

2008 NATIONAL COUNCIL OF STATE HOUSING AGENCIES

SPECIAL NEEDS HOUSING-HOUSING FOR PERSONS WITH SPECIAL NEEDS YOUTH SUPPORTIVE HOUSING INITIATIVE

Entry Description

The creation of the Special Needs Housing Trust Fund (SNHTF) has provided the New Jersey Housing Finance Agency (HMFA) with an unprecedented opportunity to create innovative financing and programmatic models for the development of supportive housing for New Jersey residents. This submission will focus primarily on the Youth Supportive Housing Initiative (YSHI) a unique partnership between HMFA, the New Jersey Department of Community Affairs (DCA), the Department of Children and Families (DCF), the Juvenile Justice Commission (JJC) and the Corporation for Supportive Housing (CSH) in New Jersey. The YSHI was introduced in the spring of 2005 to create supportive housing for youth aging out of the foster care system, homeless youth and youth leaving the Juvenile Justice System.

The YSHI was developed as an integrated approach with a coordinated application and evaluation process for supported housing development projects requesting state assistance by permitting applicants to submit a comprehensive proposal that includes the simultaneous review of the costs of capital development, as well as the anticipated operational costs and supportive services costs. Funding for operational and supportive services were provided by the DCF, funding for capital costs was coordinated through an application to HMFA to the Special Needs Housing Trust Fund and to DCA for State Project Based Rental Assistance. An RFP was issued in 2005 and 2006 representing the collaborative effort of multiple state divisions and departments to address the issues facing youth transitioning out of the child welfare system and homeless youth. Divisions under the auspices of the Department of Children and Families have worked in collaboration with the DCA and HMFA to create new supportive housing programs serving homeless youth and youth aging out of the child welfare system. RFP responses were reviewed by staff from DCF, HMFA and DCA to better coordinate State resources with CSH providing technical assistance to prospective applicants on best practice and supportive housing models for youth populations.

The Need

In New Jersey, as well as nationally, research confirms that youth aging out of the child welfare system, as well as youth leaving the juvenile justice system are in need of stable housing and supportive services. Youth transitioning out of the child welfare system do not always have the skills to obtain stable employment, secure adequate housing, or perform the other necessary steps to become truly independent. These tasks are difficult for any adolescent to master. They are especially challenging for this population because they have depleted resources and strained familial relationships. Some may have experienced multiple placements that impact not only on their behavior but their educational status as well. The result is an overrepresentation of youth with a history of involvement with the child welfare system, the juvenile justice system and in the homeless population. The Youth Supportive Housing Initiative is designed to provide youth with opportunities to transition successfully to adulthood and to prevent homelessness or incarceration.

As documented in the New Jersey State Plan to End Homelessness and State Re-entry Policy Academy reports there is a critical need for a range of housing opportunities for special needs populations throughout New Jersey communities, with a special emphasis on youth leaving the foster care and Juvenile Justice Systems who become homeless. The JJC estimates that annually approximately 170 youth leaving the juvenile facilities become homeless. The New Jersey homeless Point-in-Time survey conducted in January 2007 identified 673 out of 3,559 adult heads of households who had been in the foster care system and 554 heads of households who reported that their children had been in foster care.

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Background

The Special Needs Housing Trust Fund, pursuant to the Special Needs Housing Trust Fund Act, P.L. 2005, c. 163, passed by the New Jersey State legislature in August 2005 dedicates \$200,000,000 million for capital financing to create permanent supportive housing and community residences for individuals with special needs, including youth leaving the foster care system and homeless youth. The purpose of this special non-lapsing, revolving fund, which is being administered by the HMFA, is to develop special needs housing and residential opportunities as alternatives to institutionalization or homelessness for those who would benefit from these programs and to ensure the long-term viability of such housing. The Trust Fund provides capital financing in the form of loans, grants, and other financial vehicles and investments to eligible not-for-profit and for-profit developers as well as government entities at the state, county, and municipal levels, for special needs housing projects costs, including the acquisition of land, building(s), rehabilitation, new construction, or conversion of building(s) as permanent or trans-permanent rental apartments/units and community residences for people with special needs.

The partnership between HMFA, DCA, DCF, JJC and CSH grew out of the 2003 – 2005 New Jersey Homeless Policy Academy. Representatives from these government and private entities worked together to develop the State's Plan to End Homelessness, which includes an emphasis on addressing the needs of youth at risk of homelessness and incarceration. When the Department of Children and Families set aside funding to support housing for this population the members of the partnership began meeting to develop and implement the Youth Supportive Housing Initiative.

Partnership Model

In May 2005, and January 2007 Request for Proposals (RFPs) totaling \$3.4 million for operating costs and support services were issued by the DCF, Division of Youth and Family Services (SYDS) in partnership the Juvenile Justice System, DCA and HMFA to encourage the development of innovative youth housing services, based on best practice models, accompanied by the use of independent living skills to promote self-sufficiency. The RFPs represent a collaborative effort from multiple state Divisions and Departments to address the issues facing youth transitioning out of the child welfare system and homeless youth. Divisions under the auspices of DCF, including DYFS, the Division of Child Behavioral Health, and the Division of Prevention and Community Partnerships worked with DCA and HMFA worked together to create the RFP, review applications for funding and select awardees to create new supportive housing programs serving homeless youth, youth aging out of the child welfare system, and youth leaving the Juvenile Justice system, focusing on youth ages 18 to 22. The RFP represented an integrated funding approach using resources from DYFS, HMFA and DCA, with technical assistance from CSH.

Recognizing that this is a new field and that there are several different types of housing and housing models in the YSH Initiative, we believe that it is important to provide technical assistance to the agencies creating these programs to identify best practice models, assist agencies with sharing information, providing best evidence practice information and looking at evaluation tools and outcome measures. In addition to funding the development of youth supportive housing projects, the partners have developed and funded a full-time Technical Assistance position with CSH that will focus solely on providing TA to organizations developing supportive housing for youth. The purpose of this position is to provide a staff person to provide training, convene workshops and deliver one on one technical support to the organizations. Technical support will be designed to strengthen each organization's housing permanency plans; assist staff with implementation of best practices; closely monitor program performance; and strengthen grantees organizational support, oversight, governance of each project. The experience over

the past two years with the implementation of the YSHI reveals the following relative to participating grantees:

- Agencies are new to the field of affordable housing development and staff is inexperienced in housing finance and project management.
- Many of the programs struggle with the development of a fully funded or sustainable exit strategy for program participants once they are able and/or desire to live on their own outside of the program structure.
- Housing and service models (as well as best practices) are in their infancy, we can all benefit from ongoing study and evaluation to inform policy and develop strategies to provide sustainable funding supports.
- Program quality, organizational structure, quality improvement systems varies widely.

In addition, there is an Interagency YSH Advisory Committee, which will meet monthly to review the status of the initiative, implementation and outcomes.

Benefits of Initiative

The SNHTF does not provide financing for rent, operating subsidies and supportive services. To assure the long-term viability of housing created with the SNHTF Funding, the guidelines require projects must clearly demonstrate sources of funding not only for their capital needs, but also for supportive services, rental assistance and/or housing operations. All applicants must include in their application a Social Services Plan that outlines the scope of services appropriate to the target population and sources of funding and the Service Plan must be approved by the services funding source if it is a State Agency. HMFA clearly recognizes the importance of securing service and operating funding for supportive housing projects to assure that the housing is affordable and well maintained over the long term and that tenants receive support services to help them retain their housing and maximize their independence. All SNHTF funded projects meet these goals. This has been accomplished through partnerships between HMFA and other State Agencies including the Department of Community Affairs, the Department of Human Services, the Department of Children and Family Services, and the State Parole Board.

Accomplishments to Date

Since the introduction of the YSH Initiative, HMFA has committed over \$14 million in capital financing to seven organizations to develop 94 units of supportive housing for youth in New Jersey. Projects funded in the initiative have leveraged the SNHTF financing with a number of HMFA, State, federal and local funding sources including: 4% federal Low Income Tax Credits, HMFA Multifamily programs, NJ Department of Community Affairs Balanced Housing Trust Fund and the State's Home Program, County Trust Funds and Home Programs, and the Federal HUD 811 Supportive Housing Program and HUD McKinney-Vento Homeless Assistance SHP programs. An additional scattered site and single site beds for youth have also been created with rental/operating assistance in existing housing in the community. The DCF has awarded over \$3.67 million for supportive services and operating costs and the DCA has awarded over \$4.2 million for 10 year State Project Based Rental Assistance. The State is looking to issue an RFP in 2009 to continue to fund the YSH Initiative.