



SUPPORTIVE STUDIO APARTMENTS FOR SINGLE HOMELESS ADULTS:

Options for Development
Arlington County, Virginia

A review of supportive housing projects and a local feasibility analysis
for consideration within the Ten Year Plan to End Homelessness

Housing Committee of the Continuum of Care
Arlington County, Virginia

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1. Introduction

In the Summer of 2012, the Housing Committee of the Ten Year Plan to End Homelessness in Arlington County, Virginia decided to conduct a comprehensive review of the “**Supportive Studio Apartment Housing**” model (SSAH) as an additional housing option for single adults with a history of chronic homelessness, many of whom have high leasing barriers. These barriers may include criminal background, poor credit, evictions, damage to property, and very low income. This report includes a review of several successful supportive housing models currently operating in Virginia and Maryland. Interviews were also conducted with technical staff working in the public and private sector in the areas of affordable housing development, land use and zoning, disability and homeless prevention services. The purpose of this report is to provide guidance in the development of this housing model as an option in Arlington County, and to provide important input into the County’s Affordable Housing Study which is currently underway.

Supportive Studio Apartments are generally considered to be small housing units or rooms with space for sleeping, and access to cooking, toilet and shower facilities and storage. Projects have also been called affordable efficiencies, personal living quarters, and HUD uses a term “SRO” for single room occupancy for specific federally funded programs. The housing programs usually include some onsite services to address the needs of the tenants who frequently need support for mental health and substance abuse, independent living skill building and tenancy compliance issues. This service enriched housing model has a proven track record throughout the country and represents best practices as one type of permanent supportive housing.

Arlington County has a successful history of developing committed affordable units (CAFs) including designated permanent supportive housing units. This is the result of development tools made available to the non-profit development community from the Arlington Affordable Investment Fund (AHIF). Arlington County also operates locally funded rental assistance programs including Housing Grants and Permanent Supportive Housing and the Federal Housing Choice Voucher program. These local tools and other federal and state resources may be leveraged together for the development of the Supportive Studio Apartment model.

Arlington continues to review its resources in addressing homelessness and poverty. Development of housing using the Supportive Studio Apartment Model would provide an additional method for the community to serve its most vulnerable citizens. This report will complement the county’s ongoing strategic planning efforts reflected in the Ten Year Plan to End Homelessness, the 100 Homes Campaign, the Consolidated Plan and Goals and Targets, and the Supportive Housing Plan (Technical Assistance Collaborative (TAC) Report 2005). There is extensive documentation from similar housing projects throughout the country that concludes that permanent supportive housing including this particular model, has a positive impact of reducing costs in other areas including hospitalization, emergency services and incarceration of participating tenants. (*Reference Virginia Supportive Housing Report - A Place to Start – Cost Savings and Client Outcomes*)

The results of the 100 Homes Campaign and Arlington's participation in identifying the most vulnerable and at risk homeless persons have highlighted the need for this specialized housing. Supportive studio apartments will provide vulnerable citizens the dignity and enhanced opportunity of improving their housing stability and making progress with their self sufficiency and steps toward recovery, a worthy community investment.

2. EXECUTIVE SUMMARY

Our research of the Supportive Studio Housing model in more than five jurisdictions has shown the advantages of creating well designed programs in desirable buildings with the provision of necessary on site services. Arlington's most vulnerable citizens will benefit from service enriched housing with landlords that support the mission to prevent and end homelessness and give single adults more options for their recovery and for their housing needs. As a community Continuum of Care, we plan to engage the various housing and service partners to develop strategic plans for this housing model to fill the gaps that prevent so many individuals from beginning their recovery in safe and affordable housing.

The recommendations in this report will guide the next steps as we work on additional housing solutions. The resounding message from other service providers demonstrates the need for local community support with identified capital funding and operational budgets that include rental subsidy for all Tenants. Program providers highlighted the importance of managing projects with sufficient resources at the site to ensure the security and level of service most needed by the Tenants.

As the country moves away from building additional shelters to address homelessness, the service enriched model provides measurable advantages for successful community living for those served in the housing programs. This type of housing respects the choice and privacy needs of the individual, but offers an environment that provides the structure that many people who have experienced a long period of dysfunction need to manage themselves. Broader goals as part of the implementation plan include the following vision and value statements.

Vision:

Arlington County will actively support and encourage the development of appropriate housing for single homeless individuals that is affordable, accessible, attractive, and available to provide safe housing options to a broad range of residents. Tenants with high leasing barriers will be housed regardless of their low income, criminal background and disability using a Supportive Studio Housing Model in addition to other housing options currently available.

Values:

Affordable: The housing units will be available to persons who have very low incomes (i.e. earning less than minimum wage and/or below 30% of AMI). Project based and housing choice vouchers and other rental subsidies will be utilized as they are available. Tenants will pay a portion of their rent and sign their own leases.

Accessible: The concepts of Universal Design and Visitability will be applied in the design of housing units to allow for accommodations for persons with aging or mobility issues, or other disabilities, including mental, physical and sensory.

Attractive: This housing model will be designed aesthetically, and be fully integrated into the local community profile like other multi-family units. The individual units will be planned to accommodate the privacy and comfort of the individual resident, with additional modifications as requested by any resident with special needs related to his or her disability.

Available: Project sponsors will define the population served with a high priority for people who have been homeless and/or who have a disability affecting their housing choice. Housing developments will be located throughout Arlington County, close to public transportation and other community resources. Housing will not be time limited, but may be contingent on the appropriations of rental subsidy whether locally funded or funded by state or federal resources. Support services will be connected to the housing and linked to the specific needs of the Tenants.

3. Housing Needs Data

Overview of Homelessness in Arlington County

Through the Annual Point in Time (PIT) survey, Arlington counts the number of homeless households on a single day, usually the third Wednesday in January. In 2013, Arlington counted a total of 479 homeless individuals and families including sheltered and unsheltered households. This represented a 6% increase from 2012. Of these, one-hundred and fifty-six (156) were determined to be chronically homeless adults without children. Chronically homeless is defined by the US Department of Housing and Urban Development (HUD) as persons with a disabling condition who have been either continuously homeless for a year or more OR have had at least four (4) episodes of homelessness in the past three (3) years. (The number of chronically homeless decreased 11% from 2012 to 2013.)

Arlington County also tracks data on households served through its Continuum of Care (CoC), a network of interconnected homeless programs and services. Pertinent to this report is the number of single adults served in shelter and receiving outreach services. In Fiscal Year 2012:

- 170 persons were served at the Residential Program Center, the County's year-round shelter for individuals,
- 407 persons were served at the Emergency Winter Shelter, the County's hypothermia shelter for individuals, and
- 892 persons received outreach and drop-in services on the streets of Arlington provided by the Arlington Street People's Assistance Network (A-SPAN)

Included amongst the persons who receive shelter or outreach services are persons leaving Arlington County jail, VA Mental Health Hospitals, and the Virginia Hospital Center. It is estimated that more than 50% of the persons using shelter or outreach services suffer from a mental illness and/or substance abuse.

Persons at Risk of Homelessness

The DHS Behavioral Healthcare Division, Arlington's non-profit homeless service providers, and the Community Assistance Bureau of the Economic Independence Division report serving persons with mental illness, sometimes undiagnosed, who while not always homeless, live in precarious housing situations,. They often have serious barriers which prevent them from obtaining and maintaining a lease in their own name.

Types of Supportive Housing

Supportive Housing is defined by the Corporation for Supportive Housing (CSH) as permanent affordable housing coupled with a range of supportive services that help people with special needs live stable and independent lives. Supportive housing is for persons who:

- are chronically homeless and have a disabling condition,
- cycle through jail and emergency systems and are at risk of long-term homelessness,
- are being discharged from institutions and systems of care, and
- are without housing, and cannot access and make effective use of treatment and supportive services.¹

Supportive housing can be provided in individual apartment units owned by community landlords or in a single site housing project. In this report, the first will be referred to as Permanent Supportive Housing (PSH) and the latter as Supportive Studio Apartment Housing (SSAH). The basic tenets of PSH include lease held by the resident and services which are linked to housing but are not mandatory. In the SSAH model, some supports are available on-site and management is flexible on leasing criteria.

Arlington County has a robust Permanent Supportive Housing program operated by three entities: the Department of Human Services, A-SPAN, and New Hope Housing. At the end of FY 2013, the programs were successfully serving 85 residents who were formerly homeless. (The DHS program served another 95 persons with a disability and previously at risk of homelessness.)

The SSAH model is appropriate for homeless persons who though able to live in the community with supports, have difficulty renting apartments because they have high leasing barriers. Most homeless persons do not find themselves in this situation, but those who do can benefit from this housing model.

Barriers that prevent homeless persons from leasing an apartment include criminal histories, diagnoses of serious mental illness and/or substance abuse, no credit or poor credit, and previous evictions from housing. These barriers are often linked to being homeless or the result of an untreated disability.

¹ Corporation for Supportive Housing, *Housing Chronically Homeless people in Single Site Projects*, July 17, 2006.

**Housing First"- a philosophy of providing housing first then working with people on service engagement rather than required service engagement to obtain assistance with housing.*

The SSAH model is also appropriate for vulnerable persons, with disabling conditions and behaviors such as hoarding or disruptive behaviors associated with alcohol or substance abuse, who cannot successfully maintain their own apartment in PSH programs. They can live successfully in housing where supports are co-located with their housing. The same is true for some persons coming out of jail, mental health institutions, and medical hospitals who are at high risk of homelessness if not placed in housing with sufficient supports.

Experienced providers of **supportive housing** estimate about 70% of persons who need supportive housing choose PSH and are able to rent an apartment and 30% are unable to rent an apartment because of leasing barriers and/or require additional supports co-located with SSAH model.

Need for Supportive Studio Apartment Housing

The need can be analyzed through two categories:

1. Chronically homeless

As previously noted, Arlington County reported **156 chronically homeless individuals** in its 2013 Point in Time count. These are persons with disabling conditions such as serious mental illness and/or substance abuse and frequent or sustained episodes of homelessness.

This count was validated in Arlington's 100 Homes Campaign. **153 homeless persons** were surveyed in October 2011. An additional **98 persons** have been assessed since then. Of the 251 total persons counted, **136 scored at least a 1 on the vulnerability scale** which is used to assess risk of dying on the streets. The average years homeless for the vulnerable population is 7 years.

2. Vulnerable populations with disabling conditions at risk of homelessness

In 2005, the Arlington County Supportive Housing Plan reported **75 persons, including senior adults, with serious mental illness or substance abuse** and **26 youth with serious emotional disturbance**, in need of supportive housing. This estimate remains accurate today.

The chart below depicts the total need for supportive housing, estimates the number of persons who would qualify and benefit from PSH, and the number who cannot participate in PSH because of high leasing barriers or would be most successful in SSAH.

Category	Total number of Persons who need Supportive Housing	Number who are eligible for PSH and able to rent an apartment in Arlington	Number unable to rent an apartment due to leasing barriers and/or need supports co-located with housing
Chronically homeless (2012 PIT)	156	109	47
Vulnerable population with disabling conditions and at risk of homelessness	101	71	30
Total	257	180	77

Conclusion

Arlington County should encourage the development of Supportive Studio Apartment Housing to house various sub-populations, distinguished by their inability to rent housing due to high leasing barriers, including the chronically homeless, persons exiting jails, institutions and hospitals who often cycle in and out of shelter, and other persons with mental illness and/or substance abuse, sometimes undiagnosed, who are regularly at risk of homelessness. These persons often benefit from the supports provided on-site in the SSAH model. This is a proven “Housing First” model that provides a stable environment for individuals to engage in services.

Based on data from the PIT and Supportive Housing Plan, it is estimated that **the number of SSAH units required is between 50 and 80**. Development of units, in the models discussed in this report, would complement the County’s current inventory of more than 230 PSH units and bring the County closer to its goal of developing 425 units of supportive housing.

4. Space and Design

The supportive studio apartments generally range in size from 250 to 550 square feet, providing a private space that is not shared with others. The personal unit should include a separate toilet, shower/tub, sleeping and eating area and food preparation with a sink, and small kitchen appliances. Some unit control of heat and air conditioning should be provided if possible. All applicable building codes must be satisfied including for emergency egress. Sprinkler systems may be required and are desirable to enhance fire safety. Universal design including accessibility and/or adaptability and visitability should be provided in the development and in each unit if possible. Visitability ensures that not only can a tenant access their living space, but others who may need accommodations can visit among other units.

Planning for easy care and heavy use of all amenities is advisable. Early review of plans by maintenance and property management staff is advised. Good soundproofing is essential for tenant privacy in their unit. Policies about smoking and drinking alcohol and visitation on the premises must be decided and may impact designated space planning. Shared common spaces

generally include public bathrooms, laundry facilities, common living room, staff office, janitor closet, mail collection area and parking nearby. Outdoor space is desirable but not always available. Easy access to trash and recycling services must be provided by Landlord. Not all units have designated parking due to the locations of many projects near public transportation and the limited use of personal vehicles by most very low income residents. Transportation access must be planned. Access for bicycle storage, or bike racks is recommended.

Storage should be available to the residents. Although it is unlikely that most will have many possessions at the time of occupancy, over time a tenants need for suitable storage will likely increase. An updated bulletin board in common space can help link tenants to community resources for independent skill building, recreation, or service connections including AA meetings, farmers markets for healthy food, etc. Units should be wired for anticipated telephone and computer access.

The building should have security features and often video cameras are used in common space, hallways and entrances to provide security for the tenants, and to allow the property manager to have information about guests visiting the property. Each tenant should have access to his own unit by key or card. An exterior door to the building should be locked with controlled access. Emergency contacts for staff and property managers must be available to the tenants.

If the particular project is deemed a special use by local zoning regulations, there may be development conditions or restrictions and licensure requirements that impact the physical structures. There may be accountability of the staff oversight, policies impacting staff record keeping, and requirements for certain accommodations.

The building may be renovated, built with new construction, and/or a part of a larger complex, or a shared use. There are many good examples of all of these options. Replacement reserves should be planned for based on the anticipated life of elements, and heavy wear and tear. Many formerly homeless residents move into supportive housing with no furniture or household items. Program managers should assist residents in exploring options for essential furnishings. This may be done through donations, tenants resources through family and friends, other service agencies or landlord contributions. Prevention of bedbugs and other extermination issues should be planned for ongoing maintenance of the residence.

The Corporation for Supportive Housing – *“The Seven Dimensions of Quality for Supportive Housing”* lists as key factors in a chapter on physical environment:

- Home-like Appearance
- Functional Services spaces
- Timely Maintenance
- Independent Living Environments
- Adequate Common Spaces
- Regular Inspections
- Safety and Security Features
- Housing Quality Standards
- Green Design Practices (energy efficiency, water conserving fixtures and products to increase efficiency and sustainability reduce utility costs and improve indoor air quality)
- ADA Section 504 of the Rehabilitation Act – incorporate Universal Design Standards and Visitability Standards for tenants and guest.

5. Support Services

There is a wide range of services on and off site supporting the tenancy in the supportive studio apartment model. The larger housing programs operate somewhat like the homeless shelters providing a menu of services which may include intensive case management, resource sharing, and employment and health services. Other housing programs have minimal services on site and tenants are encouraged to connect to available services in their communities. There may be a live-in staff person, staff that work shifts, or minimal property management services provided in collaboration with the landlord similar to any apartment building. The housing models included in this report provide a range of staffing and service intensity.

It is customary for many affordable apartment complexes in Arlington to provide an array of services for their tenants, often including common space, community centers staffed with activities, computer labs and activities coordinated by resident services programs. The supportive studio program may replicate some of those services. In addition, the special needs of those often living in supportive studio projects require attention to issues such as behaviors related to mental health and substance use, unauthorized occupants on the premises and other health and safety concerns of residents.

There are excellent and comprehensive services planning guidelines detailed in the document entitled: ***“The Seven Dimensions of Quality for Supportive Housing – Corporation for Supportive Housing : Defining Dimension of Quality # 4 – Supportive Services Design and Delivery.*** Excerpts from the publication include:

Key Factors in services planning are:

- Comprehensive Services
- Effective Engagement Strategies
- Cultural Competency
- Tenant-Driven Services Philosophy
- Staffing and Supervision
- Collaborative Relationship with Property Management
- Housing Stability Focus
- Service Partners and Linkages

Key Indicators of Quality

1. All members of tenant households have easy, facilitated access to a flexible and comprehensive array of supportive services designed to assist the tenants to achieve and sustain housing stability and independence.
2. Supportive services available to tenants include, but are not limited to: case management services; medical services; mental health services; substance abuse treatment services; vocational and employment services; money management services; life skills training; and advocacy.

3. The supportive services philosophy and design promotes and supports: housing stability; independence; community building and the development of support networks; and participation in meaningful activities, including employment, within the broader community.
4. Supportive services staff use a variety of proactive and creative strategies to engage tenants in on-site and/or community-based supportive services, but participation in such services is not a condition of ongoing tenancy.
5. Supportive services and property management strategies include effective, coordinated approaches for addressing tenant issues resulting from substance use, relapse, and mental health crises, and focus on fostering housing stability.
6. The design of the services programming includes comprehensive crisis prevention strategies, policies and procedures that address threatening or disruptive behavior and crisis situations and procedures for debriefing and providing post-crisis counseling, for staff and tenants.
7. A plan for ensuring that there is adequate site coverage to maintain appropriate staff/tenant ratios and hours of availability, for each service that is consistent with the provision of quality services, manageable caseloads and maximum availability of services to all tenants.
8. Staff actively involves tenants in the design, development, and implementation of their individualized service plans and work with tenants to develop goals that are realistic, achievable, measurable and tailored to the tenant's preferences.
9. Staff encourage the maximum independence of tenants and support interested tenants in developing the life skills and abilities needed to access, and succeed within the private market.
10. Job descriptions for services staff and supervisors include relevant background and work requirements appropriate for the populations being served and consistency with professional standards and norms.
11. Service delivery is culturally competent.

Coordination with Property Management

12. Services staff and property management staff coordinate their efforts to help prevent evictions, and to ensure tenants facing eviction have access to necessary services and supports.
13. Supportive services staff receive cross-training to facilitate understanding of property management staff responsibilities
14. Supportive services staff proactively address issues that may impact tenants' housing stability, and are responsive to issues raised by property management staff. Staff advocate on tenants' behalf with property management staff when necessary and appropriate to help maintain tenants housing stability. Staff promptly notify property management staff when they observe safety or maintenance concerns.

6. Site Identification

Arlington County is an urban county with 26 square miles of land and a population density of approximately 8,248 persons per square mile (Arlington County website – CPHD). Land for residential development is very limited in Arlington County. Those parcels of vacant land which the County controls have been evaluated and the vast majority of sites are not of sufficient size or appropriate location to represent strong opportunities for supportive housing. Thus the options for sites for supportive housing in Arlington County are limited to those similar to the sites noted in this report (i.e. County owned sites, a portion or wing of a newly developed residential building and/or existing office buildings or hotel/motels for which adaptive re-use could be considered).

A. County Owned Sites

Arlington County owns many small parcels of land scattered throughout the county. A select few parcels should be considered for development of small scale, free standing housing, in partnership with a housing provider, and could include supportive units. Some of the other parcels should be considered for sale with the proceeds used to purchase new lots that are more appropriate for County use and/or could be combined with adjacent county owned land to create better opportunities. A thorough review of all county owned property is recommended as part of this plan to develop supportive housing, but also could represent opportunities for many aspects of County operations.

The County also owns several large parcels of land on which there are existing structures. These include offices, maintenance and storage facilities, health centers as well as recreation, community centers, limited housing and service buildings, libraries, fire stations, other emergency response or service areas including the jail and Courthouse. Over time, the land in the county has become increasingly valuable and the smart growth plans and principles the County demands of developers will need to be applied to these parcels as well, especially as buildings “age out” of their effective use. At such times, Arlington County needs to consider these parcels as assets to be leveraged to the full extent possible and consider mixed use options. Among the options to be considered in the mix is supportive housing. The county does not have a Housing Authority but they can work creatively with partners (such as APAH at Arlington Mill or A-Span on the new Homeless Services Center) to incorporate some supportive housing into redevelopment options. The use of Land Leases has allowed public private partnership development very successfully as evidenced by the Mary Marshall Assisted Living Facility with Volunteers of America (VOA) and the Arlington Mill Residences with APAH.

B. Supportive Housing Studio Wing (Arlington Mill APAH model)

The Arlington County Board has made public commitments to affordable housing and consistently maintains this issue as one of the top priorities. As a result there are several new housing projects approved each year that either make payments toward an affordable housing fund or incorporate affordable housing into part or all of the development. Several of these include some component of supportive housing, often scattered throughout a development and this is a viable option that should be supported and continued. However, the development of the Arlington Mill Residences provides another option that should be explored more vigorously

as well. The incorporation of a supportive housing wing with eight units, with a separate entrance, common area and a support staff office represents a new step in supportive housing that should be explored at other opportunities as well.

This type of separate wing that leverages the overall construction and operating costs of a larger development would work well at other all affordable developments, but could be incorporated into mixed rate or market rate projects as well. It could even be considered for commercial buildings. This separate, contained model represents an opportunity to have supportive housing in virtually any large, new development. It might work particularly well in the commercial corridors where the entrance to the main building could most easily and readily be developed on one side while the entrance to the supportive wing could be on another or clustered between many first floor penetrations into a tall structure. This option should be suggested to developers as they enter the site plan process and be considered by Commissions and the County Board when reviewing approval of all future, large scale projects.

C. Existing Office Buildings, Hotels/Motels Adaptive Re-Use

Cordell Place and Seneca Heights, both supportive housing models that exist in neighboring Montgomery County, Maryland prove that adaptive re-use of existing commercial buildings is a viable option. Arlington County is fortunate in having a similar transportation and development infrastructure to many of the urban areas of Montgomery County and thus, likely a few adaptive re-use options as well. These clearly do not represent the bulk of the supportive housing opportunities, but are a proven option that should be explored further. In fact to enhance the chances of such adaptive use it is recommended that a study be made of existing structures in the commercial corridors and urban villages to identify and pro-actively seek such options.

D. Other Possibilities

The options listed above are not exhaustive or intended to represent all the options that Arlington County should consider. There may well be opportunities that present themselves or options proposed by developers/land owners and civic/community associations that may have identified affordable housing for its residents as a key community priority or issue through redevelopment or related planning activities that should be reviewed as well. For instance, a property owner recently proposed a small, group living home on a lot, with the intention of making units available to low-income residents. This free-standing, owner funded, group living situation could easily be considered part of the spectrum of supportive housing options and one the County should be responsive too, but probably not actively seek out.

Review of other projects demonstrates these development opportunities:

- Hotels, motels or other dwellings occupied transiently
- Shelters for families or adults
- Residential facilities or institutions which are required to be licensed by a State Agency
- College or school dormitories
- Clubhouse
- Housing intended for use primarily or exclusively by the employees of a single company or institution
- Convents or monasteries.

7. Land Use and Zoning

Land Use and Zoning determinations for the various housing models described in this report will depend on very specific information related to the types of services provided on site, the number of people served, the characteristics of tenants, the location in the community and specific zoning of certain parcels of land. We have learned from other jurisdictions that there is a wide range of land use language that may or may not describe various types of supportive housing arrangements in current zoning ordinances. Very heavily service enriched programs, such as Congregate Facilities, may be treated as institutional uses licensed by disability related agencies. Other supportive studios apartments may have no services on site, or may have minimal services set up to support the successful lease compliance of its tenants, with other service linkages for offsite support. These types of programs may not require special zoning determinations and may be merely apartment buildings with efficiency size units.

Additional contact with the Arlington County Zoning Administrator is necessary to further review the probable type of special use permits or rezoning efforts that may be required to support a specific type of Supportive Studio Apartment Housing project. Some jurisdictions have used commercial space for residential housing (see Cordell Place in Bethesda Maryland and Coan Ponds in Fairfax County, Virginia.) If this type of use is not currently allowed or defined in the zoning ordinance, another planning option is to explore changes to the zoning ordinance through their community input process.

There is an excellent study that was conducted on the State level (Virginia) which is available for our review entitled **“The Extent To Which Local Zoning Ordinances In Virginia Accommodate Innovative Housing Initiatives For the Benefit Of Virginians with Mental Illness.” – HOUSE DOCUMENT NO. 38.** challenges and efforts of various jurisdictions to accommodate this housing model are well detailed. We can learn from the information collected around the state, as well as study the zoning used in projects that have already been developed such as the projects developed by Virginia Supportive Housing, Inc. (VSH). VSH has developed supportive studio housing in many jurisdictions in partnerships among regions with various types of associated land use parameters.

The State Report lists the following Major Findings: (*see their Executive Summary*)

- The Americans with Disabilities Act (ADA) and the Virginia and Federal fair housing laws mandate accommodations for housing models that are more integrated into the community than nursing homes, assisted living facilities, and group homes.
- Supportive housing is a successful, cost-effective and innovative combination of affordable housing with services that helps people with mental illness live more stable, productive lives.
- There are a number of preferred housing models for supportive housing including Single Room Occupancy (SRO) residences.
- Permanent supportive SRO housing has been credited with playing a key role in achieving recently reported reduction in urban homelessness, but Virginia’s plan to end homelessness has faltered, in part, due to a lack of clear zoning allowances for SROs.
- Review of 97 Virginia localities’ ordinances found that only the Zoning Ordinance of the City of Virginia Beach defines SRO housing (at the time of the report).

- Virginia Beach’s ordinance and many other localities ordinances from around the country describe a variety of SRO models; providing examples for other Virginia’s localities to follow in order to accommodate this type of housing for low-income single individuals, including those with mental illness.
- The primary sources for supportive housing funds are through HUD homeless assistance grants and the Federal Low-Income Housing Tax Credit Program.
- Other sources include the cost-offsets of providing Supportive Housing to individuals who would otherwise require frequent expensive hospital-based care.

RECOMMENDATIONS (HOUSE DOCUMENT NO. 38)

1. Supportive Housing models, such as SRO housing, should be defined in local comprehensive plans in addition to nursing homes and assisted living facilities as affordable housing for low-income single residents with disabilities pursuant to 15.2-2223 of the Code of Virginia.
2. Streamline review and approval processes for special use permits should be provided for in affordable dwelling unit ordinances to encourage development of Supportive Housing models, such as SRO’s.
3. Single Room Occupancy housing should be defined as affordable dwelling units in local zoning ordinances pursuant to 15.2-2304 and 15.2-2305 of the Code of Virginia.
4. The General Assembly should consider amending 15.2-2304 of the Code of Virginia to make it apply to additional high population-density localities in Virginia, such as those with over 300 persons per square mile.
5. Virginia should develop a statewide housing plan that includes Supportive Housing to meet the needs of Virginians’ with mental illness and encourages VHDA to provide additional incentives for SROs in its Low-Income Housing Tax Credit programs and other housing development program pursuant to 36-55:1(D) (2)(e) and 36055.33:2 of the Code of Virginia.
6. The Department of Social Services should more broadly interpret 63.2-800 of the Code of Virginia to allow for auxiliary grants to be provided to eligible individuals with disabilities who prefer to live in Supportive Housing units, as opposed to assisted living facilities or adult foster care homes, to help offset the operating costs of such housing.
7. Community Services Boards and Behavioral Health Authorities should develop jointly written agreements with State and local housing agencies pursuant to 37.2-504 and 37.2-605 to provide for the appropriate individualized services required by residents of Supportive Housing programs within their jurisdiction.

Other Zoning Categories for Additional consideration: In addition to the larger housing projects, the use of additional zoning categories such as the **Accessory Dwelling Unit** Ordinance; the **Boarding House** and the **Dormitory** use group may offer opportunities to serve small groups of individual adult Tenants with onsite support. Services may include lease ups, rent collections, security and monitoring of the property, lease compliance support, community services linkages as needed. Further research on existing programs using these zoning use groups is advised.

Excerpt from Arlington County Zoning Ordinance:

A-1 Arlington County, Virginia: Zoning Ordinance Definitions and Context of Supportive Housing Uses (1/28/13)

Definitions that can apply to group homes, supportive housing and other institutional housing uses depending on number of occupants and support needs:

Boardinghouse – A building where, for compensation, meals or lodging and meals, are provided for three (3) or more, but not exceeding nine (9) guests. Compensation may be paid daily, weekly or monthly.

Dormitory – A residence for groups who are associated with an organization such as a school or a university, a religious order, a health care program or a nonprofit, charitable, benevolent, or governmental agency providing shelter for needy persons or persons who are objects of the agency's charitable, benevolent, or governmental activity, which institution customarily provides housing quarters with a single kitchen and living area for the group and may include groups residing with one (1) or more resident counselor(s) or other staff person(s). Said residence shall not be operated primarily for commercial gain.

Dwelling unit – One (1) or more rooms designed, arranged, used or intended for occupancy by one (1) family for living purposes and having:

- (a) Separate cooking facilities for the exclusive use of the occupants; or
- (b) Any separate entrance thereto either by an exterior door serving said rooms exclusively or by a common hall, stair or entry way.

Family –

- (a) An individual, or two (2) or more persons related by blood, marriage or adoption, or under approved foster care; or
- (b) A group of not more than four (4) persons (including servants) whether or not related by blood or marriage living together and sharing living areas in a dwelling unit; or
- (c) A group of up to eight (8) mentally ill, mentally retarded or developmentally disabled persons who are residing with one (1) or more resident counselor(s) or other staff person(s) in a facility which is licensed by the Department of Mental Health, Mental Retardation and Substance Abuse Services of the Commonwealth of Virginia. For the purposes of this ordinance, mental illness and developmental disability shall not include current illegal use of or addiction to a controlled substance as defined in section 54.1-3401 of the Code of Virginia or its successor.

Family/caregiver suite – Not more than two (2) rooms plus a bathroom and "efficiency" kitchen in a dwelling that are designed, arranged, used or intended for occupancy by either not more than two (2) persons who are related by blood or marriage to the principal occupant of the dwelling or no more than two (2) persons who may be unrelated to the principal occupant of the dwelling, at least one (1) of whom provides care for one or more children of the principal occupant of the dwelling or care for or assistance to one (1) or more elder(s) or person(s) with disabilities who are occupant(s) of the main dwelling. The suite shall be designed so that it can function as an integral part of the dwelling although the occupants may live independently of each other.

Institutional home – A place for the care, including day care, of dependent children and persons needing assistance in the activities of normal daily living because of age or disability.

Rooming house – Any building or portion thereof which contains guest rooms which are designed or intended to be used, let or hired out for occupancy by, or which are occupied by three (3) or more, but not exceeding nine (9) individuals for compensation, whether the compensation be paid directly or indirectly. Compensation may be paid daily, weekly or monthly.

8. Community Acceptance – Civic Engagement

Arlington County has a long and rich history of active civic engagement as many community changes happen in this small and densely populated county. The county has a strategic approach to neighborhood revitalization and commercial and transportation planning with a strong commitment to continued affordable housing development including plans to prevent and address issues related to homelessness and special needs housing. There are active advocacy organizations such as the Alliance for Housing Solutions, and the Northern Virginia Alliance for Affordable Housing that promote the education of affordable housing needs and housing solutions. There are several County Board appointed Commissions (Planning Commission, Housing Commission, Landlord and Tenant Commission, etc.) that publicly review proposals and issues supporting the needs of the community and make recommendations to locally elected officials.

Civic Associations and neighborhood representatives are very engaged in dialogue with county officials throughout the year. The County Manager, in her proposed FY13 budget recommended a three-year Housing Study to fulfill the County Boards direction for a comprehensive analysis of the full range of County housing programs, and for multiyear strategic options. The study will:

- Assess our existing goals, programs and resources
- Identify our housing needs and gaps
- Evaluate our policy and funding priorities

The Housing Study relies on strong public input, therefore a heightened scrutiny on housing resources and housing needs will prevail as a key issue in the near term planning efforts of our community leaders. This context is important as the Housing Committee of the Ten Year Plan to End Homelessness emphasizes the importance of supportive studio apartments as a viable solution. Civic engagement on any proposed project is welcomed and anticipated.

Throughout the country, affordable housing projects have been very successfully integrated into communities in spite of initial fears from local residents about the impact on their property values and perceptions about possible problems with the eligible tenants who will become their neighbors. During the development of housing projects, there is almost always a phase of community concern sometimes referred to as “NIMBY” Not In My Backyard based on negative stereotyping of people who are homeless or have disabilities. This typical and early community reaction has become a predictable phase for many proposed residential projects and generally subsides after the housing is operational.

The Supportive Studio projects outlined in this report have experienced a degree of initial community resistance or concern, especially when formal notification is required to obtain land use and zoning approval. Careful planning is essential to address the approach to community dialogue. HUD provides an outline entitled “*Managing Local Opposition to Affordable Housing*” which has excerpts with recommendations such as:

- Build knowledge and consensus about the project among partners and staff of agencies involved
- Substantiate impacts of affordable housing in the community
- Market the Agency and the Project
- Engage local leadership
- Recognize and promote allies
- Have your house in order
- Identify, understand, and address issues of concern early in the process
- Communicate with the community often, seek feedback and be prepared to brainstorm solutions to objections
- Compile Information that responds to concerns
- Build a relationship of trust
- Humanize the object of Fear
- Engage Opponents in the “Buy In” opportunities.

Other factors for future acceptance include carefully selecting the site, designing a project that is architecturally compatible with the neighboring community and providing a well managed property and program that achieves community integration. In Arlington, the well known housing advocates are a resource for building community allies who can share their experience and knowledge of the community as well as the importance of addressing the housing and service needs of the most vulnerable citizens.

9. Development Planning in Arlington

Arlington continues to pursue opportunities to preserve and create affordable housing. There are many experienced affordable housing development organizations partnering with county programs using the county’s AHIF funds and Department of Human Services rental assistance provided through Permanent Supportive Housing. The key factor in this housing model requires that Landlords accept tenants with high leasing barriers and very low income that are often screened out in the lease application process.

As summarized in the fact sheet from CPHD “Affordable Housing in Arlington (updated 1/10/13)

The Tools: Arlington works with federal and state government agencies to finance affordable housing. Arlington provides developers with incentives to build affordable housing.

- **Affordable Housing Investment Fund (AHIF).** The fund is revolving loan fund used for affordable housing new construction, acquisition, and rehabilitation.
- **Affordable Housing Ordinance** offers developers seeking additional density in the site plan process the choice of providing affordable units or contributing to the Affordable Housing Investment Fund.

- **Density Bonuses** offer developers the right to build more units in exchange for providing affordable housing. The income from the units rented or sold at market rates offsets the costs of the affordable units.
- **Transfer of Development Rights (TDRs)** offers the option of transferring density from one site to another, more appropriate site in return for preserving affordable housing.

In addition to the Tools for Development, and the strategic plans listed earlier in this report, Arlington County reinforces its participation in ending homelessness through many identified goals in their Planning Document **“Goals and Targets (2013) some excerpts from the report:**

- Provide assistance to priority households
- Reduce the number of unsheltered homeless
- Increase the number of homeless individuals and families moving into permanent housing through housing grants and supportive housing, with an increase in the supply of permanent supportive housing units to 425 by FY2015
- Provide permanent housing to at least 95% of sheltered homeless elders and families with children and for 65% of the sheltered homeless persons with disabilities FY2015
- Strive to provide rental assistance (including Housing Grants) to 100% of the eligible households requesting rental assistance

10. Costs: Development and Operations

A. Sources of Development Funding:

A wide range of funding programs can be explored for pre-development, capital construction and substantial renovation of new and existing housing projects, rental assistance and support services. It is noteworthy that the projects studied for this report all represented a tremendous local commitment of funding and development resources. The ongoing rental assistance is an essential element in long term operations.

A per unit development cost range for efficiency units provided in 2011 in Washington D.C. by Corporation for Supportive Housing (CSH) ranged from \$150,000 - \$250,000 per unit depending on size of the unit and the project, type of construction and amenities. The estimate for a feasibility proposal at the Arlington County public parcel/RPJ Triangle project (not developed) was \$280,000 per unit for a 27 unit building (efficiencies) plus 18 parking spaces in 2010 estimates with total development costs estimate later revised up to \$ 8,380.268.

Summarized below are potential sources of funds that may support affordable and special needs housing projects including the development of the Supportive Studio Apartment model. *(Reference The State of Permanent Supportive Housing in the Commonwealth of Virginia- VCEH for more details on financing specifics).*

FEDERAL SOURCES
HUD Hearth Act - Continuum of Care Programs (combined)
HUD 811, Section 202 (Elderly)
SAMHSA Services in Supportive Housing
HUD: CDBG, HOME, HOPWA, Housing Choice Voucher, VASH - Veterans
HUD: Title V – Surplus Properties, Title V, Base Realignment and Closure Program (BRAC)
HHS: Medicaid, Community MH Services Block Grant, Social Services Block Grants,
STATE SOURCES
VHDA - SPARC
VHDA Tax Credit (LIHTC)
Virginia Community Development Corporation
Virginia State Housing Trust Fund
Virginia Dept of Housing and Community Development Grants, Special Programs
LOCAL FUNDS
Affordable Housing Investment Fund (AHIF) Gap Financing
CDBG (locally administered)
HOME (locally administered)
Housing Grants (locally funded Tenant based rental assistance)
Permanent Supportive Housing (PSH) Project Based Rental Subsidy (locally funded)
Disability Related Funding
Community Foundation Grants
OTHER
Federal Home Loan Bank of Atlanta
Foundation Grants
Services: Local and Medicaid
Enterprise Foundation
County Human Services and Employment Services

B. Operational Costs

The county's CPHD staff have provided an analysis of annualized operating costs of small units based on some local housing programs with estimate ranges from year 2012. These figures do not reflect any staffing for specialized support services.

- \$6,031 - \$8,464 per unit for one bedroom including management/maintenance/administrative costs
- \$ 7,510 per unit at Cameron Commons (16 units)
- \$ 6,588 per unit at Calvert Manor (23 units)

A complete operating budget from Cordell Place was provided which indicates for 32 persons served with 24 hour staff support annual operating costs are estimated to be \$691,998. Of that

amount salaries (benefits and payroll tax) are approximately \$387,986.00. Comparative data is available from various program operators.

From ***the Corporation Supportive Housing Chart Book Report:***

- Supportive Housing is defined as housing that combines building features and personal services to enable people to remain living in the community as long as they are able to choose to do so.
- Most cost estimates include the following services: operating costs, housing, utilities, case management, employment services, staffing, administration of service, and capital costs.
- Some cost estimates also include additional services, food, occupancy costs, mental health or psychiatric services, physical/occupation/medical services, crisis intervention, support groups, conflict resolution and mediation, recovery readiness services, daily living skill assistance, recreational/socialization opportunities, personal money management, legal assistance, tenants’ rights education, transportation and food/nutritional services, on-site prevention health and nursing services. 24 hour front desk or coverage, resource center with computer, and classrooms/meeting rooms.

Housing Costs: Summary of Rental Market in Arlington County, Virginia:

(From National Low Income Housing Coalition –“Out of Reach” Report for Arlington County Virginia in 2012)

Unit Size	Fair Market Rents (FMR) by Number of Bedrooms	Annual Income Needed to Afford Housing based on FMR	Work Hours per Week Necessary at Minimum Wage to Afford Housing (minimum wage)	Income Summary:
Zero Bedroom	\$ 1131	\$45,240	120 hours	-SSI monthly income for persons with disability Year 2013 = \$710 month --Minimum Wage per Hour in Virginia Year 2013 = \$7.25 hourly
One Bedroom	\$ 1289	\$51,560	137 hours	

11. Summary of Recommendations

A. General:

1. The Arlington County community (including staff, community planners, service providers, elected officials, developers and housing advocates) should review this feasibility study and familiarize themselves with the advantages of supporting the creation of service enriched housing using this model to fill a gap in Arlington's Continuum of Care. The gap is in providing housing for adults with high service needs and multiple leasing barriers including criminal background, poor credit and little income combined with disability service needs.
2. Plan to include the development of supportive studio apartments in the continuum of housing options targeted for people who have been homeless, with or without a defined disability whose incomes are less than 30% of AMI and who have very high leasing barriers often preventing them from leasing housing without assistance and rental subsidy. These efforts should be addressed through public – private partnerships.

B. Recommendations for County Housing and Services Staff

1. Community Planning and Housing Development (CPHD) and DHS Staff will review this feasibility study and housing model and provide technical assistance to Landlord/Developers interested in creating supportive studio units. They will also review the housing model with available architects for further space planning and design.
2. Arlington County Department of Human Services (DHS) will support the development of this housing model through ongoing analysis about need, service delivery and tenancy issues. DHS staff will continue to identify the needs of the most vulnerable (homeless citizens of the county who have disabilities and a high need for service enriched affordable housing). Partnerships between the public and private sector will focus additional attention on the housing gaps referenced in this study with active plans to address the need.
3. DHS staff will also include service recipients in describing the housing needs of future tenants to ensure that housing and services match the tenant needs as well as survey residents at homeless services center and review outcomes and best practices from operating programs.
4. DHS staff will work with case managers and service providers to find the best match of housing and services with tenant needs. Identify the high risk clients whose disability and functioning necessitate more service enriched housing options that are flexible and responsive to crisis.
5. CPHD, DHS and AED staff (commercial properties) will work to identify Landlord partners who are willing to lease to high risk Tenants as well as projects and property that can be controlled by Landlords who will share the mission to serve the most vulnerable high risk tenant (note: Some jurisdictions use Master Leasing, others have housing owned by non-profit landlord partners for this specifically defined purpose).

6. CPHD staff will regularly consult with other experienced developers including Virginia Supportive Housing, Inc. for updated development information and lessons learned from their projects.
7. CPHD and DHS staff will refine the estimated and actual needs estimates for housing and include as part of Arlington County's Affordable Housing Study which is underway and scheduled for citizen input from 2012 – 2015.
8. DHS staff will develop a plan to provide rental subsidy for all residents of the Supportive Studio Housing programs which may include Federal Housing Choice Vouchers, Arlington County Housing Grants or Permanent Supportive Housing subsidy, or the Hearth Act Continuum of Care grants.
9. Explore Developer interest in this housing model through outreach to private sector landlord partners and regional contacts.
10. Organize regular tours of this model of housing and invite potential developers as well as advocates, interested tenants and the general community to attend.

C. Recommendations for County Planners

1. Staff will review existing neighborhood plans and all new projects submitted for approval for opportunities to create housing models that include supportive studio units in larger projects.
2. Land use and zoning issues will be reviewed by county staff to further investigate the regulatory requirements associated with a variety of program models related to persons served, level of services on site, and type of housing arrangements and actively develop plans or solutions to remove barriers to their development.
3. Conduct a comprehensive review of public resources including public property that may be made available, alone and in partnership with the faith community or private sector, to develop this housing model particularly in new Metro Rail Corridor Site Plan Projects.
4. Incorporate the discussion of this housing model as part of the various community planning, efforts such as The Columbia Pike Plan; the Nauck Plan, and as part of broader discussions regarding community benefits offered by new developments.

D. Recommendations for County Board

1. Support continued annual local funding for services and housing to address the housing gap for homeless persons with high leasing barriers.
2. Actively encourage developers to consider incorporating this model into some new developments proposed in the County.

3. As part of the review of any new Site Plan projects, ask if this model was considered and the reasons it was or was not incorporated into the proposed plan.

E. Recommendations for the Development Community

1. Tour existing projects with staff to see housing model options including those highlighted in this report.
2. Continue to work with county and non-profit partners to develop all types of permanent supportive housing including the Supportive Studio Housing.
3. Explore county resources through the AHIF program to develop Supportive Studio Apartments as part of the use of CAF's and set aside of Permanent Supportive Housing Units.

F. Recommendations for Advocates

1. Affordable housing advocates, including those from the faith community, should familiarize themselves with this housing model and support future developments through active participation at public hearings and by going to CPHD tours, as well as support for specific projects that propose to incorporate this model into their projects.
2. Prepare, promote and distribute as widely as possible, materials to familiarize Boards, Authorities, Commissions and the general community with this housing model.
3. The County's Continuum of Care network of staff and service providers and advocates will support continued planning and research on opportunities for the development of supportive studio housing and educate others to facilitate the identification of opportunities and resources.

G. Recommendations for the Faith Community

1. Faith community will review the inventory of resources that may be available to support the development of Supportive Studio housing as well as consider the possibility of land owned by a church for possible development.
2. Review other faith community projects (The Views, The Macedonia) for future development partnering with faith communities.

**12. REVIEW OF EXISTING SUPPORTIVE
STUDIO APARTMENT PROJECTS**

- A. Cordell Place – Bethesda, Md.
- B. Seneca Heights – Gaithersburg, Md.
- C. Coan Pond Residences – Fairfax County, Va.
- D. Virginia Supportive Housing – Richmond, Va.
- E. Arlington Mill Residences – Arlington, Va.

A. CORDELL PLACE – BETHESDA MD.

Adaptive Reuse – Office Building (Montgomery County- Cordell Place)

In 2010 Montgomery County developed a Supportive Studio Apartment Project in a partnership between Montgomery County Coalition for the Homeless (including MCCH, Coalition Homes, the Maryland and Montgomery County Governments and HUD). The project is located in downtown Bethesda Md. and serves 32 single adults exiting homelessness and residents pay 30% of their income as rent with no time limits for length of stay if lease compliant and working with a case manager.

Montgomery County allows by-right development of SRO's (known as Personal Living Quarters, PLQ) under their local zoning law for up to 50 units in central business district zones. The project represented a re-use of an underutilized 45 year old building (class C office building) convenient to transit, shopping, human services and jobs. The total development costs were \$8,977,614 of which \$2.4 million for the construction budget included gut rehab of interior spaces to create the 32 small apartments, shared kitchen, laundry and shower spaces, and offices for supportive services staff. Features to encourage community among the residents include lounge areas on each level, a multi-purpose community room and a 24/7 reception area staffed by trained case aides.

Services on site include case management, recreational and social activities, subsidized housing, fully furnished living units and linkages to community resources and assistance in obtaining benefits and entitlements.

Project Design Elements

Cordell Place has numerous green features and quality of life enhancements. First and foremost: the re-use of an underutilized, 45-year-old building convenient to transit, shopping, human services and jobs. Residents will have little need for private automobiles. The free Bethesda Circulator is steps away, Metrorail is within ½ mile. With the trend toward transit-oriented development, a serious issue is accommodating affordable projects amid escalating real estate values. Cordell Place is an example of how strategic investment of public resources can help reach this goal.

- High performance building envelope
 - R-38 roof insulation
 - R-19 exterior wall insulation
 - Dual glazed Low E replacement windows
- Low VOC paints and sealants
- Zero VOC flooring in living areas
- High reflectivity roofing to reduce heat island effect
- Energy star appliances in common kitchens and Energy star lighting throughout facility
- All new water saving faucets and water closets
- Reuse of an updated heating / cooling / ventilation plant, modified to provide additional fresh air and three (3) temperature zones on each residential level for increased comfort
- Four fully-accessible apartments and universal design in all common areas (kitchens, showers, elevator)

- 24 / 7 reception staff managing security and safety, including video monitors, access control, and apartment-to-desk-to-entry communication system
- Six broadband internet equipped computers for resident use
- Fully-furnished apartments with numerous storage built-ins and dorm-style kitchenette
- Property management and case management offices situated among living areas
- Community room to incubate Tenant Council and other resident social relationships

Development Sources / Uses Statement:

Permanent Sources of Funds	Total Amount
Montgomery County funds	\$6,412,375
Federal HOME funding administered by county	\$1,515,239
Maryland Community Development Administration Shelter and Transitional Housing Facilities Grant Program	\$900,000
Maryland Affordable Housing Trust Grant	\$150,000
TOTAL SOURCES	\$8,977,614
Uses of Funds	
Acquisition	\$5,436,683
Renovation Cost	\$2,354,294
Furnishings and equipment	\$106,162
Developer Fee	\$575,000
Initial deposit to replacement reserve	\$35,000
Initial deposit to operating reserve	\$109,500
Architect / engineering / professional fees	\$294,975
Financing fees	\$66,000
TOTAL USES	\$8,977,614

B. SENECA HEIGHTS – GAITHERSBURG MARYLAND



This project provides permanent housing for families and 40 single occupancy units for formerly homeless individuals with supportive services provided on site. The property was a distressed and run down hotel that was acquired by Montgomery County in 2003 after two years of planning and site identification work. Seneca Heights provides services for people with disabilities, individuals and families who have experienced homelessness with an average income of 15% of AMI which was approximately \$8,469 at the time the program opened.

Seneca Heights' indoor amenities include units that are fully furnished and each has a kitchenette, full bath utilities, and phone and internet service. The other indoor amenities include 2 community rooms, fully equipped laundry facilities, common kitchen area, security entrance and a camera system. There is a walking path, a biking path, park benches, game court, and patio and picnic areas. Program staff report that the co-existence of housing for singles and for families has been natural and posed no collocation problems.

The total development costs were \$8,967,000 with a per unit cost of \$157,300. Major sources of financing were County housing trust fund, HOME Federal funds, two state programs and some grants.

Continued....

Seneca Heights Financing

- Rehab was \$4,537,400 or \$62,100 Per Unit for 57 units.
- Total Development costs were \$8,967,000, or \$157,300 Per Unit
- Major sources of financing were:

- County Housing Trust Fund.....\$3,684,000 (41%) of total
- HOME (Federal).....\$ 978,000 (11%) of total
- Two State programs.....\$4,295,000 (48%) of total
- All sources are grants or do not require debt service.

Income

- Rent (average \$173 Per Unit per Month).....\$119,000
- HHS Transitional Housing Operating Subsidy.....\$316,800
- HHS Singles Subsidy (including McKinney match).....\$162,600
- HUD Supportive Housing Operating Subsidy.....\$359,200
- Total Revenue**.....\$957,700

Revenue Breakdown:

- Rent.....12%
- County.....42%
- Federal.....46%

C. COAN POND RESIDENCES – FAIRFAX COUNTY, VA.

Adaptive Reuse – Office Building (Fairfax County – Coan Pond Residences)



The Coan Pond Residences are co-located with the Fairfax County Redevelopment and Housing Authority's office building in Fairfax, Virginia. The efficiency apartments are designed to provide comfortable, affordable living quarters to working single adults living on a limited budget. Each unit is carpeted and comes equipped with a twin bed, table and chairs, a private bathroom with shower and a kitchenette that includes a small refrigerator, microwave oven, electronic cook top, and sink and garbage disposal. Each unit also has an individually-controlled heating and cooling unit and a master TV antenna hook-up. Common space includes laundry room with coin operated washers and dryers, a small lounge with cable TV service and free resident parking.

This project for single adults including elderly and disabled has a minimum income and maximum income for eligible tenancy. The uniqueness from a land use perspective was that this was established under zoning definition related to "hotel/motel" use, resulting in two week leases. Since the tenancy is not time limited, many residents have remained at the property for over 10 years enjoying the affordability. The room sizes are small (approximately 250 square feet). There are security cameras on site, and initially there was an onsite property management staff person living in one of the units.

D. VIRGINIA SUPPORTIVE HOUSING PROJECTS – VIRGINIA (MULTIPLE JURISDICTIONS)

New Construction Va. Supportive Housing

The Virginia Supportive Housing website details a long agency history of supportive studio housing development since 1988 and has tracked the success of this housing model. (see virginiassupportivehousing.org)

1992 – New Clay House for 47 adults

1996 – South Richmond for 39 adults

2006 - Gosnold apartments in Norfolk – 60 adults

2008 Cloverleaf Apartments in Va. Beach – 60 adults

2010 South Bay Apartments in Portsmouth for 60 adults.

2011 Studios at South Richmond for 21 adults

2012 – The Crossings at Fourth and Preston in Charlottesville for 60 adults with mixed income including 30 low income

2013 - Heron's Landing in Chesapeake for 60 adults

VSH uses a strategic development plan for onsite support services, regional partnerships, designated rental and subsidy for all tenants. Funding has included Virginia DHCD, contributions from jurisdiction partners, Enterprise, Foundations, VHDA, National Equity Fund (NEF), Virginia Community Development Corporation (VCDC), and Federal Home Loan Bank of Atlanta.

Continued...

Studio Apartment Community



Reception Desk with Staff



Community Room



Laundry Facilities



Exercise Area



The Crossings at Fourth and Preston in Charlottesville



March 2012 serving 60 adults mixed income with 30 low income included

<u>Funding Sources</u>	<u>Amount</u>	<u>Type</u>
Virginia Community Development Corporation (VCDC)	\$4,251,200	LIHTC Equity
Virginia Housing Development Authority	\$900,000	SPARC Loan
Virginia Department of Housing and Community Development	\$700,000	HOME Loan
Federal Home Loan Bank of Atlanta	\$600,000	Private
Thomas Jefferson Planning District Commission	\$30,000	HOME
Foundations	\$575,100	Private
Total Development Cost	\$7,056,300	



Heron's Landing in Chesapeake:

Developed in 2013 for 60 adults



<u>Funding Sources</u>	<u>Amount</u>	<u>Type</u>
Virginia Community Development Corporation (VCDC)	\$4,602,000	LIHTC Equity
Virginia Department of Housing and Community Development	\$700,000	HOME Loan
Federal Home Loan Bank of Atlanta	\$955,000	Private
City of Chesapeake	\$1,382,844	HOME
City of Chesapeake	\$317,156	CDBG
City of Portsmouth	\$600,000	HOME
City of Virginia Beach	\$480,000	HOME
City of Norfolk	\$360,000	HOME
Suffolk	\$120,000	HOME
Foundations	\$400,100	Private
Total Development Cost	\$9,917,100	



E. ARLINGTON MILL RESIDENCES: **SUPPORTIVE STUDIO WING** **ARLINGTON COUNTY, VIRGINIA.**



A. Supportive Housing Studio Wing (Arlington Mill APAH model)

New construction of 122 units of housing is underway on a public parcel shared with the new Community Center in the Arlington Mill area of Columbia Pike with a designated wing of eight (8) studio apartments for people with high leasing barriers and in need of onsite service support. DHS will coordinate support services for the program Tenants who will be single adults who have experienced chronic homelessness, and mental health and substance abuse issues. Residents will sign leases in their own names and will pay a portion of the rent based on 30% of their income, with a local rental subsidy provided by the Permanent Supportive Housing program of Arlington County's Department of Human Services.

The building wing has a separate entrance for resident use and provides private rooms with kitchen and bath amenities, shared common space including a staff office, community room and laundry facilities, and outdoor patio seating. The entire wing is designed to be accessible to anyone using a wheelchair or other mobility assistance. This project will open in December 2013 (approximately) and may offer opportunities to replicate this model if successful.

Arlington Mill Affordable Housing Project – Development History

The County is owner of real property located along the north side of Columbia Pike, between Arlington Mill Drive and South Dinwiddie Street known as the County's Arlington Mill property.

In December 2009, the County Board approved an amendment to Use Permit U-3199-08-2 to permit the County to redevelop and construct the Arlington Mill Community Center on the Arlington Mill property independently from the residential portion of the approved Use Permit, and to solicit proposals for future private redevelopment on the balance of the site for residential use with an emphasis on providing affordable housing units. The Use Permit was modified by the amendment to permit the phased redevelopment of the site: Phase I of the redevelopment includes the redevelopment of the southern portion of the site with a County-owned community center; Phase II includes the redevelopment of the northern portion of the site for residential use. A Request for Proposals (RFP) was issued by the County in June, 2010 to solicit proposals for the redevelopment of the northern portion of the Arlington Mill property with an affordable housing development. In October 2010, the County selected Arlington Partnership for Affordable Housing, Inc (APAH) from the RFP finalists for development of the affordable housing project.

On February 12, 2011, the County Board approved an additional amendment to Use Permit U-3199-08-2, requested by APAH, to permit the APAH to redevelop the northern portion of the Arlington Mill site with a new affordable housing project. The approved APAH residential project is a four-story building, Form-Based Code compliant, to be constructed over a transfer slab that is the roof of a two-level underground parking garage. The development will be 99% affordable. The building will include: 8 efficiency units; 16 one-bedroom units; 73 two-bedroom units; and 25 three-bedroom units for a total of 122 units, approximately 131,100 sq. ft. One market-rate unit may be provided for support staff in a wing of the building that will contain supportive housing units. The remaining 121 units would be affordable to families or individuals earning 60% or less of the Area Median Income (AMI). Approximately 10% of the units will be made available as supportive housing for persons earning 40% of the AMI, and would be supplemented with social services and rental subsidy.

At the same February 12, 2011 meeting of the County Board, the Board authorized re-subdivision of the Arlington Mill property into separate parcels to facilitate the Phase I construction of the County's Arlington Mill Community Center on one parcel, and the ground lease of a second parcel (the Property) to APAH for construction of the Phase II affordable housing project. The Board also approved an Option to Ground Lease the Property to APAH, in order to permit APAH to establish the requisite "site control" of the Property necessary for application by APAH to the VHDA for the affordable housing tax credits that will be used to help finance the affordable housing component of the Project.

In October, 2011, the County Board approved a Ground Lease to ground lease the second parcel to an APAH entity for 75 years (with options to extend for an additional 25 years). The tenant was required to pay rent in the amount of \$1,550,000.00, for the Initial Term of the Ground Lease, to be paid in its entirety to the County on the date of Construction Completion of the Project, as that term is defined in the Ground Lease. The County's contribution/investment in

the project was the subsidy difference between rent paid and the fair market rental value of the property ground leased during the Initial Term of the Ground Lease.

13. Acknowledgements

Under the direction of the Chair of the Housing Committee, Kathleen McSweeney, this feasibility study was initiated and supported with information provided by a technical workgroup comprised of county staff from the Department of Human Services (DHS), Community Planning and Housing Development (CPHD), Zoning and Land Use, the County manager's office, Real Estate Division, and Neighborhood Revitalization. Special thanks to all members of the Housing Committee and the Executive Committee Co-chair Dave Leibson, and also Hunter Moore of the County Managers Office and Tim O'Hora of the Real Estate Division, Cindy Stevens the DHS Housing Assistance Bureau Chief, and Pam Gannon, lead staff assigned to coordination of the process and final report. Thank you to Carmen Romero for assistance with design and format of the report.

Input was also sought from other members of the Continuum of Care provider network (OAR, A-SPAN, RPC Shelter etc). Some staff have visited other supportive studio housing projects including those highlighted in Montgomery County (Seneca Heights, Cordell Place) and Fairfax County (Coan Pond Residences) as well as consultation provided by The Virginia Supportive Housing Corporation.

Local developers were invited to share their direct experience with this type of housing model including Ms. Nina Janopaul Executive Director of APAH with Arlington Mill Residences under construction as a part of the Arlington Mill Residences; and Mr. Walter Webdale's experience developing Coan Pond Residences during his tenure with Fairfax County.

Ms. Allison Bogdanovic, Director of Housing Development for Virginia Supportive Housing (VSH) who through trainings, consultation and development has shared the many successes of VSH in serving people who were formerly homeless. VSH has a unique history of multiple partnerships among numerous jurisdictions and the use of many funding sources to produce consistent growth in this area.

Thank you to Julie Maltzman formerly of Montgomery County, Maryland and Anne Donohue, Program Director of the Montgomery County Coalition for the Homeless at Cordell Place for sharing program information about Cordell Place and Seneca Heights, two housing projects serving formerly homeless persons using the supportive studio model. Thank you to Carol Erhard and staff for providing information about Coan Pond Residences in Fairfax County, Virginia.

It is the Housing Committees plan to facilitate ongoing dialogue with staff and developers to continue exploration of this housing model with the goal of future development in Arlington County, Virginia. Thank you to all who have made these related discussions and our feasibility study possible!

14. APPENDIX and RESOURCE INFORMATION:

Review of Existing Projects:

- Montgomery County Projects: Cordell Place, Seneca Heights
- Fairfax County Project: Coan Pond Residences
- Virginia Supportive Housing: Multiple Projects
- Arlington County, Virginia: APAH Arlington Mill Residences – PSH Studio Apartments

Reference to Published Reports and Available Data:

- Fairfax County SRO Task Force – Final Report – Second Printing April 2006
“An Affordable Housing Solution for Low Income Single Residents” Single Resident Occupancy (SRO) Housing in Fairfax County, Virginia
- Report to the Governor and Legislature – 2010 Single Room Occupancy Support Services program – New York State Office of Temporary & Disability Assistance
- Virginia Supportive Housing – *A Place to Start – Cost Savings and Client Outcomes.*
- Arlington County TAC Report - 2005 Permanent Supportive Housing Program
- Ten Year Plan to End Homelessness – Arlington County
- 100 Homes Program – Arlington County
- 2013 Point in Time Survey – Arlington County
- Zoning: “The Extent to Which Local Zoning Ordinances in Virginia Accommodate Innovative Housing Initiatives For The Benefit Of Virginians with Mental Illness: James Reinhard, Commissioner – Va. Dept of MH, MR, and SAS services. HOUSE DOCUMENT NO. 38
- The Seven Dimensions of Quality for Supportive Housing – Corporation for Supportive Housing
- Virginia Coalition to End Homelessness *“The State of Permanent Supportive Housing in the Commonwealth of Virginia”.*