

**NCSHA 2008 AWARDS**  
**Maryland Department of Housing and Community Development**

**Category:** Special Needs Housing  
**Sub-Category:** Combating Homelessness  
**Entry Name:** DHCD's Shelter and Transitional Housing Facilities Grant Program (STHFGP)

**BACKGROUND**

The Shelter and Transitional Housing Facilities Grant Program (the "Program") provides capital assistance for developing and improving transitional housing and emergency shelters for homeless individuals and families in the State of Maryland. New construction, acquisition, rehabilitation of housing, and purchase of capital equipment are eligible for Program grants. Grants must be for transitional housing and emergency shelters which include supportive services for their residents. Grants may be provided to 501c(3) nonprofit organizations and local governments. Residents must be homeless, or in danger of becoming homeless.

Sponsors must agree to maintain the project as a shelter or transitional housing for a term of 15 years. If the use is discontinued prior to 15 years, the grant is repayable. Generally, grant funds may not be used for more than one-half of total project costs. Under certain conditions grants may be for as much 75 percent of total project costs.

**ACCOMPLISHMENTS**

DHCD's Shelter and Transitional Housing Facilities Grant Program has a proven track record of success in the marketplace. Since starting operation of the program in 1994, DHCD has financed 50 STHGP projects which include 318 units of transitional housing with 2,003 beds. Total project costs for these properties were \$65,728,240. Total STHGP funding used for these projects was \$19,457,821. DHCD also provided \$8,622,365 in other funding, including HOME, CDBG, Appalachian Housing Fund, and Federal Low Income Housing Tax Credits, among others. The projects leveraged an additional \$37,648,054 in funding from other sources. In addition some of the projects that DHCD provided technical assistance and approved funding decided not to use DHCD funds, but did construct and provide transitional housing facilities.

Examples of projects funded or under construction in FY 2008 include:

- Rehabilitation and new construction of a former fire station in Baltimore City by a non-profit organization, The Baltimore Station. This will expand their program to 100 beds for formerly homeless men with substance abuse and addiction, most of whom are honorably discharged military veterans.
- Rehabilitation and the addition of an emergency shelter with 55 beds for abused women and children for a nonprofit organization, Family Crisis Center of Prince George's County. Facility includes a "safe room" at the suggestion of county police.
- New construction of a shelter/transitional housing/services facility in Howard County to house 55 residents (men, women, and families) with offices for information and referral and crisis intervention. Project is owned and maintained by the county and leased to Grassroots Crisis Intervention Center, a nonprofit organization to operate and manage the facility.
- Rehabilitation of a historic building that will house 210 residents in a transitional housing program called House of Hope and an application for another rehabilitation of an emergency shelter facility for 50 men for the nonprofit organization, House of Freedom on same street.
- A wing of a newly constructed building that will replace an outdated and currently vacant building which is owned and will be maintained by Montgomery County on land that was a

landfill at one time. The facility will provide 36 transitional housing beds for men recovering from drug and alcohol abuse who have chronic mental illness, as well as offices for the County homeless services and 20 beds for a Safe Haven supportive housing. The transitional housing will be managed by a nonprofit organization with over 40 years of experience, Community Ministries of Rockville.

### **JUSTIFICATION FOR NOMINATION**

DHCD's Shelter and Transitional Housing Facilities Grant Program meets several criteria for this particular Special Needs Housing award.

- **Innovation:** Shelter and Transitional Housing Grant Program funds are generally awarded on a first-come, first-served basis based upon the readiness of the project. Because of this, and because many of the sponsors of STHGP funds are new and/or inexperienced in the area of real estate development, DHCD staff do a lot of "hand holding" to get the projects off the ground and up and operational. DHCD staff provides technical assistance, information and referral for other financing, contacts with service providers, information about other State and federal programs, suggestions of other sources of funding, and assistance for sponsors or consultants to complete their application for this project and/or other funding. DHCD staff also go with sponsors on site visits to see properties before the sponsors take them on, and DHCD's in-house construction staff provides assistance before application on possible scope of work for projects. Our construction staff also helps sponsors with request for proposals (RFP), and they work with sponsors during construction/rehabilitation once the grant is approved by helping working with contractors, architects, building officials, neighbors, etc.

Each project provides housing and services to specialized special needs households. One group is developing a shelter for transgender individuals since they do not comfortably fit in shelter space reserved for men or women and instead wander the streets or turn to prostitution. One application is from a mental health care provider for a therapeutic group home for adolescent males with histories of inappropriate sexual or aggressive behaviors and are temporarily living in residential treatment centers. This project would include a research and national publication component to measure the project's effectiveness in successfully discharging this historically difficult-to-discharge special needs population from more expensive residential treatment centers.

- **Ability to be replicated:** All HFA's have housing expertise and housing partners and build affordable housing in the State. All states address the needs of people with special needs and homeless. All states have access to tax-exempt bond financing and know other housing financing resources in their area.
- **Responds to an important state housing need:** As in most states, there is a shortage of affordable housing in Maryland. Many Marylanders need transitional housing while they transition from one situation such as job loss, abusive relationship, drug or alcohol addiction, war zone, illness, change in relationship to another and into permanent housing. Forty one thousand Marylanders were turned away from shelters and transitional housing in FY 2007.

In order to meet transitional housing needs, sponsors are interested in flexibility so that the space can be used as needed for shelter, transitional, or offices for supportive services to residents. A cold weather shelter could become transitional housing in warmer weather for a few residents with an emphasis on providing services so that the residents can become self-sufficient. On the other hand, in Ocean City, a resort community where housing is at a

premium in the summer, there is more need for the Program in the summer than winter, so the reverse takes place where a facility would be a shelter in the summer and a transitional housing facility for fewer residents with more concentration of services in the winter. The Program allows for this flexibility as we work with sponsors to build projects that are the most helpful and useful for meeting the housing need in different communities in Maryland.

- **Demonstrates measurable benefits to HFA targeted customers:** Fifty shelters and/or transitional housing facilities with services to assist the two thousand individuals they can serve at one time are a benefit to Maryland citizens. (See the before and after pictures of the buildings and reports from completed projects.)
- **Provides benefits that outweigh costs:** While we typically talk about “units” or “beds”, the Shelter and Transitional Housing Grant Program is most successful because it helps people. DHCD does not charge grantees any application, administrative, or legal fees. A project may have 100 beds but serve 1000 individuals in a year. Projects we undertake provide us with reports on who they are serving and how (see attached example). The ultimate achievement is that hundreds of units and over 2,000 beds financed to date have helped thousands of men, women and children – those who are poor, those who are sick, those with drug addictions, those who served honorably in the military, those who have been abused, those who are mentally ill - back onto their feet and on the road to self-sufficiency and independence.
- **Demonstrates effective use of resources:** Because of the “hand holding” nature of the program and DHCD’s work with sponsors in finding the other funding DHCD cannot provide (since the program is limited to funding basically only half of a project), other sources used for leveraging have come from an extremely wide variety of sources. These have included Housing Organization and Direct Assistance Program (HODAP) grants, Supportive Housing Program (SHP) grants, HOPWA funds, Maryland Energy Commission funding, Federal Home Land Bank of Atlanta Affordable Housing Program (AHP) funding, local government funds, sponsor equity, foundation grants, private donations, civic and religious organization funds, hospital foundations, State and local bond funds, grant from other State agencies, appropriations from County Commissioners, fund raisers such as walkathons, hayrides, and dinners, and United Way donations, as well as In Kind contributions, local bank loans and/or grants, capital campaigns, and land donations. Some sponsors have been so successful getting matching funds that they no longer need our funds.
- **Effectively employs partnerships:** Programs which are most successful include advocacy and civic and community group and service providers working together to help individuals and families. These include private and public social service organizations, health and mental health workers, counselors, police, school districts, coalitions of religious groups, businesses, and colleges. The Program would be impossible without the Federal/State/local government, foundation, community, faith based community, and individual funds.
- **Achieves strategic objectives:** The objective of the Program has been achieved as it has provided capital financing for local governments and nonprofit organizations to develop quality emergency shelter and transitional housing for homeless individuals and families. Support services are required so that each individual and family will work to become as self-sufficient as possible. Another objective of the Program is that funds are to be distributed across the State. Projects have been developed in 15 out of 23 counties and Baltimore City. Technical assistance has also been provided in those counties as well other counties