



We can end homelessness as we know it.



Here's how:

Supportive Housing – affordable housing combined with on-site or visiting support and employment services – has successfully ended homelessness for tens of thousands of very low-income people with chronic health conditions across the country.

- A plan to produce 10,000 supportive housing apartments in Connecticut over the next 10 years will offer decent, affordable housing and effective support services to thousands of people who have been homeless for months or years at a time – essentially ending chronic homelessness in our state.
- It will avert homelessness for thousands of other individuals and families, helping them to achieve independence and gain employment.
- It will rehabilitate distressed buildings, create jobs and help revitalize our communities.
- Moreover, it will cost the State almost the same as what it is now spending to leave people homeless – with much better results.

Homelessness in Connecticut

In a year's time, over 33,000 different people – including 13,000 children – experience homelessness in Connecticut. Some of them can be seen in the neglected public spaces of every Connecticut city. But most are hidden – shuttling from one relative's home to another, or cycling through shelters, abandoned buildings, hospital emergency rooms, psychiatric centers and other expensive institutional settings.

Connecticut's present system of emergency shelters and services helps many of these families and individuals weather brief homeless episodes and return to stable lives in permanent housing. This system can be strengthened and must be preserved.

Long-Term Homelessness

But at any given time, about half of our state's homeless households are experiencing "long-term homelessness." These individuals and families typically have chronic health problems such as mental illness, addictions and other disabilities. They can spend years moving from the streets to shelters and back again, cycling through treatment programs, correctional facilities and institutions, with

little chance of finding affordable and appropriate homes to call their own. The enormous public cost of this emergency care is exceeded only by the misery of people needlessly trapped in years of homelessness.



Long-term homelessness can be ended with supportive housing.

Along with seven other states across the nation, Connecticut has successfully pioneered the supportive housing model, having already produced over 1,700 units of

supportive housing statewide in the last nine years.

Communities that have welcomed supportive housing have seen people failed by other systems of care become contributing members of their communities. Their use of expensive emergency services has gone down. Once-blighted buildings have become the anchors of rehabilitated blocks in newly vibrant neighborhoods. This overwhelming success has created a diverse consensus championing supportive housing in Connecticut, including elected officials (of both parties), government administrators, healthcare advocates, preservationists, and even once-skeptical neighborhood groups who have seen how supportive housing has strengthened their communities.

The time has come to build on these achievements by creating 10,000 supportive housing units over the next ten years - and end homelessness as we know it.

I was homeless for eleven of the 38 years of my life. I went through homeless shelter after homeless shelter, due to my alcoholism...I have lived at Liberty Commons for three years...Right now I can't think of a better place to live."
Janice, supportive housing tenant in Middletown, Connecticut.

A 10-Year Plan to End Long-term Homelessness in Connecticut

THE GOAL: Create enough supportive housing units to meet the needs of families and individuals who are facing long-term homelessness now and in the future.

Over the next ten years, Connecticut can expect to serve 6,000 long-term homeless households. The most humane, effective and economical way to do that is with supportive housing.

The 10-year plan uses the past experience of Connecticut and other states to establish a conservative and credible estimate of the housing needed to end long-term homelessness in the state. To ensure a healthy

mix of tenants, approximately 60% of the housing units will be targeted to households facing long-term homelessness. The remaining 40% will target other individuals and families who need affordable rental housing.

The 10-Year Plan will end long-term homelessness in Connecticut by creating 10,000 new units of supportive housing. By the tenth year, normal annual turnover in these units will ensure that every person with a chronic health condition who is released from a hospital or treatment program will have immediate access to adequate housing and services in their communities.

The plan employs three parallel strategies:

1. Develop new supportive housing. The most important element of the 10-Year Plan is the development of 6,600 new supportive housing units. These new apartments will provide homes for individuals and families with histories of long-term homelessness and for other people needing affordable housing.

2. Subsidize new supportive units in existing, private rental housing. Providing 3,400 new rental subsidies linked with supportive services will make existing private rental housing units affordable and appropriate for long-term homeless households. These units will be scattered throughout buildings and neighborhoods, integrating formerly homeless people into the fabric of our communities while ensuring they receive the support they need.

3. Use turnover in existing supportive housing. To date, Connecticut has successfully partnered with nonprofit developers and service providers to build and operate almost 1,700 units of supportive housing. The 10-year plan takes into account normal rates of turnover in this existing supportive housing and in the new housing that will be created. Each year, an increasing number of apartments will be available to long-term homeless households through this natural turnover.

We can no longer afford not to end homelessness.

Homelessness in Connecticut is often hidden, it is widespread and it is increasing.

Seven thousand different people are homeless every week and 33,000 experience homeless episodes over the course of a year in Connecticut.

Homeless people are often hidden in one of the state's 79 overcrowded emergency shelters and transitional living programs. These facilities have had to turn away 81% more people than they did just last year, forcing many more homeless people to live in abandoned buildings and other out-of-the-way public spaces.

Homelessness is expensive.

Many homeless people reside in or repeatedly cycle through expensive psychiatric centers, residential treatment programs, hospital emergency rooms and correctional facilities.

The cost of using emergency systems to provide long-term care is immense:

- Inpatient psychiatric care costs the public \$822 a day; medical hospitalizations for people with some disabilities average over \$1,290 a day.
- Providing emergency shelter to a homeless family costs \$20-30,000 per year, roughly 3 to 4 times more than the average annual cost of a federally funded Section 8 permanent housing subsidy.
- A recent study of New York hospitals found that hospitalized homeless people stay an average of more than four days longer than other inpatients, at an additional cost of \$2,414 per admission. The same study found that almost half of medical hospitalizations of homeless people were directly attributable to their homeless condition and were therefore preventable.
- Connecticut hospitals report similar difficulties finding suitable placements for homeless inpatients who are healthy

enough to be discharged but have no place to go.

- Governor John Rowland's July 2000 Blue Ribbon Commission on Mental Health described the mental health system as in "a state of gridlock," with no appropriate housing available for discharges. As a result, at least 30% of adults using emergency shelter come directly from other state-funded programs and facilities.

"It is time to commit the multitudes of talents and resources that bless this nation to the task of providing appropriate support, and finding homes – permanent homes – for the chronically homeless."

U.S. Department of Housing and Urban Development Secretary Mel Martinez, July 2001.

“Before moving into the Crescent Apartments I had a drug addiction for many years. I had been in and out of jail and living on the streets...Being a tenant at Crescent Apartments has changed my life. It has been a blessing being sober and having a nice place of my own. My blessings are countless.” Beverly, supportive housing tenant in Bridgeport, Connecticut.

Homelessness has longstanding consequences for homeless people and their families.

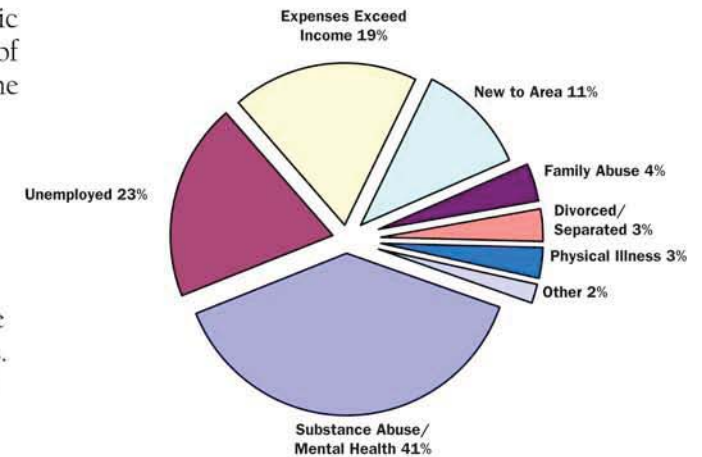
- Studies repeatedly show that homeless episodes adversely affect family stability, individuals' mental health and children's ability to learn.
- Children who experience homelessness, foster care or extended stays in institutional settings often return to homelessness as adults. Each year, close to 300 children in State custody reach age 18 and “age out” of foster care and State facilities for children and youth. Many have no appropriate housing options.
- Homelessness increases the rate of relapse among discharged hospital inpatients, released prisoners and treatment program graduates.

Homelessness doesn't have to happen.

A large percentage of homeless people suffer from major disabilities and/or poor health, including mental illness, mental retardation, physical impairments, substance addiction, and AIDS. Some people have made poor life choices. Some have been victims of domestic violence. Many others – including the heads of many homeless families – are reaching time limits on welfare benefits and lack the education, skills or training necessary to compete in today's job market.

The affordable housing shortage in Connecticut makes these vulnerable individuals and families especially susceptible to becoming – and then remaining – homeless. With case management, support services and training programs, they can regain control of their circumstances and live active, fulfilling lives. Most will rejoin or enter the workforce. But without the stability of affordable and appropriate housing, they may never successfully accomplish this transition.

Factors Contributing to Homelessness in Connecticut
Source: Connecticut Department of Social Services, 2001



What is supportive housing?

Supportive housing is comprehensive. It offers decent, safe and affordable rental housing, combined with on-site or visiting social services that encourage residents' independence, personal growth, active lives and employment.

Supportive housing is efficient and individualized. Residents reside in their own apartments and are provided only with the services they need to develop and maintain independence.

Supportive housing is permanent. Supportive housing residents are tenants. They sign leases, pay rent and enjoy the same pride in their homes as their neighbors. Many eventually choose to move on to more independent settings.

Supportive housing looks like the housing around it. Apartments are located in new or rehabilitated buildings that fit in with their neighborhoods.

Supportive housing can be a renovated YMCA offering furnished single room occupancy apartments; or a multi-family building where tenants with disabilities live alongside working families and individuals with low incomes; or it can be scattered apartments located throughout a neighborhood served by visiting social services staff. Supportive housing reflects the size and character of the residences around it.

Supportive housing serves all of us. It provides homes for people with a wide range of incomes and service needs, including people who were homeless or who have disabilities, as well as many who work in the jobs that make Connecticut a desirable place to live. The mix of a wide range of residents helps supportive housing blend in with the rest of the community.



“Existing on welfare and handouts, staying in shelters, on the street, or in one room flophouses, I can say I haven’t had any peace or sanity until I was accepted at Liberty Commons...You could say my sobriety and living here is a coincidence, but after thirty-five years of never having more sober time than the length of stay at a detox or a rehab program, I would have to say this place works for me.” John, supportive housing tenant in Middletown, Connecticut.

How does supportive housing end long-term homelessness?

By creating stability.

Unlike inpatient care and transitional programs, residents are not required to move on to other settings as soon as they achieve some measure of stability.

By fostering independence.

Supportive services – including mental health care, job training, work opportunities, counseling, education and basic life skill development – provide the means for tenants to help themselves and minimize long-term dependency on government assistance.

By facilitating employment.

With help from support staff, tenants who are able to work make connections to vocational training and adult education, and secure and retain jobs.



By rebuilding social supports.

Through tenant interaction, tenant associations and peer support groups, tenants can rebuild their support networks of friends and family.

By minimizing the use of emergency health care.

Tenants are linked to primary health care providers and assisted with maintaining good health. Constant interactions with on-site staff allow for early detection of deteriorated health, relapses and other health conditions. Supportive housing has been proven to decrease tenants’ emergency room visits, inpatient hospital days, substance abuse relapses and incarcerations.

By integrating tenants into the community.

Because supportive housing serves tenants with a mix of incomes and needs, and because it looks like the surrounding buildings, tenants with special needs do not experience the stigma associated with most institutional care.

How is supportive housing cost-effective?

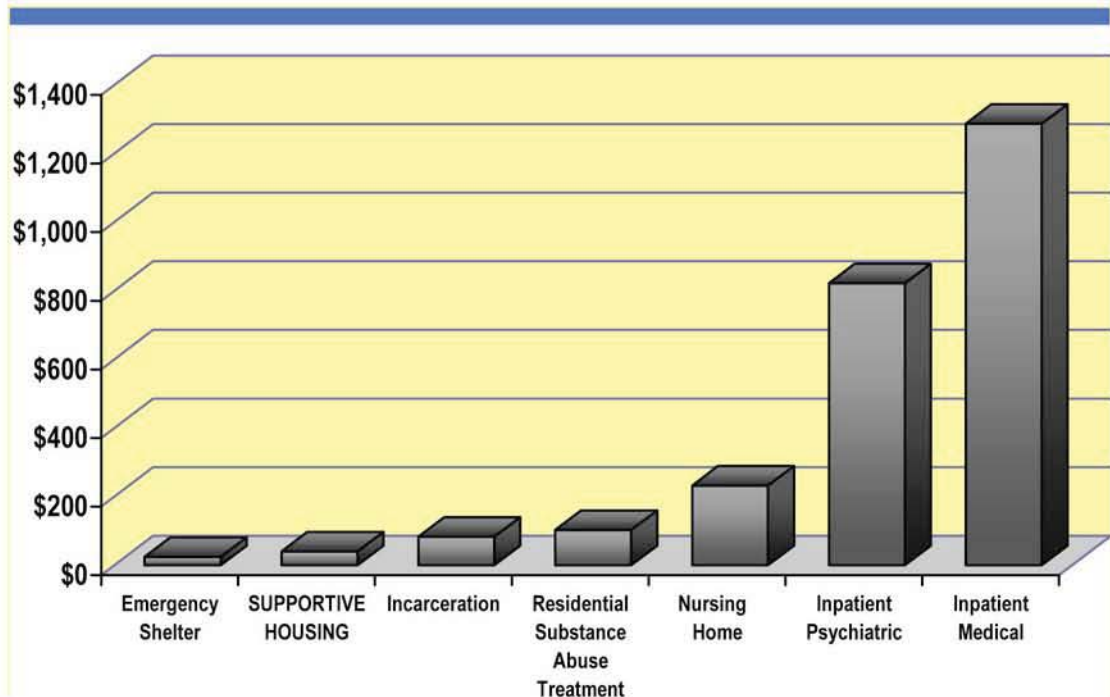
Supportive housing's stability and focus on prevention sharply reduce tenants' dependence on expensive emergency services.

In Connecticut, formerly homeless tenants of supportive housing had reduced their use of Medicaid-reimbursed inpatient medical care by 71% after moving into supportive apartments.

A recent study of almost 5,000 homeless adults with mental illness in New York City found that their use of emergency shelters, hospitals, psychiatric centers, outpatient clinics and correctional facilities cost the public \$40,449 per year. Placement into supportive housing reduced the individual's use of emergency services so much that it paid for all but 5% of the costs of building, operating *and* providing services in a unit of supportive housing. Simply put, it cost less than \$1,000 a year to house an individual with mental illness rather than allowing him or her to remain homeless.

In San Francisco, placing homeless people into supportive housing reduced both their emergency room visits and the number of days spent in inpatient care by more than half.

Cost per day per person of Connecticut supportive housing versus alternative settings often serving homeless people with disabilities



"Before I arrived at Mary Seymour Place...I was suffering from deep depression. I could not keep a stable job, and I could not keep a stable roof over my head. I was being evicted from one apartment to another...As I look back on things now, almost two years later, I see a different person in myself. One who is independent, kind-hearted, and a bit more outgoing. I am very proud of myself." Misty, supportive housing tenant in Hartford, Connecticut.

Supportive housing draws federal and private funding to Connecticut that would otherwise go elsewhere.

Supportive housing allows Connecticut to make full use of federal Low-Income Housing Tax Credits, Federal Medicaid, HUD HOME and Shelter Plus Care dollars, and attracts substantial funding from private foundations around the country.

Supportive housing strengthens Connecticut's local economy.

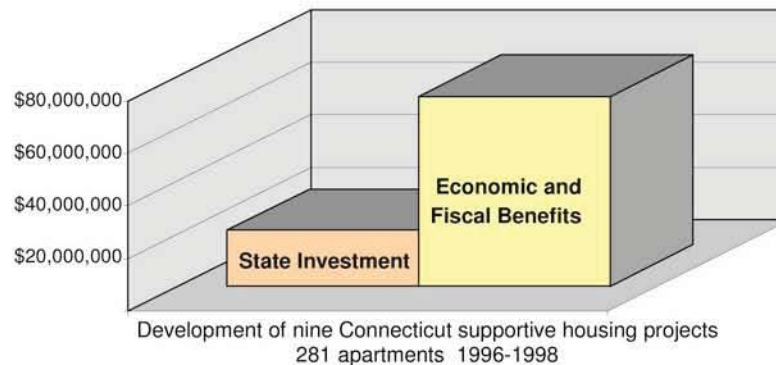
- An evaluation of the Connecticut Supportive Housing Demonstration Program found that the surrounding neighborhoods of eight out of nine supportive housing residences already developed in Connecticut saw their property values go up by more than 30% after the residences were built.
- The study also found that the supportive housing's total economic and fiscal benefit to the State and local communities

was over \$72 million, with an annual benefit of \$2.9 million per year, in the form of jobs, taxes, contracts for services and other related economic activity.

- In all, the Connecticut Supportive Housing Demonstration Program yielded \$3.43 in economic and fiscal benefits to the State and local economies for every one dollar of State investment.

- The overwhelming majority of neighbors and neighboring business owners said the neighborhoods looked better or much better than before the supportive housing projects were completed. *Not one* respondent said the residences had any negative impacts on neighborhood appearance.

Every dollar of State investment in supportive housing yielded \$3.43 in economic and fiscal benefits to the State and local economies



Who pays for supportive housing?

State and local funds leverage Federal and private dollars to pay for supportive housing's construction, operation and service provision.

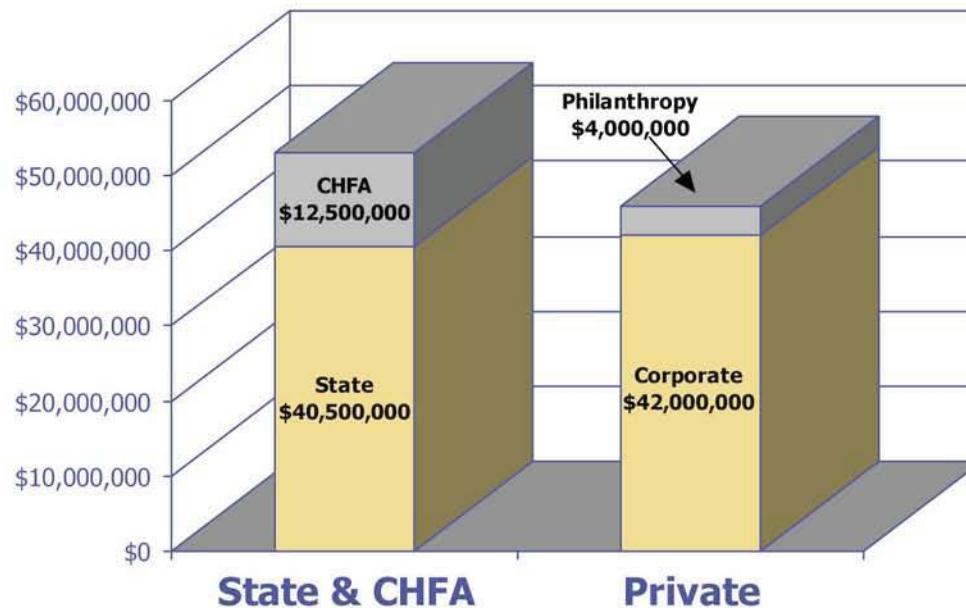
Capital construction is primarily paid for with State bonds, State and local tax revenues, loans from Connecticut Housing Finance Authority reserves, corporate investment using Federal and State low-income housing tax credits, and Federal programs administered by the State and localities such as HOME, HOPWA and CDBG.

Operating costs (utilities, maintenance, insurance, property taxes) are funded through tenant rent payments, Federal rent subsidies through HUD's Section 8 and Continuum of Care homeless assistance programs, State rental assistance, and reserves funded by corporate investment.

Service costs in Connecticut are primarily paid for with State tax revenues. Some states use Federal Medicaid and TANF dollars to supplement State funding for services.

All of these investments are supplemented by that of private philanthropy, from a wide range of foundations and individuals. Philanthropy and nonprofit intermediaries such as the Corporation for Supportive Housing provide the

“risk” funds to cover the early costs of developing a supportive housing project prior to its construction. They also advise nonprofit project sponsors and government agencies on national best practices in the creation and operation of supportive housing.



Investment by the State and Connecticut Housing Finance Authority and by the private sector in the capital development of Connecticut supportive housing projects
 Supportive Housing Demonstration Program (actual)
 and Supportive Housing Pilots Initiative (projected 2003-2004)

“I have a nice apartment that I take a great deal of pride in, a place I can now call home...When I need help I know I can get the support and help from the staff at Mary Seymour Place. I’ve dealt with some difficult issues, resolved a lot of personal problems, became closer to my family and found the person that was lost inside of me.”

Elaine, supportive housing tenant in Hartford, Connecticut.

Funding for the 10-Year Plan

The funding strategy for the creation of 10,000 supportive housing units builds on Connecticut’s experience in creatively combining resources. It also draws on the experience of other states in effectively using alternative resources to finance supportive housing. The plan employs five funding strategies:

1. Use State funds to leverage

Federal dollars. Many Federal programs, such as HUD’s Shelter Plus Care and Supportive Housing Program, require a commitment of matching funds before they can be awarded. Over the past 10 years, the State of Connecticut has leveraged over \$20 million in Federal rent subsidies through these programs by providing these matching dollars.

2. Use State and Federal dollars to leverage private

investment. Corporations and private philanthropy are more likely to invest in housing efforts when the public sector takes a leadership role in committing and coordinating public resources.

3. Target existing resources.

Other states have successfully used existing public resources to help finance the “supports” in supportive housing. Among these are:

- Temporary Aid to Needy Families (TANF) and “Maintenance of Effort” funding.
- Medicaid options, including the rehabilitation option and targeted case management option.
- State and Federal employment and job training funds.



4. Authorize new spending from State tax revenues, bonds and housing finance authority reserves.

Beyond existing and Federal resources, additional outlays will be needed to end long-term homelessness in Connecticut. This new spending will supplement and leverage funds available from these other sources. It will also create flexibility in funding, so that the housing can serve all of the families and individuals who need to be reached.

5. Reinvest savings. Over the 10-year period, the use by formerly homeless people of emergency services will decline as they are housed. In the short term, this decline will ease gridlock in hospitals and treatment program, and reduce pressure on emergency shelters. In the later years of the plan, savings – in the form of reduced expenditures for inpatient and emergency room care and other crisis services – will be realized. These savings can then be reinvested in the expansion of supportive housing, creating even greater savings and greater benefits to local communities.

Supportive Housing: A Connecticut Success Story

When Liberty Commons took me in, I was living in an abandoned building. It was like a dream come true – I can afford my rent and sometimes I can put money away. It’s given me back my independence and a feeling of self-worth.”

Deborah Parmalee, Liberty Commons
Middletown

“I’m proud of myself and I know that my loved ones are also. Since living here at Brick Row I’ve gone back to college, something that I’d never thought I could do. I owe it to having a place of my own. Today, I’m responsible, I have direction and I’m happy.”

Scott Nelson, Brick Row Apartments
Willimantic

“For me, the day I walked into Hudson View Commons with the keys to my own apartment, that day was the first time I could see a light at the end of that long dark tunnel. Each day that light becomes brighter and brighter.”

Mark Stavola, Hudson View Commons
Hartford.

These are inspiring words from just three of the hundreds of disabled and formerly homeless individuals who have been housed in residences developed through the **Connecticut Supportive Housing Demonstration Program**. Between 1993 and 1998, this collaboration between five government agencies, the Corporation for Supportive Housing, and a host of nonprofit developers and service providers rehabilitated nine distressed or abandoned buildings and sites across Connecticut into successful supportive housing residences. Each residence is owned and operated by a

local nonprofit organization and provides permanent homes to twenty-five to forty lease-holding tenants. On-site social service staff at each residence provide an array of supportive services tailored to the needs of the individual tenants. These services may include case management, referrals to outside health services, employment and job readiness training, help with maintaining entitlements, counseling, sobriety support, and instruction on cooking, cleaning, budgeting and all the other skills required to live independently.



Connecticut leadership in Supportive Housing efforts

The Connecticut Supportive Housing Demonstration Program was the first State-sponsored initiative of its kind in the nation, and has served as a model for other states. The outcome of the program was 281 supported apartments in nine developments completed between 1996 and 1998.

Atlantic Park Apartments, 29 apts., Stamford
Brick Row Apartments, 30 apts., Willimantic
Cedar Hill Apartments, 25 apts., New Haven
Colony Apartments, 27 apts., Stamford
Crescent Apartments, 38 apts., Bridgeport
Fairfield Apartments, 34 apts., Bridgeport
Hudson View Commons, 28 apts., Hartford
Liberty Commons, 40 apts., Middletown
Mary Seymour Apartments, 30 apts., Hartford

Based on the success of these projects, the State of Connecticut launched the **Supportive Housing Pilots Initiative** in 2000 to expand the reach of supportive housing to more communities through a variety of housing models. Through this effort, local nonprofit organizations are creating close to 700 supportive apartments in more than 25 Connecticut communities.

The 10-year plan is built on the strong foundation created by these innovative, State-sponsored efforts.

Each residence houses and serves a mix of working and disabled low-income tenants, some with histories of homelessness, mental illness, substance addiction or chronic health problems, including AIDS.

One of these tenants is Edward Smith. After a lifetime of drinking and intermittent homelessness in New Haven, Ed completed a two-year substance abuse treatment program and became one of the original tenants of the Cedar Hill Apartments on State Street. At Cedar Hill, Ed has learned how to cook and clean for himself and maintain his own apartment. With help from the on-site staff at Cedar Hill, Ed shops, pays his bills and budgets his money – within his second year at Cedar Hill, he saved enough money to go on his first vacation ever, a bus trip to Montreal. Most important, at Cedar Hill, Ed has stayed sober (seven years and counting) and is active and engaged with the rest of the community. He volunteers at the front desk and is a member of the residence's tenant board. "I was a drunk, homeless. You name it, I did it. Now my life is quiet and good. I love it here. I love the freedom I have here."

Edward Smith's story is echoed by those of his neighbors and the tenants of other supportive residences in Connecticut. These residences have brought new meaning and a sense of self-worth to people who knew little of either. And by giving their tenants a stable home and the support they

need to maintain it, they have also significantly reduced tenants' use of expensive emergency services. Lastly, the supportive housing residences built under the Connecticut demonstration program have also revitalized their blocks and spearheaded the economic recovery of their neighborhoods.

Economic revitalization, service cost reduction and saved lives – truly, supportive housing is one of the best investments we can make for Connecticut's future.



Endnotes

Pages 2-4: Estimates of homelessness in Connecticut were derived from: Burt, Martha, et. al. Helping America's Homeless: Emergency Shelter or Affordable Housing? Washington, D.C.: Urban Institute Press. 2001.

Pages 4,8,9: Sources for cost data:

Connecticut per diem costs: Average daily rate for inpatient hospitalization (for a person with HIV/AIDS): \$1,287 (Yale New Haven Hospital, 2001); inpatient psychiatric care (State-operated facility): \$1,089, inpatient psychiatric care (private facility): \$554, intensive residential substance abuse treatment: \$103 (Department of Mental Health and Addiction Services, 2002); nursing home care: \$232 (Office of Policy and Management, 2002); incarceration: \$83 (Office of Legislative Research, 2001); supportive housing: \$36 (Program Evaluation Report for Connecticut Supportive Housing Demonstration Program, 1999 – obtainable through the Corporation for Supportive Housing).

New York studies: Sharon A. Salit, M.A., et.al., "Hospitalization Costs Associated with Homelessness in New York City," *New England Journal of Medicine*, Vol. 338:1734-1740, #24, June 1998. Also, Dennis P. Culhane, et.al. "Public Service Reductions Associated with Placement of Homeless Persons with Severe Mental Illness in Supportive Housing." *Housing Policy Debate*, Vol. 13, Issue 1, Fannie Mae Foundation, 2002.

San Francisco: Tony Proscio, *Supportive Housing and its Impact on the Public Health Crisis of Homelessness*, California, 2000.

Photos on pages 2-14 taken at Connecticut supportive housing sites in 1999 by Scott Van Sicklin.



Reaching Home Steering Committee

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Common Ground — ROSANNE HAGGERTY
Community Housing Management — PAT WHITE JACKSON
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