

# By the Numbers

- Emergency Department Utilization

*(Analysis of ED usage by those who have ever been arrested into the Durham County Detention Facility between 2014 and 2020.)*

- Top 50 utilizers generate 1400-1500 visits per year (averaging 29 per person)
- Approximately 40% are uninsured, 40% utilize Medicaid, 15% utilize Medicare
- Top 3 reasons for visits:
  - Alcohol abuse (unspecified)
  - Long term use of medications (not elsewhere classified)
  - Chest pain (not otherwise specified)

# By the Numbers

- Community Safety Department's Heart Team

*(Data is through 04/25/23 and reflects a total of 1800 people being served.)*

- 921 individuals served between 2 and 5 times
  - 3 most common calls – Mental Health Crisis, Trespass, Urgent Welfare Check
- 54 individuals served between 6 and 10 times
  - 3 most common calls - Trespass, Mental Health Crisis, Non-Urgent Welfare Check
- 8 individuals served between 11 and 15 times
  - 3 most common calls - Trespass, Mental Health Crisis, Crisis Call Diversion
- 3 individuals served between 16 and 20 times
  - 3 most common calls - Trespass, Mental Health Crisis, Nuisance/Intoxicated
- 7 individuals served more than 20 times
  - 3 most common calls - Mental Health Crisis, Crisis Call Diversion, Urgent Welfare Check

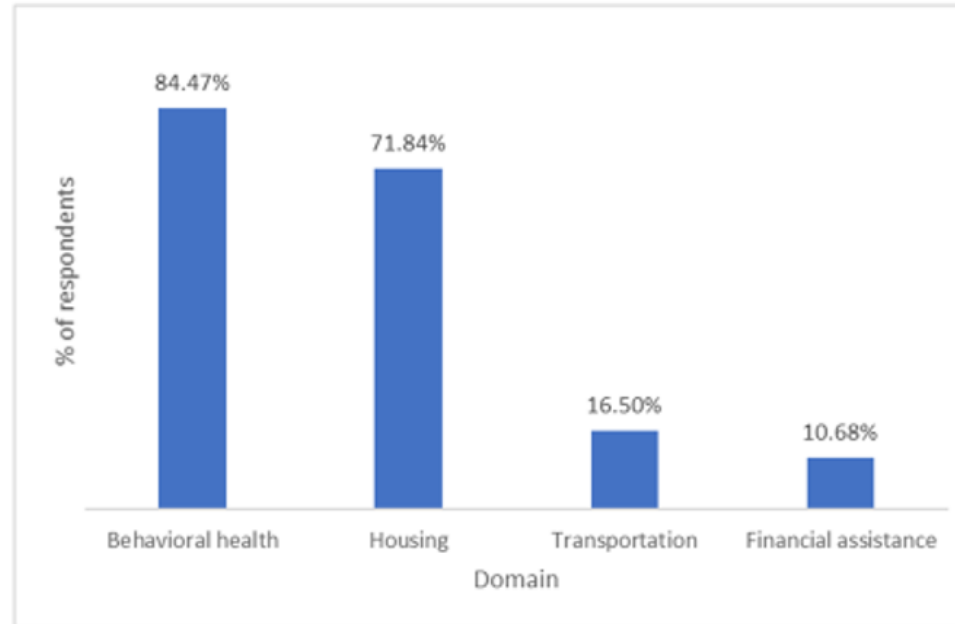
# By the Numbers

## Top Support Domains

- “They are all mental health resources. Mental health starts with safety, then food, water and shelter, then what we commonly call mental health can be more completely addressed.” - DCo52
- “People experiencing homelessness or unstable housing situations...without the foundation of secure and safe housing, they do not have the resources to focus on their mental health needs” - DCo10
- “Many clients would be more stable and less involved with criminal justice if adequate housing were available.” - DCo62

## 2022 Durham County Needs Analysis and SIM Update

Most respondents named general or specific behavioral health (i.e., mental health and substance use supports) and housing supports as being necessary for people with mental illnesses to remain in the community and out of the criminal justice system.





# Better Solutions

- Mecklenburg County's MeckFuse project

*MeckFuse is a supportive housing program in Mecklenburg County. Launched in 2013, it provides housing for 50 high-needs individuals with a history of high system utilization. Key observations from a two-year evaluation:*

- 90% of participants demonstrated a two-year housing retention rate
- 87% reduction in shelter usage
- 24% reduction in ambulance service charges
- 43% reduction in hospital charges
- Nearly 50% less likely to be arrested as those in a comparison group

# Better Solutions

- Denver Social Impact Bonds

*Denver's supportive housing program launched in 2016 with funding from social impact bonds from private and philanthropic investors totaling \$8.6 million. Notable outcomes from a five-year evaluation of the program include:*

- 92% of individuals in the treatment group attained housing at least a year prior to initiative ending
- 40% reduction in shelter visits
- 34% reduction in police contacts
- 40% reduction in arrests
- Annual cost of providing services was \$6,876 less than the total cost for people in the control group (\$25,554/year)



## Moore Place – Charlotte

- 120 units of permanent supportive housing with wrap around services provided on-site.
- Partners include City of Charlotte and Mecklenburg County, Roof Above, Alliance, etc.
- <https://www.mecknc.gov/CommunitySupportServices/HomelessServices/Pages/MoorePlace.aspx>



## WellPower/Sanderson Place – Denver

- 60 units of permanent supportive housing with wrap around services provided on-site.
- Incorporates trauma-informed design.
- <https://www.wellpower.org/permanent-supportive-housing/>



## Kings Ridge – Raleigh

- (Currently under construction)
- 100 units of permanent supportive housing
- Main floor will include community space, offices, and access to wrap-around supports like case management, integrated primary and mental healthcare, employment, and childcare support.
- Partners include Wake County, Wake Med, Alliance, CASA, etc.
- <https://www.casanc.org/kingsridge/>

# The Need

- Need 100+ units of Supportive Housing
  - Broad definition of Supportive Housing beyond just HUD PSH
  - Deeply integrated services
  - Near Duke Regional & Behavioral/Physical Health Services

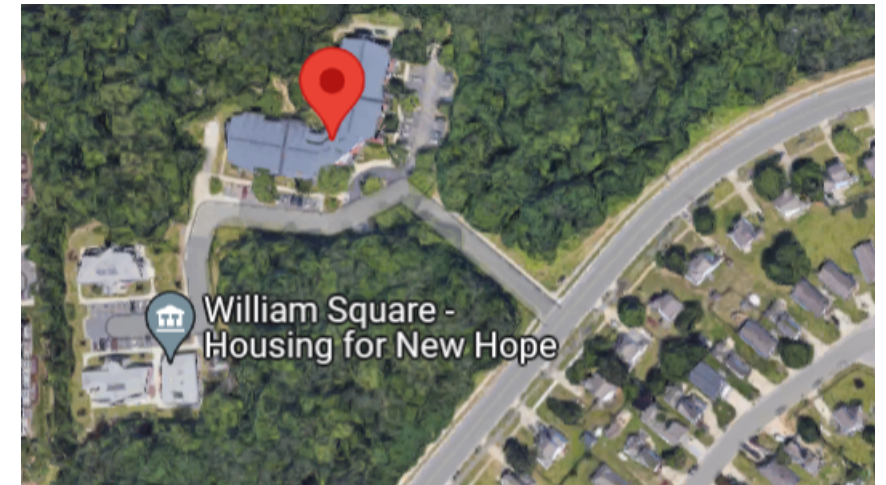


# Carver Creek Campus



# Why this property?

- Access to Amenities:
  - Grocery, stores and restaurants within a walkable mile
  - Duke Regional is a walkable 1.3 miles
  - Behavioral Health Center is a walkable 1.3 miles
- Covered bus stop on the property
- Planned greenway (multi-modal) path across the property
- Several acres with an active creek, walking paths, and forest





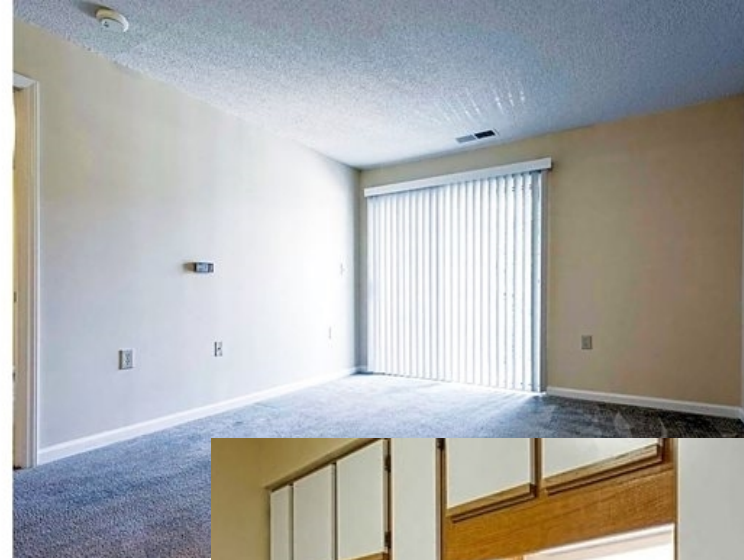
# Why this property?

- Possibility of adding an additional 45-50 units with minimal re-zoning
- Possibility of another 12 units+ behind south Williams Square building
- Opportunities to create additional office space within existing buildings and as new buildings are designed/developed
- Opportunity to create a campus with 100+ units of supportive housing with deeply integrated services *on-site*
- Wooded areas create natural buffers and privacy



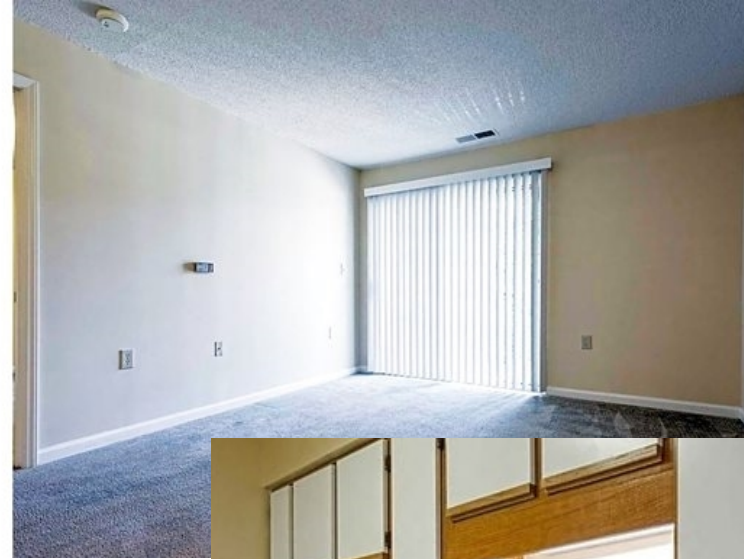
# Why this property?

- Built 1993
- Forty-eight 1-bedroom units, each about 650 sq ft
- \$126,000 per unit acquisition cost plus renovations estimated at approximately \$25,000 per unit
- 7 acres of land (Total: 11.5 acres including WS tract)
- 37,598 square feet including community spaces that would require updating and reconfiguration
- Property Condition Assessment indicated less than \$10,000 in immediate repair needs



# Why this property?

- If sold to a market rate operator, all residents would lose their housing no later than 12/31/24
  - Older
  - Lower income
  - Predominantly African American
- Purchasing the property ensures 48 units of affordable housing remain publicly controlled and can serve our most vulnerable citizens



# What kinds of supportive housing?

- HUD-defined PSH
- Alliance-funded supportive housing (20% of units)
- Transition-in-place clients
- Justice Involved individuals through CJRC (Vouchers & Grants)
- Legacy tenants who would benefit from supportive housing



# Potential Sources of Funding

- Acquisition
    - City/County Funding
    - Private Donations
  - Renovation
    - North Carolina Housing Finance Agency Supportive Housing Funds\*
    - Alliance
    - Federal Home Loan Bank of Atlanta\*
    - Private Donations
- \*Competitive processes



# Potential Sources of Funding

- New Construction
  - \$4.2m HOME ARP\*
  - North Carolina Housing Finance Agency Supportive Housing Funds\*
  - Alliance
  - Federal Home Bank of Atlanta\*
  - 9% Low Income Housing Tax Credits\*
  - Private Donations



\*Competitive processes

# Who's in the Conversation

- Alliance Health
- Multiple parts of Duke University and Duke Health
- Community Safety Department (Heart Team)
- County and City
- Durham Homeless Cares Transitions
- Criminal Justice Resource Center
- Community Empowerment Fund



# Where are we now?

- HNH has the property under contract for \$6,050,000
- Due Diligence period ending on May 26
  - At this point \$75,000 in agency funds lock-in
  - Extending this requires an additional \$25,000
- Projected Closing Date of June 28





# Where are we now?

- Community partners have formed three teams to explore different aspects of the project:
  - Data
  - Supportive Services
  - Planning and Budgeting
- We are identifying partners/properties where current residents who choose not to stay at the property could transfer



# The Request

Housing for New Hope (HNNH) requests a grant from Durham County and the City of Durham in the amount of \$6,050,000 to fund the purchase of the Carver Creek Apartments. This purchase will:

1. **Preserve 48-units of affordable housing** – units currently scheduled to lose their protective covenants on 12/31/23.
2. **Secure undeveloped land** on the property that, when combined with undeveloped land on the adjoining property already owned by Housing for New Hope, could be utilized to create an additional 45-50 units of affordable housing.
3. **Support the phased development of a master planned supportive housing campus** including 100-120 units of supportive housing with deeply integrated, on-site services for our most vulnerable neighbors.



# Questions & Comments