2011 NCSHA Awards

HFA: Michigan State Housing Development Authority (MSHDA) Category: Special Needs Housing - Housing for Persons With Special Needs Entry Name: Piquette Square and Silver Star - Housing for Michigan's Homeless Veterans

Overview

There are nearly 4,200 homeless veterans in Michigan. With the help of various partners, the Michigan State Housing Development Authority (MSHDA) has created an affordable housing model for veterans. The partners include MSHDA, local developers, nonprofit groups and the Veterans Administration. Together, they began two housing developments, Silver Star and Piquette Square, that offer a total of 225 apartments. Both developments combine on-site and off-site supportive services with existing Veterans Administration and nonprofit services for the homeless.

Silver Star is the first Low Income Housing Tax Credit (LIHTC) development in Michigan to provide permanent supportive housing for veterans. The development is located on the east side of the campus of the Veterans Affairs Hospital in Battle Creek and offers 75 one-bedroom apartments.

Piquette Square, constructed by the Southwest Housing Solutions Corp. (SWHSC), is located in Detroit. As a mixed-use development, Piquette Square consists of 150 one-bedroom apartments, 4,000 square feet of commercial space and 11,000 square feet of nonresidential common area.

The goal of these developments is to provide comfortable affordable housing for homeless veterans. Both Silver Star and Piquette Square provide basic furniture and furnishings. Donations are received locally from churches, non profits and businesses.

Program Innovation

- MSHDA has prioritized the need for affordable housing for homeless veterans by adding a veterans preference to the Housing Choice Vouchers (HCV) program.
- MSHDA is committed to allocating up to 20 percent of the Housing Choice Vouchers to the Project Based Voucher (PBV) program for veterans.
- MSHDA also worked closely with the John D. Dingell VA Medical Center (VAMC Detroit Veterans Administration) to obtain 25 project-based Veterans Affairs Supportive Housing (VASH) vouchers for Piquette Square. Designating these 25 vouchers in addition to the 125 housing choice vouchers allows a case manager to be located on-site at Piquette Square and strengthens the availability of supportive services to its residents.

• Both Silver Star and Piquette Square can serve as models for other regions and states to address the problem of housing and services for homeless veterans. The developers have been contacted by several states to provide technical assistance and guidance on the model. A second phase for Silver Star is in the planning stages with the intent to add an additional 100 units.

Responding To A State Need

The creation of Silver Star and Piquette Square responded to a serious social problem both in Michigan and the nation. Addressing homelessness is an important part of economic recovery efforts throughout the state. The frequent incidence of homelessness among the men and women who have fought for our country is particularly troubling. Despite the administrative burden that typically comes with processing applications for subsidized housing, both projects were fully leased just weeks after certificates of occupancy were issued. This demonstrates cohesiveness among the partnerships that were created as well as the powerful need for this resource within the state.

Measureable Benefits To HFA Target Customers

Both Silver Star and Piquette Square have been successful in providing permanent supportive housing to homeless veterans. To date, over 1,000 PBVs have been allocated to the targeted populations and as a result, developers are exploring additional sites to expand the model. This innovative work has lead to cost savings for the State by shortening the length of time homeless veterans are in the emergency shelter system.

Among the programs' biggest fans are the residents themselves. When asked about living at Silver Star, veteran Deborah Helbig says, "Since I have moved in, my life has started to become somewhat normal. I feel very thankful to those who started this program and to everyone it took to make Silver Star a reality."

The developments are another step in a long-term plan to end homelessness in Michigan within 10 years. They have allowed MSHDA to address the problem of homelessness among veterans. Success in leasing and in reducing homelessness has made these developments Michigan models that are being examined by other for-profit developers statewide who are recognizing the social and economic benefits that can come from partnerships with MSHDA.

Benefits Outweigh Costs

There is no question that the benefits of this project far outweigh the costs. A study conducted by the University of Pennsylvania Center for Mental Health Policy and Services concluded that supportive housing resulted in an annual savings of \$16,282 per homeless person by reducing the use of public services. Combined with the reduced need for shelter beds, avoidance of confinement for mental illness and decreased demand for social services, the systemic savings are remarkable. In addition to reducing demands on resources, these projects combined to provide nearly \$30 million into the state's economy in the form of construction trades, building supplies and materials, engineering, etc. The jobs created through these two developments, coupled with the savings that results from

the Housing First model, are clear evidence that these projects are examples of economic savings and efficiency.

Demonstrate Effective Use of Resources

By using its resources, Silver Star Apartments combined \$4 million in HOME and \$4.7 million in equity support from the sale of 9 percent tax credits. The property also benefits from the placement of 75 Project-Based Housing Choice Vouchers. All units have an associated voucher to keep them affordable.

Piquette Square combined a variety of resources, including a \$6.6 million full-amortizing MSHDA mortgage, a \$5.5 million HOME loan, \$6.4 million in tax credit equity, \$1.7 million in Brownfield Credits and \$500,000 from the Federal Home Loan Bank. The project also benefits from the placement of 125 Project-Based Housing Choice Vouchers and 25 project-based VASH vouchers.

Effectively Employ Partnership

Both developments were created with effective and innovative partnerships among forprofit, nonprofit and governmental entities. The partnerships in place were instrumental in the quick leasing that was achieved. They also assisted in coordinating case management efforts that continue to help residents thrive.

Achieve Strategic Objectives

The Veteran's Administration has set the goal to end homelessness among veterans within five years. Colonel David Sutherland, Special Assistant to the Chairman of the Joint Chiefs of Staff, visited Piquette Square in October, 2010 after the 150-unit development was fully leased within two months of construction. Sutherland told the veterans that taking care of those who served their country is a "national security issue, because if we continue to have problems with veterans not receiving the services they need, who will want to join the military and defend our nation?"

He added, "We cannot and will not tolerate another generation of homeless veterans."

"Communities must recognize that the VA cannot solve everything," Sutherland told the Piquette veterans. "We must all come together. You veterans have the capacity for greatness. It is the community that will help you realize that."

Homelessness is recognized in Michigan as a serious social problem that must be addressed to advance the recovery of the state's economy. Michigan is the only state that is meeting this challenge on a statewide basis. MSHDA has taken the lead, together with other state agencies, nonprofits and statewide organizations, to adopt a 10-year plan to end homelessness in Michigan. All 83 counties in Michigan are represented by local plans that work in conjunction with the overarching state plan that includes a homeless veterans initiative. Silver Star and Piquette Square apartments fall under that initiative. They stand as an inspiration to those dedicated to serving our homeless veterans.

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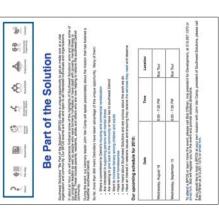


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One of the veterans who had the chance to speak with the Senator is Leon Crawford. Leon, 57, served in the Army non 1969 to 1972.

Piquette Square for Veterans Senator Carl Levin Visits

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