

RoadHome & Federal Dollars – Providing a Seamless and Solid Safety Net

The Challenge

Despite Rhode Island's tiny size, the state faces huge challenges due to the recession and the weak housing market. With the third highest gap in the country between what renters earn and what it costs to rent a 2-bedroom apartment, more than half of Rhode Island renters are paying more than 30% of their income for rent. As of May 2011, Rhode Island had the third highest unemployment rate in the nation at 10.9% and was hit hard by the foreclosure crisis. In the urban centers, the majority of these foreclosures have involved multi-family properties. This results in the displacement of thousands of renters as well as homeowners.

As a result, Rhode Island's homeless numbers has grown to 4,398 men, women and children being served by the state's emergency shelter system in 2010. Like many states, Rhode Island is facing a rising need for housing assistance by those who have lost income, lost their home, or both, at a time when the state and the federal government are cutting back on critical safety net programs. More residents are becoming homeless or are at risk of homelessness as they are caught between the continuing high cost of living, declining income, and a severe shortage of affordable homes or support services. Local shelters have steadily witnessed new faces showing up at their doors following foreclosure of rental properties. Families are being caught off guard with little if any resources to get them back on track with the housing and services they need. Recent trends, and the growing number of individuals and families seeking shelter, illustrate the need for services and support that provide real solutions to the challenges homeless populations face. The chronically homeless pose a particular challenge because they often require a disproportionate share of already scarce state and federal resources.

Addressing the needs of the chronically homeless is a priority in Rhode Island's Ten-Year Plan to End Homelessness, but difficult to accomplish with the existing state and federally funded tools available. Rhode Island's Continuum of Care has adopted the HousingFirst model to assist the chronically homeless focusing first on getting the homeless into permanent housing and then providing them with the services they need to remain in their homes. The state's HousingFirst program requires ready access to deeply subsidized apartments to access federal PATH and SAMHSA funds needed to provide critical services to participants. Such deeply subsidized housing is already oversubscribed and difficult to commit in the time frame required by service grant applications.

Homelessness prevention is another area of focus for the Continuum of Care. The new Homelessness Prevention and Rapid Re-housing Program (HPRP) has been a valuable new homelessness prevention tool for the state. However, HPRP only services those whose incomes are less than 30% of AML, leaving a significant population unassisted and still at risk. HPRP funds are also very limited, only providing 18 months of rental assistance. Many persons and families are left without sufficient rental subsidies.

Our Response

Rhode Island Housing developed RoadHome with the dual purpose of preventing homelessness through temporary cash assistance and providing rental assistance and services for those who are either at risk or already homeless. This homelessness-prevention program provides first month's rent and/or a security deposit, or arrears in rent (with a cap of \$1,200) to those making less than 60% of median income. The rental assistance in service-enriched apartments is geared toward those who are homeless and agree to participate in services. The program kicked off just as the housing and economic crisis began to peak and has become a critical resource for the homeless and at-risk households. This flexible program allows us to leverage key federal funding, making it possible to fulfill needs that could not be met with federal funds alone.

When the federal government announced the parameters of HPRP, for example, RoadHome regulations were able to complement the funds. The prevention dollars in RoadHome assisted those earning more than 30% median income but still needing financial and support services to sustain housing. Together these programs covered persons up to 60% of median income.

Similarly, RoadHome has been able to complement the state's HousingFirst program while leveraging critical federal service dollars to provide permanent supportive housing to homeless families and individuals. Many HousingFirst participants receive rental assistance through RoadHome, but funding was also needed to support the services program participants needed to remain stably housed. The state has been able to successfully access federal SAMHSA and PATH grant funding by using RoadHome rental subsidies and Shelter Plus Care vouchers as the primary sources of rental assistance. To receive the PATH grant, grantees must have a written commitment from a housing agency for the rental assistance needed to support participants. This is challenging with Shelter Plus Care given the timing of the funding and the competitive nature of the application. The flexibility of our RoadHome assistance once again ensured additional federal dollars for the homeless in the state. Currently, RoadHome together with Shelter Plus Care provides 90% of the housing assistance for participants in HousingFirst Rhode Island.

Program Mission

Our RoadHome has proven that with the right supportive services, individuals and families can stabilize their lives and become more self sufficient. As part of the program, each participant must agree to develop a case management plan and work toward its implementation. Since many of the service dollars were for the chronically homeless, outreach and engagement is the first step of case management to qualify this population for the program. Additional goals and benchmarks are individualized for each household, to not only reflect their existing circumstances, but their goals and aspirations as well.

Successes to Date

The RoadHome Emergency Housing Assistance (RHEHA) has prevented homelessness for 2,438 households since the start of FY 2010. Some 515 Households have been served by RoadHome service-enriched rental assistance. Of those 137 rental assistance vouchers have been provided to HousingFirst Rhode Island participants.

Federal dollars leveraged by RoadHome for HousingFirst R.I. has seen numbers of \$300,000 annually from ESG and Title 20 funds for services -3 years - \$ 900,000 total; \$290,000 annually from PATH renewed for 3 years – \$870,000 total; \$400,000 annually from SAMHSA for services to the Chronically Homeless- for 5 years \$2,000,000 total; \$100,000 in Medicaid dollars each year - \$400,000 total to date; and \$200,000 from the Rhode Island Foundation for this year and addition funds based on performance in subsequent years.

Dollars Saved

In July 2006, a United Way of Rhode Island study of HousingFirst RI showed that using its model saved the state \$8,839 per chronically homeless person, per year. Costly emergency and institutional services were greatly reduced. Applying those savings to RoadHome supported HousingFirst participants, and we estimate that the first year costs of RoadHome participants (those that remained in the HousingFirst RI program for at least one year) were \$645,247. As noted by the director of the program, those savings grow exponentially each year because as the participants stabilize, their need for support services dramatically diminishes. Similar savings are probably also being realized for those receiving RoadHome assistance outside of the HousingFirst program, but using similar services and supports.

Housing Stability

One of the goals of the RoadHome program is to keep participants stably housed, but to gradually move them, through access to mainstream services and housing, out of the program so that more households can be served. Some 63% of those currently in the RoadHome Rental Assistance program have been stably housed for more than one year. For those that have left the program, 40% were stably housed for more than one year.

Some 32% of the 515 increased their income. Of the 20% that reported their destination upon leaving the program, 40% went on to permanent housing, both private and subsidized.

How does it respond to the judging criteria?

- Innovative:* Few supportive housing programs are as flexible as RoadHome, match tenants to housing and supportive service providers that are right for them, and cover the full spectrum of the housing continuum from homelessness prevention to addressing the needs of the chronically homeless.
- Replicable:* Many states have their own rental assistance programs in addition to those funded through federal programs that could be adapted using the RoadHome model to better leverage federal resources and address the targeted populations that RoadHome has focused on. Private foundations have also been supported the program in Rhode Island and might do the same in other states.
- Responds to an important state housing need:* Our overcrowded and under-funded shelters are bursting at the seams, with more and more individuals and families entering them as the number of foreclosures and unemployment figures rise. This program is a critical tool to prevent Rhode Islanders from becoming homeless in the first place and freeing up shelter space by moving those who are already homeless into permanent supportive housing.
- Demonstrates measurable benefits to HFA targeted customers:* As the numbers above demonstrate, despite the fact that RoadHome rental assistance is targeted to the most difficult to house population, the chronically homeless, the program has been very effective at keeping them stably housed and increasing their income while saving the state money. In addition, RoadHome Emergency Housing Assistance has, over two years, prevented 2,438 Rhode Islanders from becoming homeless.
- Has a proven track record of success in the marketplace:* RoadHome has now been in operation for three years. The program has evolved over that time period to better complement and support the state's HousingFirst program and the new HPRP funding. The number of RoadHome vouchers that we have made available has continued to grow as has the number of clients assisted.
- Provides benefits that outweigh costs:* The benefits of having someone finally feel secure that they will have a place to call home cannot be measured in dollars. In addition, the United Way evaluation clearly identifies the cost savings that result from caring for this population through a more effective and humane model.
- Demonstrates effective use of resources:* While saving costs to institutions, program costs have also decreased on a per participant basis. Between 2008 and 2009 the cost to house participants fell from \$573.87 to \$537.55 per month, while increasing participation from 182 to 230.
- Effectively employs partnerships:* Our partnership with United Way, Corporation for Supportive Housing, Riverwood Mental Health, and the Office of Housing and Community Development has enabled the program to benefit from shared resources, funding and expertise. Additionally, new partnerships have formed between CDCs and service agencies who are finding that by partnering, service agencies can be sure of stable housing for their clients, and property managers are ensured that necessary services are available for their tenants. Once the partnerships began to show success, the relationships grew more quickly.
- Achieves strategic objectives:* The strategic objective was to End Homelessness. RoadHome fills a gap to pull people and families from the shelters and putting them into permanent supportive housing connected to services, and by preventing them from ending up homeless. While homelessness has risen over the past several years, the increase has been relatively modest given the economic and housing crises the state has faced. RoadHome has been an important new resource that has contributed to reducing the number of households, which would otherwise have ended up in the shelter system and moving some of the long-term homeless into stable, supportive housing.

Rhode Island Housing RoadHome Program Administration

Administration

Administration of the program includes: Prevention (RoadHome Emergency Housing Assistance), Sponsor/Unit Certification and Participant Intake.

- **Prevention:** RoadHome Emergency Housing Assistance (RHEHA) is to help those who have experienced a crisis (fire, eviction, foreclosure, loss of income, etc) which has led to arrears in rental payments or requires relocation. The program is administered through the state's Community Action Agencies which can also couple it with other federal cash assistance programs for which the participants qualify. The participant must show that they can sustain the apartment after the assistance of up to \$1,200 is paid to be used for rental payments or a security deposit.
- **Sponsor/Unit Certification:** To participate in the rental assistance component of the program, service providers and apartments in which the RoadHome participants may be housed, need to be certified as meeting the eligibility requirements of the program. Service providers must show they have the capacity to provide wrap around services either in-house or through memorandums of understanding with other agencies. Apartments must be identified and when certified, the gross rent is established, not exceeding the high HOME rent (including utilities). Apartment certification requires identified agencies to provide services to the tenant. When a person is identified for an apartment, an inspection is made for HQS. Agencies can be certified as service providers who have linkages with CDCs and/or market rate landlords, CDCs can certify their units if they provide MOAs with certified service agencies, or one agency can act as service provider and landlord through the use of master lease agreements.
- **Participant Intake:** To ensure that all eligible participants have equal access to the program, RoadHome has developed a single application and wait list for the program. Shelter case managers and outreach workers help eligible clients fill out the application and submit it to Rhode Island Housing at which point they are placed on the waitlist. Monthly meetings of shelter case managers, outreach workers and sponsors are held to discuss the applications and determine the best sponsor/service agency/apartment location for the applicant. Those sponsors are then identified with the applicants name on the waitlist. When a new voucher becomes available the sponsors associated with the first person on the waitlist are contacted to see if an apartment is available. If no apartment is available that meets that person's needs, we move to the next person on the waitlist. Similarly, if there is turnover of an existing voucher, the responsible sponsor contacts Rhode Island Housing to identify the first person on the wait list associated with their program. The RoadHome application includes all required documentation, streamlining the placement process. The only documentation that needs to be reconfirmed at placement is the homeless verification.