



## Corporation for Supportive Housing

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Supportive housing—permanent, affordable housing linked to health, mental health, employment, and other support services—is a proven, cost-effective way to end homelessness for people who face the most complex challenges. By providing chronically homeless people with a way out of expensive emergency public services and back into their own homes and communities, supportive housing not only improves the lives of its residents but also generates significant public savings. In its design, supportive housing provides a permanent solution to homelessness to those families and individuals at the lowest income levels.

Although it is often difficult to find the financing necessary to provide housing to target people at these income levels (most often at or below 30% AMI) it is possible and there are numerous models to demonstrate this. Whereas New York, San Francisco and Chicago have the most well known supportive housing projects, successful projects exist throughout much of the country including Minnesota, Kentucky, Indianapolis, and Ohio. CSH has been involved in the development of units, the building of the industry and in systems change. We have carefully tracked lessons learned and make it our business to share both effective strategies and avoidable pitfalls to new and emerging programs, so that they do not need to waste resources reinventing the wheel.

On the CSH web site, you can find ten (10) features or characteristics of successful “model programs” that help the lowest-income people who are disabled and long term homeless find a home. In addition, these models provide financial structuring information that demonstrate the connection of federal, state, and local resources that make this type of housing possible. We recognize though that as local communities develop supportive housing for people whose homelessness is measured in years or multiple episodes, these characteristics should be considered and adapted to local circumstances. Replication of model programs often look unique or develop differently because of community resources, financing schemes, staff expertise and leadership, housing stock, community or public support, or other variables that influence program developers. The fact remains that there are federal and state resources available to the City of Long Beach that would successfully supplement local resources dedicated to the construction of housing to the lowest income people – those living at or below 30% AMI.

The ten features can be found:

<http://www.csh.org/index.cfm?fuseaction=Page.viewPage&pageId=498>

### Demonstrating Success & Research

The most significant research over the past decade is Dennis Culhane's and the University of Pennsylvania's report on the NY/NY program for supportive housing. Culhane's research was the first to track people across multiple service systems and to place an associated cost to each of these. The evaluation tracked 4,679 individuals. It showed that not only does supportive housing work to end homelessness, but also for long-term homeless people with substance abuse and mental health histories, the service provisions are virtually cost-neutral. Other research exists and continues to become available. It may be helpful for the Long Beach Trust Fund Coalition and the Long Beach City Council to consider the additional research that has been conducted which includes many other cities.

Attached are the following documents, which can be shared with the Coalition and City Council:

1. Two page Fact sheet on Research on Supportive Housing
2. One page Fact Sheet on Supportive Housing costs vs. other systems of care in Connecticut
3. Query of all the projects CSH has worked with that also incorporated state or local trust fund dollars into their financing.

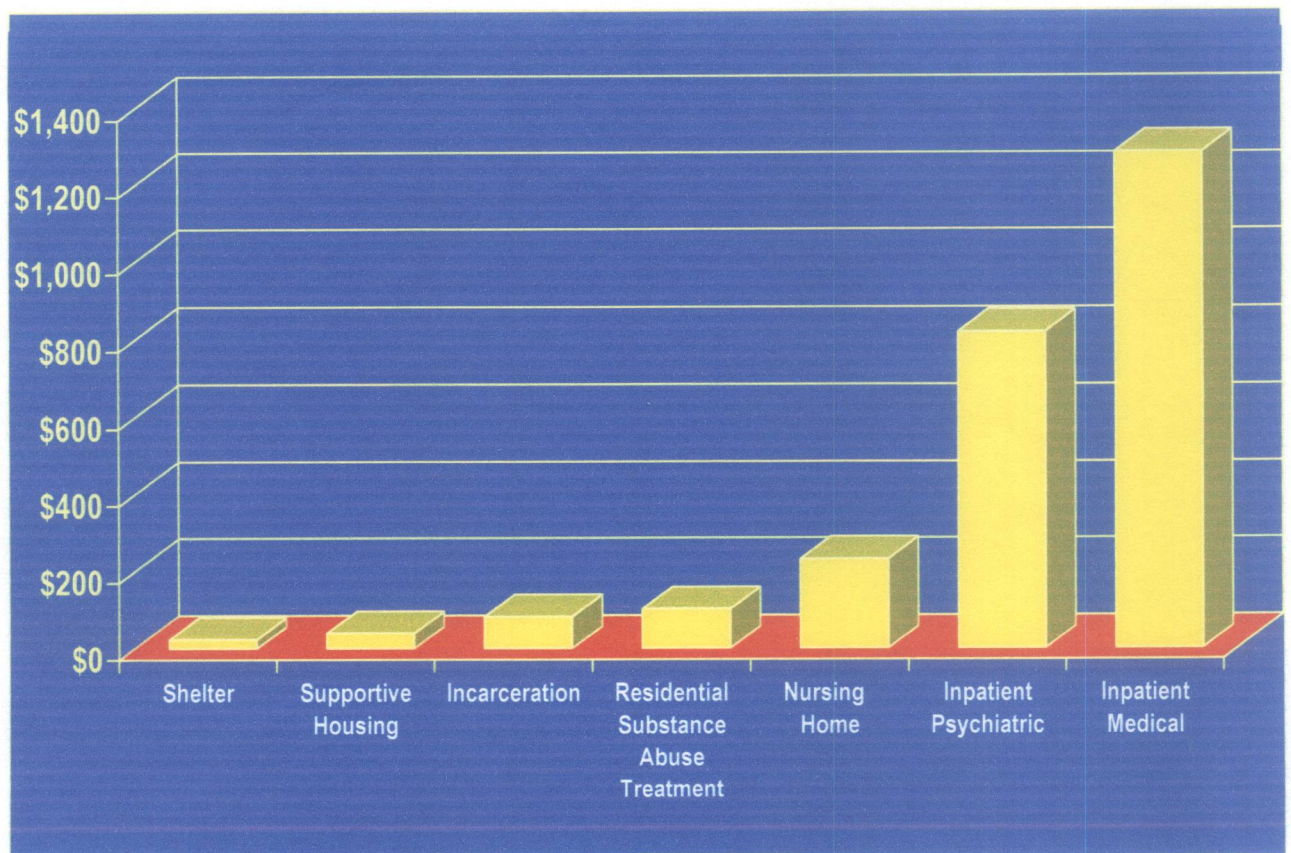
Additional research articles summarizing evaluations can be found on our web site at [www.csh.org](http://www.csh.org) under Resource, Evaluations & Research, or at the Fannie Mae Foundation's web site at [www.fanniemae.foundation.org](http://www.fanniemae.foundation.org) under Publications. The research study conducted on homeless veterans that included Cleveland is by Robert Rosenheck, MD et al titled “Cost Effectiveness of Supported Housing for Homeless Persons with Mental Illness” and is available from the Archives of General Psychiatry, Vol. 60: 940-951 (September 2003).



## Supportive housing is less expensive than homelessness

Shelters, hospitals and residential treatment programs all provide important short-term care options for homeless people with mental illness and other chronic health challenges. But only permanent supportive housing provides the foundation upon which vulnerable populations can rebuild their lives, live as independently as possible, and rejoin the working world. Without the option of permanent supportive housing, most individuals either cycle back into homelessness or stay too long in far more expensive programs that were never intended as housing. Below is a comparative chart that demonstrates the true costs of homelessness in Connecticut.

### Cost per day per person of Connecticut supportive housing versus alternative settings for homeless people with disabilities



Emergency shelter is also a costly alternative to supportive housing. While it is sometimes necessary for short-term crises, it too often serves as long-term housing. **The average cost of an emergency shelter bed in Connecticut is approximately \$8,800, more than the average annual cost of a federal Section 8 housing subsidy.**

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

## SUPPORTIVE HOUSING AND MENTAL ILLNESS

Untreated mental illness often leads to homelessness, and studies suggest that at least a third of those people living in streets and shelters have a severe and persistent mental illness. Supportive housing has proven to be an effective approach for many mentally ill people, affording both independence and support when needed. The first study to examine how this population responded to having quality housing and intensive case management tracked nearly 900 mentally ill people living on the streets of five cities. The study found:

- ✓ **83.5%** of participants remained housed a year later;
- ✓ participants experienced a decrease in symptoms of schizophrenia and depression.<sup>5</sup>

Similarly, an evaluation of a city/state program entitled the New York/New York Agreement to House Homeless Mentally Ill Individuals, which placed more than 9,000 individuals in appropriate housing-plus-services settings found that

- ✓ nearly **80%** remained housed a year later, with 10% moving on to even more independent settings;
- ✓ the New York City single adult shelter census decreased by one **third**.<sup>6</sup>

## SUPPORTIVE HOUSING AND SUBSTANCE ABUSE

Once people with histories of substance abuse achieve sobriety, their living situation can influence their ability to stay clean and sober. Eden Programs runs five residential treatment programs in Minneapolis, as well as permanent supportive housing for men and women. This provider sought to test which settings were most effective for those in recovery. A one-year follow-up study of 201 graduates of their chemical dependency treatment programs found the following relationship between sobriety rates and housing situation:

- ✓ 56.6% of those living independently remained sober;
- ✓ 56.5% of those living in a halfway house remained sober;
- ✓ 57.1% of those living in an unsupported SRO remained sober;
- ✓ **90%** of those living in supportive housing remained sober.<sup>7</sup>

Another Minnesota study of supportive housing for Native American chronic inebriates found that tenants' use of emergency detox services decreased dramatically once tenants were stably housed. The average number of days decreased by 85% and the number of episodes decreased by 86%. An overnight stay in detox averages \$140.<sup>8</sup>

## ENDNOTES

<sup>1</sup> Tony Proscio, *Supportive Housing and Its Impact on the Public Health Crisis of Homelessness* (California: Corporation for Supportive Housing, May 2000).

<sup>2</sup> Center of Mental Health Services, *Making a Difference: Interim Status Report of the McKinney Research Demonstration Program for Homeless Mentally Ill Adults*. (Rockville, Maryland: U.S. Department of Health and Human Services, 1994).

<sup>3</sup> Pamela M. Diamond and Steven B. Schnee, *Lives in the Shadows: Some of the Costs and Consequences of a "Non-System" of Care* (Austin, Texas: Hogg Foundation for Mental Health, University of Texas, 1991).

<sup>4</sup> Sharon A. Salit, et al, "Hospitalization Costs Associated with Homelessness in New York City," *New England Journal of Medicine* 338 (4), 11 June 1998.

<sup>5</sup> See note 2 above.

<sup>6</sup> F.R. Lipton, *The New York-New York Agreement to House Homeless Mentally Ill individuals: Summary Placement Report* (New York: New York City Human Resources Administration/Office of Health and Mental Health Services, 1997).

<sup>7</sup> Eden Programs unpublished manuscript (Minneapolis: data available from Eden Programs and Corporation for Supportive Housing 1993).

<sup>8</sup> Hennepin County Office of Policy and Planning, *Analysis of the Anishinabe Wakiagun September 1, 1996 - March 31, 1998* (Minnesota).