Agency: Pennsylvania Housing Finance Agency
Entry: Built for Impact: PHFA's Supportive Housing Model Pairs Affordable Housing with Lasting Support
Category: Special Needs Housing
Subcategory: Housing for Persons With Special Needs

BUILT FOR IMPACT: PHFA'S SUPPORTIVE HOUSING MODEL PAIRS AFFORDABLE HOUSING WITH LASTING SUPPORT

SUMMARY

There currently is no federal requirement for Low-Income Housing Tax Credit developments to include units for supportive housing, though national program rules encourage integrating supportive housing. Within this context, the Pennsylvania Housing Finance Agency's Tab 31 Supportive Housing Model stands out as a forward-thinking approach that not only aligns with these national trends but advances them by avoiding restrictive mandates, offering flexible funding options and ensuring supportive services are fully integrated into PHFA's supportive housing model.

INNOVATIVE

While many states limit supportive housing to narrowly defined populations or specialized funding buckets, PHFA's model is intentionally flexible. Alongside pre-approved categories like homelessness and veterans, developers may request approval for other locally relevant groups, such as single parents returning to school, individuals with autism, reentrants from incarceration and others. Although each group has distinct needs, PHFA's baseline service requirements ensure all developments are equipped to support their general resident population alongside neighbors with the greatest challenges.

PHFA's model also incentivizes supportive housing by offering an increased LIHTC credit cap, an increased developer fee cap and competing in a specific set-aside. These incentives encourage developers to go beyond minimum standards while avoiding rigid limitations that restrict creativity or local responsiveness. This approach aligns with recommendations from the Corporation for Supportive Housing, which emphasizes agencies should combine threshold requirements with strategic incentives to ensure units serve those with the highest barriers to housing.

Supportive housing is not simply about targeting a special population, it is about delivering extremely affordable housing paired with flexible, voluntary services that promote long-term stability. PHFA's model exemplifies this definition. By requiring properties to coordinate a robust array of supportive services that help residents maintain housing, achieve personal goals and build community, our program meets nationally recognized best-practice standards and demonstrates a sophisticated understanding of what meaningful supportive housing entails.

This innovative approach positions PHFA as a leader within the LIHTC landscape, one that not only adapts to evolving expectations but actively shapes the future of supportive housing. Some states do have specific set asides in the Qualified Allocation Plan for supportive housing units; Pennsylvania ensures that is not where supportive housing starts and finishes. PHFA goes further by ensuring supportive services are a foundational element of all LIHTC developments, not just those targeting special needs populations. In doing so, the agency advances a model of housing that is equitable, sustainable and responsive to the diverse needs of communities across Pennsylvania.

ADDRESSING THE STATEWIDE NEED FOR THOSE WHO NEED IT MOST

For many Pennsylvanians with disabilities, finding an affordable, accessible place to live remains a major challenge. Nationally, roughly half of all people experiencing homelessness live with a disability[3], underscoring the urgency of creating housing that includes both affordability and supportive services. Since 2010, PHFA's special needs supportive housing efforts have added almost 2,000 units specifically designed for diverse special needs populations. Overall, PHFA has added more than 24,000 units since 2010 and in all those units, because of PHFA's supportive services requirement, all residents have access to onsite supportive services. This sustained commitment demonstrates not only responsiveness to a pressing statewide need but also a long-term investment in expanding permanent housing options.

THIS MODEL IS BOTH REPLICABLE AND SUCCESSFUL

This supportive housing set-aside model is highly replicable because it integrates seamlessly into existing affordable housing frameworks without requiring special or dedicated funding to implement within a LIHTC application. The model is flexible and can be adapted to serve a wide range of target populations, making it broadly applicable across communities. By combining LIHTC resources with other funding streams, such as housing vouchers, we can strengthen long-term affordability and stability. Additionally, the program leverages community-based resources and service providers already operating in the area, eliminating the need to create new systems or organizations. This efficient, collaborative structure allows the program to be adopted easily in diverse settings while maintaining strong outcomes.

To highlight how successful this model is:

- All supportive housing units in PHFA's LIHTC portfolio house tenants of the designated population or are being turned over in preparation for a tenant that meets that designated population.
- According to 2025 data, out of 72 properties that have designated units, more than half of all residents stay in these units for more than five years.

BENEFITS TO HFA TARGETED CUSTOMERS

Targeted supportive service coordination is not only good for improved housing stability, financial security and the overall health for residents, but for the property's bottom line. These targeted services, designed to improve the residents' wellbeing, are linked to material net operating income gains, which are a key indicator of property health used in underwriting, asset management and investment decisions. Specifically, a new study by Abt Global shows that, "properties with resident services generate 26 percent higher NOI, about $1,200 more per unit annually, than comparable properties without services. And every $100 per unit invested in resident services generates $259 in additional NOI and nearly $400 in total revenue the following year."[1] A similar study done by Stewards of Affordable Housing for the Future found that eviction-related moveouts are dramatically lower, with just 1.2 eviction-related moveouts per 100 households in service-enriched SAHF properties, compared with 7.3 eviction filings per 100 renters nationally.[2]

Specifically, across PHFA's LIHTC portfolio, supportive services in general offer measurable outcomes to HFA customers. According to PHFA's 2024 annual housing services reporting, residents at senior properties are successfully aging in place with 25% of residents residing at the same property for longer than 10 years. The national average turnover rate in affordable housing, according to the National Center for Housing Management, is 39%.[4] With an average PHFA LIHTC building having 55 units, this equals about 210 turnovers occur over 10 years. At $4,000 per turnover, this equals $15,200 in turnover cost per unit. If 25% of units (14 units) do not turn over, the organization avoids approximately $212,800 in turnover costs. PHFA reporting also shows eviction prevention is one of the top 5 services done by service coordinators at properties, resulting in more than 50% of residents not being evicted upon first eviction notice. Residents are successfully living in independent housing, which for many would not be possible without the onsite service coordination our model requires.

BENEFITS VS. COSTS

This model delivers significant benefits while requiring minimal expenditures. PHFA employs a single, dedicated staff member who serves as the primary point of contact for all supportive housing requirements. The Supportive Housing Officer conducts a mandatory pre-submission webinar (please refer to visual aid #2) to outline program expectations, then reviews and scores all applications. After funding is awarded, this staff member ensures ongoing program compliance by conducting reviews with each property every three years.

EFFECTIVE PARTNERSHIPS

The Tab 31 model is built on a foundation of strong local leadership, community partnerships and integrated resident support. Each property partners with a lead agency experienced in serving the building's designated population, ensuring residents receive tailored, knowledgeable assistance. Complementing this, the property provides robust onsite supportive services that foster stability and community connection. Resident Service Coordinators play a vital role by cultivating partnerships with food banks, libraries, medical providers, schools and other community resources, creating a network of support that empowers residents to thrive.

REACHING STRATEGIC OBJECTIVES

PHFA's Tab 31 model advances the agency's strategy to create housing designed for individuals with disabilities, seniors and others with specialized needs by integrating supportive services into the earliest stages of development. These partnerships help reduce hospitalization, improve stability and extend independent living. At a broader scale, the model strengthens community development and planning by offering technical assistance, sharing best practices and helping regions assess unmet needs. By pairing supportive services expertise with strategic funding opportunities, local partners gain the capacity to design sustainable, targeted housing solutions that respond to community demographics, health disparities and long-term affordability needs.

REFERENCES:

1. McDermott, Zachary T., Debbie Bocian, and Meryl Finkel. *The Impact of Resident Services on Property Financial Performance*. Abt Global, January 2026.
2. Stewards Of Affordable Housing For The Future. Proactive Collaboration: Resident Services' Role in Housing Stability. sahfnet.org, March 2026.
3. Thurman, W., Heitkemper, E., Hutson, T., Preston, A., & Hecht, J. (2023). "The System Tends to Scoop You Up and Spit You Out and They're Done With You": The intersection of intellectual/developmental disability and homelessness from the perspectives of service providers. Qualitative Health Research, 33(11), 1017–1029. https://doi.org/10.1177/10497323231186880
4. Votto, P. (2015, May 14). A 50% turnover rate? It's not high – it's the average!. National Center for Housing Management. Retrieved from https://www.nchm.org/a-50-turnover-rate-its-not-high-its-the-average

VISUAL AID #1: Tab 31

Tab 31 Supportive Housing Preference

Revised 1-23-2025

PHFA SUPPORTIVE HOUSING PREFERENCE FACT SHEET

Contact: **Danielle Rudy, drudy@phfa.org, 717.780.3960**

Applicants must meet the definition of supportive housing to be eligible for consideration under this Set-Aside. Applicants must target an eligible population, have an agreement with an appropriate Tab 31 lead agency, and have easy access to transportation services within two blocks of the site. In addition, in the rural/suburban pool, a minimum of fifteen (15%) of the units must be set aside to qualify for this preference. In the urban pool, a minimum of 25% of the units must be set aside to qualify for this preference.

What is Supportive Housing?
It is housing that:

- Is safe and secure:
- Is affordable to the eligible target population (monthly rent and utilities do not exceed 30% of monthly household income); Please note that your application must indicate the method for ensuring that tenants included in this set-aside are not rent burdened. We are looking for a letter committing funds such as: Mainstream/Section 8 vouchers, VASH vouchers, OMHSAS reinvestment dollars, ACC, an established rental subsidy fund, or a commitment in the IRC that units will be 30% AMI units.
- Is permanent, not transitional. Occupancy is available as long as the tenant pays the rent and complies with the terms of the lease or applicable landlord/tenant laws in Pennsylvania.
- Offers supportive services that are flexible and responsive to the needs of the individual; available when needed by supportive housing tenants; and delivered where the tenant lives, if necessary.

What are the eligible populations?
Eligible populations include:

- Homeless individuals or households or those *at risk of becoming homeless*. See the below definition of homeless and at risk.
- Non-homeless households with a household member with disabilities including those with mental, physical, sensory or developmental disabilities; persons with substance abuse disorders; persons diagnosed with AIDS and related diseases and persons formerly incarcerated.
- Other populations approved by the Agency on a case-by-case basis.
- Population eligibility will be reviewed/approved upon submitting the Intent to Submit.

What will the Tab 31 Lead Agency do?
Tab 31 Lead Agencies are agencies that have:

- Experience and responsibility in their jurisdiction for planning and assessing needs for one or more of the above referenced target populations.
- Responsibility for funding services and organizing the service system to assure tenants get services they need in a timely and comprehensive manner.
- The capacity to manage a referral process consistent with fair housing laws.

VISUAL AID #1: Tab 31 continued

- Be able to enter into an agreement with Developers for referrals, pre-tenancy and post-tenancy services and supports.

It is also beneficial if the designated Tab 31 lead agency can lead a collaborative effort with partner agencies across the disabilities and homeless services systems to assure services and supports are available to individuals across the range of disabilities listed above.

Tab 31 Lead Agencies ***(Lead Agencies related to Tab 31 requirements are unique as their responsibilities go beyond the duties identified in the Tab 12 referral process)*** must be able to commit to and sign an agreement that identifies:

- The tenant referral process – how the Tab 31 lead agency will gather prospective tenants and how referrals will be made to the development.
- The Tab 31 lead agency's experience in funding and managing services to the target population.
- How the Tab 31 lead agency will provide and/or arrange on-going support and/or services to the target population for the duration of the compliance period.
- How the Tab 31 lead agency will collaborate with other service managers and providers to provide support and/or services.

What do developers need to do to qualify for this Preference?

Developers must:

- Identify the population that will be targeted for the supportive housing units.
- Work with the Tab 31 lead agency to determine the market for and justify the housing and services need for these units or demonstrate capacity to serve the targeted population.
- ***Complete Tab 11 (Service Provider Questionnaire and Supportive Services Plan which addresses all residents) in PHFA's Multifamily Housing Application as well as Tab 31 which addresses those residents served by the set-aside specifically. The Service Provider identified in Tab 31 should be the lead agency that fits the above description for the set-aside.***
- Have a signed letter of agreement with the Tab 31 Lead Agency specifying the above parameters and how they will be delivered. A formal Memorandum of Understanding is only required post-funding.
- Assure that the proposed development will be within two blocks of a public transit stop or include transportation in the site plan of services.
- Attend PHFA Supportive Services Tab 31 Informational webinar/training and upload the certificate of attendance with their Tab 31 documents.

VISUAL AID #1: Tab 31 continued

Definitions: Homeless and At Risk of Becoming Homeless

For the purposes of the PHFA Permanent Supportive Housing Set-Aside, PHFA defines *homeless* or *at risk* of becoming homeless as the following:

Homeless

An individual or household who lacks a fixed, regular, and adequate nighttime residence or has a primary nighttime residence that is:

- A supervised publicly or privately operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters and transitional housing);
- An institution that provides a temporary residence for individuals intended to be institutionalized; or
- A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.
- *Note that the term homeless does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State Law.*

At Risk of Becoming Homeless

- Household is being evicted or foreclosed within 30 days from a private dwelling unit and no subsequent residence has been identified and the Household lacks the resources and support networks needed to obtain housing or their housing has been condemned by housing officials and is no longer considered meant for human habitation; or
- Household is being discharged within 30 days from an institution, such as a mental health or substance abuse treatment facility, in which the Household has been a resident for more than 30 consecutive days and no subsequent residence has been identified and the Household lacks the resources and support networks needed to obtain housing; or
- Household is fleeing a domestic violence housing situation and no subsequent residence has been identified and the Household lacks the resources and support networks needed to obtain housing; or
- Household is in an untenable doubled up arrangements as verified by the Local Lead Agency; Household is living in temporary housing situations such as in motels, hotels, and FEMA trailers and no subsequent residence has been identified and the Household lacks the resources and support networks needed to obtain housing; or
- Household is exiting, mental health and developmental disability facilities, nursing homes, residential addiction treatment programs, and hospitals and no subsequent residence has been identified and the Household lacks the resources and support networks needed to obtain housing; or
- Household includes youth aging out of foster care who qualify for PSH and no subsequent residence has been identified and the Household lacks the resources and support networks needed to obtain housing; or
- Household faces immediate eviction or foreclosure and no subsequent residence has been identified and the Household lacks the resources and support networks needed to obtain housing; or

  Household is living in McKinney-Vento transitional housing but did not originally come from emergency shelter or a place not meant for human habitation, and no subsequent residence has been identified and the Household lacks the resources and support networks needed to obtain housing.

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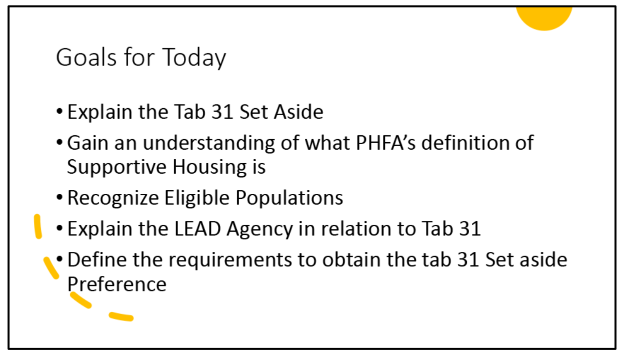
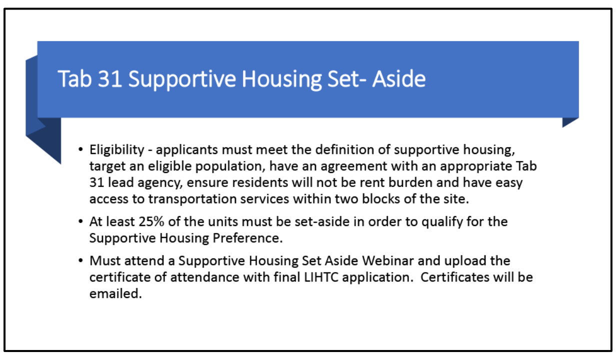
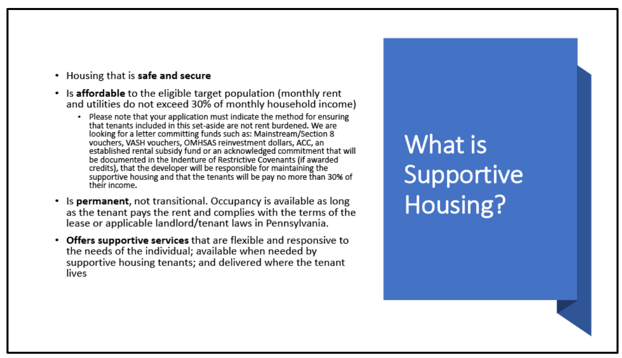
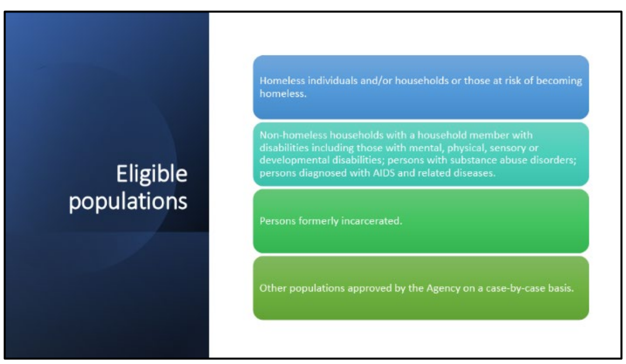
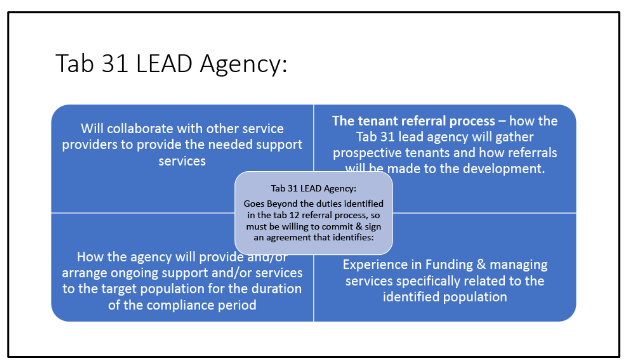
VISUAL AID #2: Pre-submission webinar











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VISUAL AID #3: Listing of lead agencies

PHFA Tab 31 Lead Agencies

WESTERN

- Allegheny County Department of Human Services
- Community Action Program of Armstrong County
- Housing Authority of Beaver County
- Butler County Human Services
- Fayetle County Community Action Agency
- Mercer County Behavioral Health Commission
- Washington County Dept. of Human Services
- Washington Community action

CENTRAL

- Centre County Government
- Center for Community Action
- Service Access and Management, Inc.
- Mifflin-Juniata Human Services
- Capital Area Coailtion on Homelessness
- Franklin County
- Lancaster Housing Opportunity Partnership
- Tableland Services, Inc.

SOUTHEAST

- Bucks County Dept. Mental Health/Developmental
- Chester County Dept. of Mental Health
- Delaware County Office of Behavioral Health
- Commission on Economic Opportunity
- Montgomery County Dept. of Behavioral Health
- Northampton County Dept. of Human Services
- Service Access and Management, Inc.

NORTHEAST

- RHD Crossroads Community Services
- United Neighborhood Centers of NE PA
- Lawrence County Community Action Partners
- MyCIL
- Central Susquehanna Opportunities Inc.
- Pixe County Human Services
- Potter County Human Services

PLEASE NOTE THAT THIS LIST IS NOT ALL INCLUSIVE. OTHER AGENCIES ARE ABLE TO ACT AS A LEAD AGENCY IF THEY HAVE THE EXPERIENCE AND RESOURCES AVAILABLE TO WORK WITH A SPECIFIC POPULATION.