

North Suburban Permanent Supportive Housing
By: Jessica Hotaling
December 8, 2013
Advisor: Balasubramanian Iyer
School of Community Economic Development,
Southern New Hampshire University

Submitted in partial fulfillment of requirements for the
M.S. in Community Economic Development

ABSTRACT

The need for the North Suburban Affordable Housing Program stems from the recent Williams vs. Quinn and Ligas vs. Hamos Consent Decrees which state that individuals with developmental/physical disabilities or mental illness who have been living in nursing homes or institutionalized housing should be allowed to live in a community-based setting. As a result, an estimated 5,000 individuals inappropriately placed in institutional housing in the State of Illinois will require affordable permanent supportive housing, be at risk for homelessness and lack needed supportive services due to the deficiency of affordable permanent supportive units available, creating a financial and social burden for local communities.

Housing Opportunity Development Corporation will acquire foreclosed properties for development in the Village of Skokie, IL sign Memorandum's of Understanding for supportive service delivery with three local social service agencies and ensure property management's prompt response to maintenance requests. Major outcomes are: acquisition and rehab of 24 housing units, referral of tenants to local social service agencies for supportive services and provision of comprehensive property management for all 24 units. To date, 6 units have been acquired and a contract has been signed to purchase 4 additional units. The remaining outcomes have yet to be realized.

TABLE OF CONTENTS

I.	Community Context	4
	A. Community Profile	4
	B. Community Needs Assessment	5
	C. Target Community	8
II.	Problem Analysis	8
	A. Problem Statement	8
	B. Stakeholders	9
	C. “CEDness” of the Project	12
III.	Literature Review	13
IV.	Project Design/Logic Model	17
V.	Methodology and Implementation Plan	22
	A. Project Participants/Beneficiaries	22
	B. Community Role	23
	C. Host Organization	23
	D. Project Implementation	24
	E. Budget	27
VI.	Monitoring	30
	A. Project Synopsis	30
	B. Project Structure	31
	C. Project Progress	31
VII.	Evaluation	34
	A. Evaluation Variables and Indicators	34
	B. Data Gathering Methods, Tools, Forms	35
	C. Data Analysis	36
	D. Evaluation Team/Tasks	38
	E. Evaluation Schedule	38
VIII.	Sustainability	39
	A. Sustainability Element	39
	B. Sustainability Plan	40
IX.	Results	42
X.	Conclusions & Recommendations	46
	A. Prospects of Attaining Intermediate and Long-Term Outcomes	46
	B. Personal Thoughts	47
XI.	Appendices	51
	A. References	51
	B. Project Staff	53
	C. Roles and Responsibilities Chart	55
	D. Organizational Chart	56
	E. Communication Plan Chart	57
	F. Budgets	59

I. Community Context

A. Community Profile

According to the Williams v. Quinn Consent Decree 27 out of 32 statewide institutions for the mentally disabled are located in the Chicago area. Skokie, IL, a suburb located 16 miles northwest of Chicago, is an ideal location to develop scattered site, affordable, permanent supportive housing. Skokie has a population of approximately 64,000 residents and covers 10 square miles. It is typical of a suburb in the Chicago area: fast food restaurants on busy corners, many options for shopping (including a large mall), available public transportation in the forms of bus or train and a mix of single-family and multi-family homes.

The Village of Skokie published its “Consolidated Plan for Community Development Block Grant” in 2010. In it, the Village outlines 16 populations in need of affordable housing. Of those 16 populations, three are directly related to those in need of permanent supportive housing identified in the Williams vs. Quinn and Ligas vs. Hamos Consent Decrees: severe mentally ill, physical disabled and developmental disabled. The Village of Skokie has indicated its commitment to creating affordable housing for these and other populations by increasing the rental assistance available from the Village, supporting agencies that work toward maintaining affordable rental properties and increasing the capacity of housing support services, such as transportation, for those who are physically/developmentally disabled and/or mentally ill.

Skokie is an ideal location to develop scattered site housing due to its high percentage of multi-unit buildings. According to 2010 US Census data, 40.7 percent of the housing stock in Skokie was reported as multi-unit dwellings compared to a statewide average of 32.9 percent.

While there was no information available specific to multi-unit foreclosures, realtytrac.com reports that in December of 2012 one in every 395 homes went into foreclosure. City staff has provided HODC with a list of 14 multi-unit buildings that are for sale and appropriate for this project. Combined, these buildings total 41 units, nine of which are currently in foreclosure.

According to data from the U.S. Census Bureau, the median household income in Skokie from 2007-2011 was \$66,642. The median home value was \$337,600 compared to just \$198,500 across the rest of the state of Illinois. The U.S. Census Bureau also reports that from 2007-2011, 8.6% of Skokie's population fell below the poverty level. The combination of high housing costs and the number of people living below poverty creates an environment where affordable housing is in great demand.

B. Community Needs Assessment

The State of Illinois is facing a shortage of affordable permanent supportive housing for individuals with developmental/physical disabilities and mental illness. Two recent court cases (see *Williams v. Quinn*, *Ligas v. Hamos*) determined that individuals with disabilities have the right to request housing in a community-based setting rather than a traditional institutional setting. According to the *Williams* Consent Decree a community-based setting is defined as “the most integrated setting appropriate for a person with Mental Illness, where the setting is designed to promote independence in daily living, economic self-sufficiency and the ability to interact with non-disabled persons to the fullest extent possible” (p. 3). Resolution of these cases by the State of Illinois by consent decree has led to the closure of several larger state-operated facilities and the placing of thousands of low-income disabled persons on waiting lists for supportive

housing (Koenig, 2012). Agencies that provide services to this population estimate 5,000 individuals will be in need of supportive housing as a result of the consent decrees.

According to the Williams v. Quinn Consent Decree only 25% of the members named in this class action lawsuit may be housed in any one supportive housing development. This limitation creates opportunities for other populations, such as those who are homeless, to take advantage of newly available, affordable permanent supportive housing. The Village of Skokie's "Consolidated Plan for Community Development Block Grant" indicates there are no homeless shelters or known homeless persons in Skokie. However, the report "Heading Home: Working to End Homelessness, A Five-Year Plan for the City of Evanston, IL" states that in the City of Evanston, which is located immediately to the east of Skokie, there are 1,250 to 1,700 known homeless.

The idea of "Permanent supportive housing" is an emerging one. In the past, the model for housing a person with a developmental disability or mental illness was to place them in a large institution or enlist the care of family members. This is no longer a valid model not only because institutions are not necessarily the least-restrictive environment but also because people with disabilities are living longer and, in some cases, outliving their caregivers (Koenig 2012). Koenig (2012) uses the following matrix to illustrate the traditional model of permanent supportive housing for individuals with developmental disabilities and mental illness:

Housing Type	Ownership type	Level of services	Service provider	Service funder	Housing funder
A Home	Single	Call-in	Family	Individual	Individual
Scattered sites	Condo	Weekly	Roommate	Family	Family
Apartment	Cooperative	Part-time daily	Neighbor	Agency	Agency
Room	Joint ownership	Full-time daily	Volunteers	State	Bank
Dormitory	Organization	24 hour daily	Nonprofit	Federal	Government
	Government	48 FTE	Government		

Figure 1. Institutionalized matrix

The shaded areas indicate the way in which permanent supportive housing has been approached in the past. This is a restrictive model, with no housing options outside of living in a dormitory type setting and does not allow for client involvement.

The Heartland Alliance Mid-America Institute on Policy (Heartland) conducted a study of 177 supportive housing residents. Residents who participated in this study moved from restrictive environments, such as those illustrated in the matrix above, into supportive housing. In Heartland’s publication “Supportive Housing in Illinois: A Wise Investment” (2009) it is reported that residents of supportive housing experienced an increase in quality of life. Resident examples of this include: stability with housing, increased confidence in themselves, being able to save money and experiencing less stress. A few of the characteristics of permanent supportive

housing that led to this increased quality of life were: the affordability of housing, access to comprehensive support services and the variety of housing options.

C. Target Community

Individuals moving from institutions into permanent supportive housing are often on a fixed income, receiving either Supplemental Security Income (SSI) or Social Security Disability Income (SSDI). According to the U.S. Social Security Administration's website, the monthly SSI payment for an individual is \$710, while the National Alliance on Mental Illness reports that the monthly national average for SSDI payments is \$900. In keeping with the generally accepted industry practice that an individual should not pay more than 30% of their income for rent, these figures mean that someone receiving SSI would only be able to afford monthly rent of \$213 while an individual receiving SSDI could afford \$270 monthly. Skokie, IL falls into the Chicago-Joliet-Naperville, IL HUD Metro Fair Market Rent (FMR) Area and HUD has determined that the FMR in this area for 2013 is \$815 for a one bedroom apartment. Therefore, the more than 5,000 Illinois residents currently living in nursing homes or institutions for the mentally disabled will require affordable permanent supportive housing options as a result of the Williams and Ligas Consent Decrees.

II. Problem Analysis

A. Problem Statement

As a result of the Williams and Ligas Consent Decrees an estimated 5,000 physically/developmentally disabled and/or mentally ill individuals, inappropriately placed in institutional housing in the State of Illinois, will require affordable permanent supportive

housing, be at risk for homelessness and lack needed supportive services creating a financial and social burden for local communities.

Continued lack of affordable, permanent supportive housing adversely impacts the individual as well as the community. The deficiency in housing stock will result in an inability for institutions to be compliant with the Williams and Ligas Consent Decrees meaning that, if there are not enough available housing units, individuals will remain inappropriately housed. In addition, many individuals living in institutionalized housing are on a fixed income, receiving either SSI or SSDI. Without an affordable housing option they will be at risk of homelessness. Communities will incur a financial and social burden as individuals who do not receive appropriate supportive services will rely on community resources in order for their needs to be met.

B. Stakeholders

The success of this project depends on the support and involvement of stakeholders from state, county and local organizations, as well as those directly impacted by the Williams and Ligas Consent Decrees. Housing Opportunity Development Corporation (HODC) is receiving funding from the state finance agency, the Illinois Housing Development Authority (IHDA). Ms. Seema Radhakrishnan, Senior Development Officer at IHDA, will be working with HODC to ensure the project is completed on time, within budget and in compliance with IHDA funding requirements. The Illinois State Referral Network is responsible for coordinating housing referrals for individuals being placed in permanent supportive housing from nursing homes and institutional settings. HODC's Regional Representative for the Illinois State Referral Network,

Mr. Brady Harden, is responsible for the coordination of housing in the county where this project will be located. As a new organization, it is unclear how the Illinois State Referral Network might reduce obstacles and/or garner support for this project.

At the county level, HODC is receiving 24 project-based rental assistance vouchers from the Housing Authority of the County of Cook (HACC) which ensures the affordability component of this project. The work that Ms. Sheryl Seiling, Director of the Housing Choice Voucher Program at HACC, and additional HACC staff do to further affordable housing happens behind the scenes. It is unlikely there would be any involvement from HACC to reduce obstacles for this project. Locally, the Village of Skokie is HODC's focus for this project. The Village's staff, particularly Mr. Terry Oline, Property Standards Inspector, is in support of this project because HODC will be purchasing foreclosed homes in blighted neighborhoods, rehabbing them and ensuring their occupancy. Mr. Oline will be a resource to HODC if obstacles arise in the community or within the municipality's governing structure. Also locally, HODC will be partnering with New Foundations Center to provide needed supportive services to those tenants who are mentally ill. HODC will rely on Ms. Sue Shimon, Executive Director, as a resource to combat any opposition related to integrating individuals with mental illness into the community.

The most important stakeholders are the physically/developmentally disabled and mentally ill individuals who will be moving from institutionalized housing into permanent supportive housing. These individuals are the reason HODC is developing affordable, scattered

site permanent supportive housing. HODC does not anticipate the need to involve this stakeholder group in reducing obstacles should any arise.

SWOT Analysis

There are strengths, weaknesses, opportunities and threats (SWOT) inherent to any housing development project. Assessing these items as they relate to this permanent supportive housing project produced the following SWOT analysis:

<p style="text-align: center;"><u>STRENGTHS</u></p> <ul style="list-style-type: none"> -HODC has been fulfilling the same mission for 30 years -Educated, experienced staff -Staff diversity -Strong property management -Positive cash flow: at the organizational level as well as the building level -Several development projects in the pipeline; all in various stages -Reliable partners: architects, general contractors, market study analysts, etc. 	<p style="text-align: center;"><u>WEAKNESSES</u></p> <ul style="list-style-type: none"> -Small staff -Board of Directors provides oversight but has no direct organizational involvement -Diverse board development -Lack of intentional and meaningful fundraising -Lack of community presence -Lack of funds to purchase property outright
<p style="text-align: center;"><u>OPPORTUNITIES</u></p> <ul style="list-style-type: none"> -Large inventory of housing to be purchased -New sources of grant funding -For –profit developers continually seek nonprofit partners -State housing finance agency approaches this organization to apply for funding -State mandates requiring affordable housing minimums 	<p style="text-align: center;"><u>THREATS</u></p> <ul style="list-style-type: none"> -Community opposition to affordable housing (NIMBY) -Political opposition to affordable housing -Funding cuts -Similar organizations competing for same funding sources -Unstable economy

Figure 2. SWOT analysis

Many of the weaknesses and threats identified in this SWOT analysis have the potential to be addressed by the strengths and opportunities. While it would be ideal to have direct involvement from the board of directors and more staff members to carry out the organization’s work, the educated, dedicated staff and reliable partners allow HODC to accomplish more than

appears possible when looking at the organizational structure. Even though there are threats related to funding cuts, competition for funding and an unstable economy, many opportunities exist to reduce the impact of these threats to HODC. The State of Illinois continues to create new sources of funding for affordable housing, for-profit developers are required to have nonprofit partners in many affordable housing deals and approach HODC to fill that role and, due to HODC's past development experience, the state housing finance agency occasionally approaches HODC with funding opportunities.

C. "CEDness" of the Project

This project addresses each of the three aspects of CED: Community, Economic and Development. The Community need that this project addresses is the sudden need for least community-based, affordable, permanent supportive housing for individuals with disabilities. Providing housing of this type will reduce the burden on local community resources and lessen the risk of homelessness for these individuals. Providing an affordable housing option for a population who, by and large, receive a fixed income and therefore cannot afford to pay traditional market-rate rent is one element that addresses the Economic element of CED. Also related to the Economic need HODC will seek, first and foremost, to purchase foreclosed properties to rehab for this project. Doing so will help the economy of the Village of Skokie, the community in which HODC is planning to work, by eliminating neighborhood blight. Finally, the Development aspect is addressed by the actual physical development of 24 housing units.

III. Literature Review

The demand for permanent supportive housing in the State of Illinois will soon outweigh the supply. Illinois' Supportive Housing Providers Association (SHPA) reports that currently there is an approximate 9,800 units of permanent supportive housing in service. As a result of the Williams and Ligas Consent Decrees, which state that an individual with a physical/developmental disability or mental illness must be allowed to live in a community-based setting rather than in a nursing home or institutionalized housing, it is estimated another 5,000 units of permanent supportive housing will be needed. SHPA estimates that in order to meet the future demand for permanent supportive housing an additional 2,000 units will be required, bringing the total demand for permanent supportive housing units to 16,800. Before this issue can be adequately addressed it is important to understand what permanent supportive housing is; that it is different than traditional affordable housing, public housing or group housing. While permanent supportive housing includes an affordable component, it also includes the provision of services for those who are at risk of homelessness or have disabilities (Illinois Housing Task Force, 2008). The Illinois Housing Task Force also indicates that when residents receive needs-appropriate services they lead stable and successful lives.

A report published by The Heartland Alliance Mid-America Institute on Poverty (HAMIP, 2009) outlines major components of permanent supportive housing. While some components mirror those of traditional affordable housing or public housing (leveraging large amounts of federal funding and/or tenants paying 1/3 of their income for rent) others are significantly different. Safe, accessible housing that is integrated into the community which could take the form of scattered site apartment units, entire apartment buildings or single family

homes contribute to the permanent supportive housing model. In addition, permanent supportive housing provides comprehensive support services to individuals and families which includes but is not limited to case management, life skills training, substance abuse treatment and myriad other physical and mental health services (HAMIP, 2009). The report from HAMIP also cites flexibility in matching services to tenant needs, cost effectiveness and enabling individuals and families to have a stable living environment as components of permanent supportive housing. All of these components, when combined, create a different model than traditional affordable housing, public housing or group housing.

The permanent supportive housing model described above is not the way housing for those with physical/developmental disabilities or mental illness has traditionally been approached. According to Koenig (2012), these populations have traditionally been housed in either large institutions or lived with family members who were able to provide support. There are two primary reasons these models are becoming obsolete. The first is, as Koenig states, those with physical/developmental disabilities or mental illness have begun to seek the least restrictive environment for themselves. No longer is a government-owned, dormitory-style institution with 24-hour care considered the least restrictive environment. Instead the possibility exists that, depending on the severity of disability, an apartment which is owned by a local community development organization that is able to link tenants to local social service agencies for support is an appropriate housing environment. Such a model is consistent with the Williams Consent Decree definition of a community-based setting. Koenig reports that the second reason for needing a new model for permanent supportive housing is that the individuals with disabilities are living longer, therefore outliving their family members who serve as caregivers.

The sudden attention to the need for permanent supportive housing in the State of Illinois is directly related to the Williams and Ligas Consent Decrees. These documents provide the legal basis, specific implementation plans and requirements for transitioning those with physical/developmental disabilities and mental illness from nursing homes and institutionalized housing into community-based housing. The transition must be completed within five years and six years respectively (Williams vs. Quinn, Ligas vs. Hamos). Both the Williams and Ligas Consent Decrees state that progress toward transitioning individuals into community-based housing will be evaluated every 6 months by a court-appointed Monitor. If, at any point, the Monitor discovers non-compliance issues, the Monitor is to meet with all parties involved to create a strategy to effectively move forward. If non-compliance persists, the Monitor can seek relief from the Court (Williams vs. Quinn, Ligas vs. Hamos).

Two local municipalities have identified populations that are in need of affordable housing, populations that will benefit from components beyond the affordability aspect of permanent supportive housing. The Village of Skokie's Consolidated Plan for Community Development Block Grant (2010) identifies specific objectives for housing the homeless population, those with physical disabilities and mental illness, as well as the elderly. In the Consolidated Plan for Community Development Block Grant the Village outlines strategies, explains the basis of the objective and identifies funding sources for maintaining and/or increasing affordable housing stock for each priority population.

Similarly, the City of Evanston published a report *Heading Home: Working to End Homelessness, A Five-Year Plan for the City of Evanston* (2012) which identifies the reasons

people are at-risk of becoming homeless (financial and social/personal) the types of homelessness prevalent in Evanston (individuals who are “doubled-up”, those in a shelter or transitional housing and people living on the street) and estimates how many people are affected by each category. The report goes on to make recommendations for how to address the need for housing the homeless and those who are at-risk. Two of the four goals under the recommendation which addresses affordable housing for the homeless and at-risk populations are in line with the permanent supportive housing components identified in the 2009 HAMIP report: creating housing that is affordable (the City of Evanston is recommending an increase in the number of rental subsidies) and increasing the number of supportive housing units.

It is important to note that there are cost benefits to the permanent supportive housing model. The Illinois Division of Mental Health Permanent supportive housing Policy (2008) cites a study conducted by the Corporation for Supportive Housing in Connecticut which found a decrease in cost for community-based mental health and substance abuse treatments, as well as in-patient psychiatric and nursing home services, for those who transitioned into permanent supportive housing. This supports the research published by HAMIP which found that there was a savings in a myriad of service areas for those who transitioned into permanent supportive housing. In addition, the HAMIP study posits the theory that residents’ total cost of services will continue to decrease as they become more stable.

The Toolkit for Developing and Operating Supportive Housing published by Corporation for Supportive Housing (The Toolkit) is a comprehensive document that provides guidance for how to develop and manage permanent supportive housing. In addition, it addresses the need for

linking tenants with supportive services which is one of the fundamental differences between traditional affordable housing and permanent supportive housing. The Toolkit makes clear why each element of permanent supportive housing is important, from development and management to linkages, and provides multiple resources to ensure a successful permanent supportive housing development.

IV. Project Design/Logic Model

The goal of this project is to increase quality of life for tenants with physical/developmental disabilities and/or mental illness by providing a community-based housing environment. In order to accomplish this goal the following activities are required: funding procurement, acquisition and rehab of units, establishing partnerships with local social service agencies and assembling a responsible, competent property management team. Three short-term outcomes have been identified as indicators of progress for this project.

Short-term Outcome 1. Acquire and rehab a combination of 2-flat, 4-flat and 6-flat buildings totaling 24 units. HODC will first focus on acquiring foreclosed properties that can be appropriately rehabbed for this permanent supportive housing project. The Village of Skokie has provided a list of foreclosed properties for HODC to pursue purchasing. By July 1, 2013, HODC will have explored each property on the list from the Village of Skokie to determine feasibility for rehab and appropriateness for use as permanent supportive housing.

Short-term Outcome 2. Refer tenants who are not yet linked to a social service agency to three local social service agencies that are capable of providing supportive services. HODC has

been managing rental housing for more than 20 years. In that time, several tenants have required supportive services of varying degrees. It has been HODC's experience that once permanent housing was secured for the individual the social service agency neglected to continue providing supportive services. HODC is looking to engage three social service agencies that will be willing to provide, and understand the need for, ongoing supportive services as part of this project. The short-term goal is to have these three agencies identified and to have had an initial conversation with each by July 1, 2013.

Short-term Outcome 3. Provide property management which includes timely, appropriate and effective responses to tenant needs. Many of the tenants moving into this permanent supportive housing development will be living independently for the first time. In order to create a positive and successful experience for the tenants HODC's property management staff will ensure maintenance requests are replied to in a timely fashion, a limited number of visits are required to complete the work and property maintenance staff arrive promptly.

Problem Analysis

Effect	Lack of affordable permanent affordable housing will result in: A large number of individuals who are at-risk of homelessness. A financial and social burden to local communities due to individuals not receiving appropriate supportive services and relying on community resources. Non-compliance with the Consent Decrees; lack of affordable permanent supportive housing leads to individuals remaining inappropriately housed.		
Problem Statement	As a result of the Williams and Ligas Consent Decrees an estimated 5,000 physically/developmentally disabled and/or mentally ill individuals, inappropriately placed in institutional housing in the State of Illinois, will require affordable permanent supportive housing, be at risk for homelessness and lack needed supportive services creating a financial and social burden for local communities.		
Causes	State-wide shortage of permanent supportive housing units.	Individuals who require permanent supportive housing are unaware of agencies that are able to provide needed services.	Individuals moving from institutional housing to permanent supportive housing have little or no experience living independently.

Logic Model (Outcomes)

Long-term Outcome	Increase quality of life for tenants with physical/developmental disabilities and/or mental illness by providing a community-based housing environment.		
Intermediate Outcome	Manage 24 units of affordable, permanent supportive housing occupied by 24 individuals with physical/developmental disabilities and/or mental illness.		
Short-term Outcomes	Acquire and rehab a combination of 2-flat, 4-flat and 6-flat buildings totaling 24 units.	Refer tenants who are not yet linked to a social service agency to three local social service agencies that are capable of providing supportive services.	Provide property management which includes timely, appropriate and effective responses to tenant needs.

Logic Model (Outputs & Activities)

Short-term Outcomes	Acquire and rehab a combination of 2-flat, 4-flat and 6-flat buildings totaling 24 units.	Refer tenants who are not yet linked to a social service agency to three local social service agencies that are capable of providing supportive services.	Provide property management which includes timely, appropriate and effective responses to tenant needs.
Outputs	<ul style="list-style-type: none"> -Purchase foreclosed homes in the Village of Skokie, IL. -Acquire all 24 units by March, 2014. -Complete rehab on all 24 units by September, 2014. 	<ul style="list-style-type: none"> -Social service agencies will understand the expectations associated with providing supportive services to residents. -HODC will begin drafting MOU's for the three identified agencies. -All 24 tenants will be linked to a social service agency within 6 months of move-in. 	<ul style="list-style-type: none"> -Property management staff replies to maintenance requests in 48 hours or less. -Less than three tenant complaints regarding maintenance staff performance in three months. -Addressing a tenant maintenance issue in two visits to the unit or less.
Activities	<ul style="list-style-type: none"> -Contact Village of Skokie's Property Standards Supervisor, Terry Oline, to acquire a list of foreclosed properties the Village has identified as a concern. -Secure the services of a Real Estate Broker to begin looking at potential properties for acquisition. -Identify all parties required for IHDA closing and property closing. -Engage contractor for rehab work before first closing. 	<ul style="list-style-type: none"> -Contact five local social service agencies with which HODC has a working relationship to gauge interest. -Meet with, and outline program expectations for, all 5 social service agencies by March 1, 2014. -Discuss with Executive Director and Property Manager which agencies best fulfill the program needs. 	<ul style="list-style-type: none"> -Meet with property management and maintenance staff to review policies and procedures. -Conduct training for property management and maintenance staff regarding managing permanent supportive housing.

Logic Model (Indicators)

Outcomes	Indicators	Data Gathering Technique(s)	Data Source(s) (put asterisk if source currently available)
STO 1: Acquire and rehab a combination of 2-flat, 4-flat and 6-flat buildings totaling 24 units.	-HODC will be actively pursuing multiple units by July 1, 2013. -IHDA financing and first building will close by October, 2013. -Obtain and review qualifications of three contractors by August, 2013.	-Contact Terry Oline at the Village of Skokie for a list of foreclosed properties. -Secure a Real Estate Broker to begin showing HODC properties. -Contact no less than three contractors that have partnered with HODC on past projects and request qualifications.	*
STO 2: Refer tenants who are not yet linked to a social service agency to three local social service agencies that are capable of providing supportive services.	-Discussions will have occurred with 5 social service agencies by July 1, 2013.	-Requesting references from HODC's current social service partners. -Face-to-face meetings with social service agencies to discuss interest and capacity for partnering on this project.	*
STO 3: Provide property management which includes timely, appropriate and effective responses to tenant needs.	-Tenants display satisfaction with property management and maintenance staff by July 1, 2014.	-Tenants will be asked to complete a written survey regarding satisfaction with overall property management.	

Figure 3. Logic model

V. Methodology and Implementation Plan

A. Project Participants/Beneficiaries

There will be a maximum of 24 participants at one time in this permanent supportive housing program. Each participant must have a diagnosed developmental/physical disability or mental illness. Participants will be tenants of affordable housing units, living independently and integrating into the surrounding community. Each potential tenant must meet HODC's tenant selection criteria; this includes meeting income restrictions, having good credit and passing a criminal background check.

Per the Williams Consent Decree, no more than 25% of the members named in the Williams vs. Quinn class action law suit may be housed in a single supportive housing development. Therefore, HODC will work with the Illinois State Referral Network to identify 6 potential tenants who qualify to move from a nursing home or institutionalized housing to affordable, permanent supportive housing. The remaining 18 tenants will be identified through HACC's housing waiting list and social service agencies located in the northern suburbs of Chicago. Any tenant already receiving supportive services from a social service provider at the time of move-in, irrespective of the referral source, will remain a client of that provider. HODC currently has working relationships with several agencies who serve the homeless, physically/developmentally disabled and mentally ill populations. Once housed, any tenant not linked to a social service agency will work with an agency's staff to create a service plan identifying needed supportive services in order to live independently.

B. Community Role

The community stakeholders relevant to this project are the neighbors in the areas where affordable housing development will occur. There will be no direct participation on their part in the development or implementation of this project. All social service agencies that will provide needed services to tenants in this project must abide by the Health Insurance Portability and Accountability Act (HIPAA) and keep all participant information confidential. In order to help ensure anonymity and equality, HODC will not publicize that the units being developed are permanent supportive housing units.

HODC has experience developing affordable housing in many different communities and is aware that, even though the nature of the development will not be publicized, there is a chance people living in the neighborhoods surrounding these permanent supportive housing units will learn of their intended purpose. In the event community opposition arises as a result of the intended purpose of the development becoming public, HODC will enlist the assistance of the Village Staff, who are in support of this project, as well as staff of partner social service agencies in order to educate those in the neighborhoods and address their concerns.

C. Host Organization

HODC is a nonprofit developer and the host organization for this project. In February of 2013 HODC was awarded funding from the Illinois Housing Development Authority to develop 24 units of affordable, permanent supportive housing. In addition to developing affordable housing, HODC conducts the property management for 14 affordable housing developments and will retain management of this project's 24 units upon their completion. Management of units

include certifying that tenants meet income guidelines, ensuring maintenance issues are addressed in a timely fashion and working closely with social service providers to promote the success of program participants.

D. Project Staffing

A list of project staff, chart of project roles and responsibilities and HODC's Organizational Chart can be found in the Appendices labeled B, C and D respectively.

E. Project Implementation

The Gantt Chart for this affordable permanent supportive housing project outlines the timeframes for accomplishing four major project components: securing funding, acquiring and rehabbing units, establishing partnerships with local social service agencies and occupying units. Each of these elements will be completed over an approximate 34 month period. The Communication Plan and Report Process which follow outline the communication expectations for all project participants. Additional details regarding the Communication Plan are located in the Communication Plan Chart labeled Appendix E.

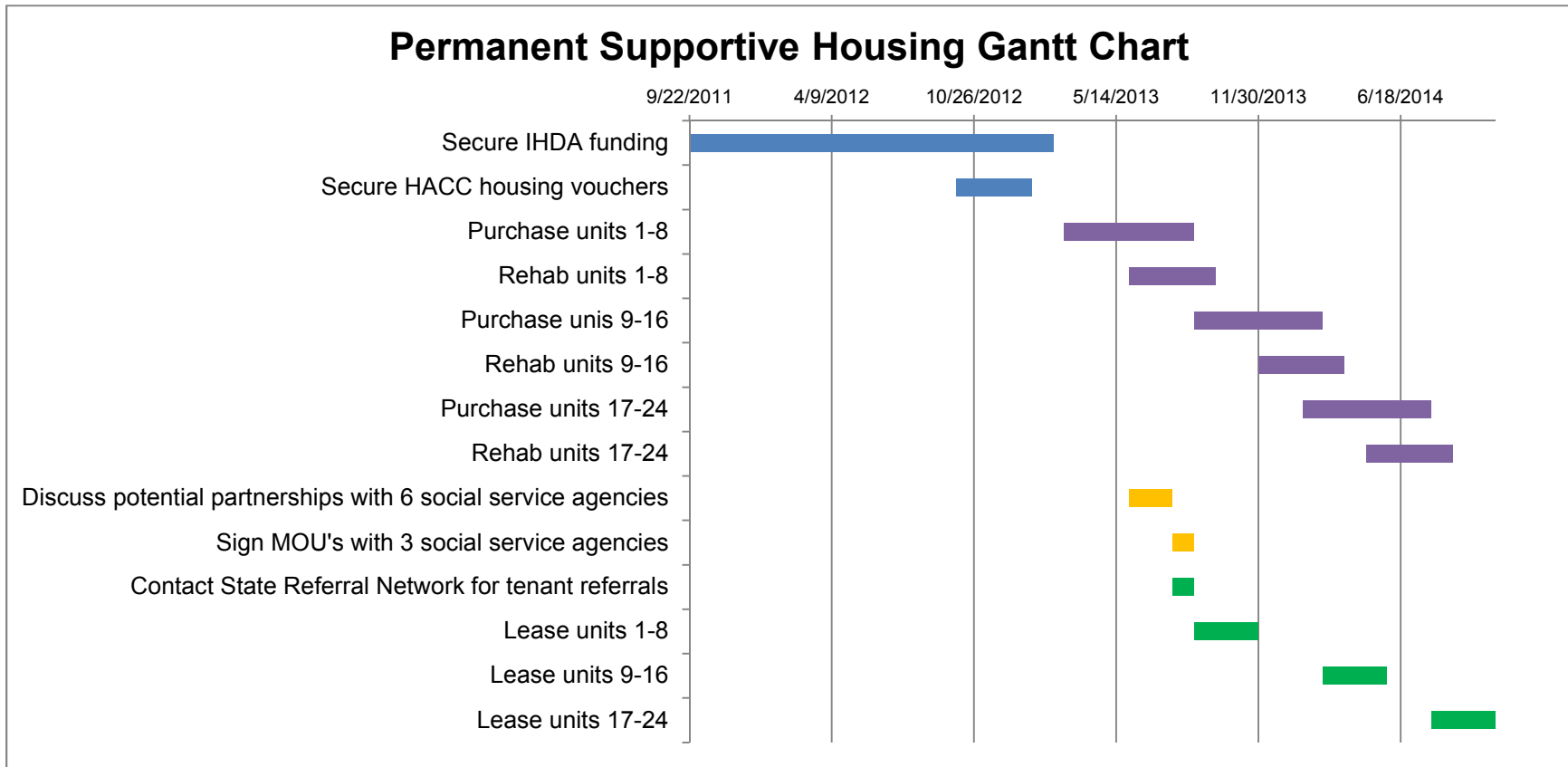


Figure 4. Gantt chart

Communication Plan

HODC's Executive Director and Associate Director will be responsible for communicating team roles and responsibilities to the staff of HODC. It will be the responsibility of the Executive Director to relay relevant information to HODC's Housing Developer regarding the roles and responsibilities of the acquisition and rehab team. The Housing Developer will then pass on necessary information to the real estate agent, attorneys and contractors working on the project. Similarly, the Associate Director will be responsible for relaying relevant information regarding roles and responsibilities to HODC's Property Manager regarding social service agency partners and compliance staff at the state housing finance agency. It will then be the Property Manager's responsibility to work with the professionals providing direct services to ensure proper systems are established which address the tenant's needs as well as to establish a working relationship with compliance staff.

Report Process

The report process for this project is essentially the reverse of the communication plan. Any individual working on the acquisition and rehab portion of this project will report directly to HODC's Housing Developer. In the event of delay or conflict, the Housing Developer will report to HODC's Executive Director. The professionals involved in providing direct services or monitoring project compliance will report to HODC's Property Manager. If there are conflicts or issues that arise in those two areas the Property Manager will involve HODC's Associate Director. In the event of an escalated situation, HODC's Executive Director will also be involved.

F. Budget

There are two budgets related to this affordable, permanent supportive housing project. First is the project development budget which outlines the amount of income and the costs involved in acquiring and rehabbing 24 housing units. Second is the operating budget which outlines the revenues and expenses related to running the property on an annual basis. Detailed budgets can be found in Appendix F.

IHDA, Illinois' state housing finance agency, is providing funding for this project. HODC applied to IHDA for funding for a permanent supportive housing project in September, 2011 and was approved to receive \$5,554,580 at the IHDA board meeting in February, 2013. There are two sources of funding for this project: IHDA Trust Fund and a newly created Permanent Supportive Housing Fund. Of the \$5,554,580 total award amount \$1,500,000 will be distributed from the IHDA Trust Fund and \$4,054,580 will be distributed from the Permanent Supportive Housing Fund. HODC is required to spend the total award amount within 24 months from the time of closing which is anticipated to occur on September 30, 2013.

The project development budget includes all costs associated with acquiring and rehabbing 24 housing units. Based on the current real estate market and housing stock available, HODC is projecting the acquisition cost to be \$3,000,000. The remainder of the project development budget accounts for the direct and indirect costs HODC will incur during the rehab period. Hard Costs project the amount HODC is budgeting for the construction related to rehab. Interim Costs are typical expenses that are incurred with owning real estate. These costs will

change over time as property values increase or decrease and as the units become occupied. The changes in these costs will be reflected in the Project Operating Budget.

Professional Services accounts for monies paid to all industry professionals who provide services which are necessary for completing this housing development project. The Market Study and Environmental Report line items are specific requirements of IHDA as a condition of accepting funding for this project. The line items in the Fees category are one-time expenses, paid to real estate industry professionals, which HODC will incur as a result of real estate transactions. One exception to this is Building Permits which will be paid directly to the municipality where construction is taking place.

In the Escrows and Reserves category, the Escrows are also costs associated with owning real estate and the Reserves are a condition attached to IHDA funding. IHDA requires funding recipients to set aside a percentage of the project budget so that there will be money available in the future for major repairs or systems replacement. This may include tuckpointing, HVAC system replacement or roof repairs. Financing costs are one-time charges incurred by HODC as a result of accepting funding from IHDA for this project. Finally, HODC will receive a Developer Fee for completing this project with IHDA funding. Building in a Developer Fee is customary in affordable housing deals and, for nonprofit organizations such as HODC, serves as a source to pay for pre-development fees for future projects.

It should be noted that there is no line item for staff salaries. HODC pays for staff salaries not out of the Project Development Budget but out of HODC's general operating

account. The Developer Fee which HODC will receive upon completion of this project will be deposited into HODC's general operating account and will off-set the cost of staff salaries.

On an annual basis, rents collected from tenants living in the permanent supportive housing units will serve as the project's revenue stream. HODC is projecting that revenues for the first year will be \$252,000. All project expenses will be paid for from this revenue source. The budget for the first year of operation shows the project's net income to be \$80,652.

Administrative Costs cover all indirect expenses related to owning and managing the properties which are a part of the permanent supportive housing project. In this budget, the Payroll line item reflects the amount set aside for paying janitorial staff. HODC contracts an independent contractor to provide janitorial services to all buildings for \$67,200 annually. The \$15,000 for Payroll reflects the pro-rated amount per unit that will be paid to the independent contractor for providing service to 24 units.

Operating Expenses, Maintenance Expenses and Utilities are all direct costs associated with managing the permanent supportive housing project. Due to the fact that this is a new project, HODC arrived at these numbers by analyzing direct costs from a project with the same number of units. Once the project has been in service for a year HODC will be able to more accurately determine the budget numbers for these categories.

The line items under Taxes and Insurance in the Annual Operating Budget are incurred as a result of owning real estate and accepting financing from IHDA. Taxes will change every three years as the properties in this project are reassessed. HODC has experienced an increase in

the cost of building insurance for all currently owned properties and anticipates there will be an increase in this category going forward. As stated previously, IHDA requires funding recipients to set aside a percentage of the project budget so that there will be money available in the future for major repairs or systems replacement. This amount remains the same over the life of the project.

Similar to the Project Development Budget, the Annual Operating Budget does not reflect a line item for staff salaries. HODC pays all staff salaries directly from its general operating account. The cost of staff salaries is covered by the management fee which HODC collects from each property on a monthly basis. As shown in the budget, this project will pay a 6% management fee, or \$13,608. In the first year, this management fee will be allocated to the salaries of HODC's Housing Developer, Associate Director, Property Manager and Finance Manager.

VI. Monitoring

A. Project Synopsis

HODC is developing 24 units of affordable, permanent supportive housing for individuals with physical/developmental disabilities and mental illness who have been living in nursing homes or institutionalized housing. Two recent Illinois Consent Decrees dictate that individuals who are eligible to live independently must be allowed to live in a community-based setting. These individuals will be the primary source of tenants for this housing development.

The geographic area of focus for this project is Skokie, IL. HODC is, first and foremost, looking to purchase and rehab properties currently in, or facing, foreclosure.

B. Project Structure

IHDA awarded \$5.5 million to HODC for to fund this development. In addition, HACC has committed 24 project-based housing vouchers which will assist in unit affordability. Each tenant will be linked with a case worker from a local social service agency. The assigned agency staff and case worker will be responsible for providing the services required by each individual tenant to allow them to live independently and in a community-based setting. In addition to developing the units, HODC will continue to be involved once the units are in service by providing comprehensive property management.

C. Project Progress

Since being awarded funding for this project by IHDA in February of 2013 month HODC has made steady progress toward reaching the long-term outcome of increasing the quality of life for tenants with physical/developmental disabilities and/or mental illness by providing a community-based housing option. Below is an overview of activities and outputs HODC has identified which are necessary for achieving that long-term outcome as well as a brief status update for each.

Acquire and rehab a combination of 2-flat, 4-flat and 6-flat buildings totaling 24 units.

HODC's attorneys and IHDA staff began negotiating the terms of IHDA's Conditional

Commitment Letter (CCL) for funding in May. Those negotiations resulted in HODC receiving an executed copy of the CCL in July, solidifying IHDA's award of \$5.5 million.

HODC staff began looking for properties appropriate for this project in February. (Appropriate properties are 2-, 4-, or 6-flat buildings and have the option of being made adaptable or accessible.) More than 25 properties have been seen and HODC is currently under contract to purchase two 6-flats. Due to the involvement of IHDA and HACC additional inspections (asbestos and lead) must be conducted on each property. To date, all inspections have been completed on the first property and are scheduled for the second. Once closing occurs on these two properties HODC will be halfway to the project goal of 24 units.

HODC began identifying General Contractors (GC's) to partner with on this project in June, 2013. After meeting with three different GC's who have done work for HODC in the past, and explaining the known scope of this project, one was selected as the GC for the first 12 units. HODC has worked with this GC on several different types of developments in the past 10 years, largely due to their superior quality of work. In addition, this GC has worked directly with IHDA and understands the intricacies of constructing and rehabbing affordable housing.

A meeting was held with HODC staff and the GC during the first week of August to solidify the scope of work and budget for rehabbing the first 12 units. In addition, a pre-construction meeting was held at IHDA the same week. The purpose of the pre-construction meeting was to ensure all parties involved in the rehab understood IHDA's policies and

procedures, were aware of how to correctly request a draw and had an opportunity ask questions and clear up any misunderstandings or misconceptions.

HODC must have Builder's Risk insurance for the duration of the rehab on the 24 units. In anticipation of beginning rehab work in September, HODC's insurance company has been contacted and they have begun the process of issuing the required insurance certificates.

The search for appropriate properties for this project is an ongoing activity. HODC staff looked at several properties while simultaneously working on the above activities and will continue to do so until 24 units have been purchased.

Refer tenants who are not yet linked to a social service agency to three local social service agencies that are capable of providing supportive services. To date, HODC has met with representatives from one social service agency in the project's service area. During the meeting an overview of the project was discussed as well as HODC's expectations regarding responsiveness to tenant's needs and availability of case management staff. The staff from the social service agency expressed interest in partnering with HODC on this project.

It was HODC's intention to have three signed MOU's in place by this date. However, this is a new project and all the details have yet to be determined regarding how many tenants involved in the class action lawsuits may live in one building and whose responsibility it is to provide linkages for supportive services. HODC is currently researching whether more than one person from a particular class action lawsuit may live in the same building and, if so, what the

allowable percentage is. The result of that research will directly affect the number of agencies HODC partners with to provide services to tenants. Each individual moving out of an institution or nursing home will already be linked to services and those services will continue being provided by the same agency after the tenant moves. Therefore, HODC will not need to provide referrals for supportive services to all tenants and might only need to partner with one or two local social service agencies in order to adequately meet the needs of the tenants.

Provide property management which includes timely, appropriate and effective responses to tenant needs. To date there has been no progress made on this short-term outcome. Upon completion of unit rehab and unit lease-up HODC will immediately begin implementation of activities for short-term outcome attainment.

VII. Evaluation

A. Evaluation Variables and Indicators

Evaluation of the North Suburban Permanent Supportive Housing Project will focus on the following short-term outcomes and corresponding indicators and variables:

Short-term Outcome	Questions to Derive Change	Measurement Variables
<p>STO 1: Acquire and rehab a combination of 2-flat, 4-flat, and 6-flat buildings totaling 24 units.</p>	<p>-How many times did the rehab schedule change on the first building?</p> <p>-How many times did the rehab schedule change on each subsequent building?</p>	<p>-Frequency of inclement weather</p> <p>-Number of times a task couldn't be completed because a more serious related issue was identified.</p> <p>-Occurrences of asking IHDA to approve a change order.</p> <p>-Frequency of inclement weather</p> <p>-Number of times a task couldn't be completed because a more serious related issue was identified.</p> <p>-Occurrences of asking IHDA to approve a change order.</p>
<p>STO 2: Refer tenants who are not yet linked to a social service agency to three local social service agencies that are capable of providing supportive services.</p>	<p>After 6 months in permanent supportive housing how many tenants are receiving needed supportive services?</p>	<p>-Number of tenants receiving supportive services.</p> <p>-Various supportive services being provided.</p>
<p>STO 3: Provide property management which includes timely, appropriate and effective responses to tenant needs.</p>	<p>-After 3 months of living in this housing development what is the level of tenant satisfaction with the property maintenance staff?</p>	<p>-Property maintenance staff response time.</p> <p>-Promptness of property maintenance staff.</p> <p>-Number of visits required by property maintenance staff to correct a single issue.</p>

Figure 5. Evaluation variables and indicators matrix

B. Data Gathering Methods, Tools, Forms

All data gathered for short-term outcomes will be collected by written survey. Surveys related to short-term outcomes 1 and 2 will be accompanied by written directions. The short-

term outcome 1 survey will utilize a multiple choice format. Tenants will answer questions related to short-term outcome 2 by selecting from a range of options. All surveys and instructions will be designed by HODC's Associate Director. In order to collect the most accurate information possible, tenants with literacy, vision and/or comprehension issues will be encouraged to complete the surveys with the assistance of the service provider. HODC's Property Manager will distribute surveys to all 24 tenants following the evaluation schedule outlined below. Tenants will have the option to mail the surveys back to the HODC office or contact HODC's Property Manager to personally collect the surveys.

Short-term outcome 3 will be evaluated by written surveys and will be designed by HODC's Associate Director. These surveys will be distributed by HODC's Associate Director, delivered in person, following the evaluation schedule outlined below. HODC's Housing Developer will be responsible for completing the surveys associated with short-term outcome 3. These surveys will be designed with a combination of yes/no questions and open-ended, short answer questions.

C. Data Analysis

Data analysis on short-term outcome 1 and short-term outcome 2 will be conducted by HODC's Associate Director. The data collected for short-term outcome 1 will be used to determine social return on investment. This information will be used to determine the necessity of this type of housing program and will be included in grant applications to various funders when developing additional permanent supportive housing. Data collected related to short-term outcome 2 will be analyzed for the purpose of cost-effectiveness analysis. Comparing the cost of

property maintenance staff with the promptness of responding to a maintenance request and number of visits required to correct an issue will allow HODC to determine if changes need to be made in its property management/maintenance program. In addition, data collected regarding to the responsible behavior of the tenant will be analyzed for social return on investment.

HODC's Executive Director will analyze data collected on short-term outcome 3 for cost-effective analysis. As a housing developer, HODC works with several different contractors on various types of housing developments. Analyzing this data for cost-effectiveness will allow HODC to have a clear understanding of which contractors operate most efficiently and to create a preferred list of contractor to work with in the future.

D. Evaluation Team/Tasks

The HODC staff that will be involved in the evaluation of this project are:

Short-term Outcome 1	
Team	Tasks
-HODC Associate Director -HODC Property Manager -HODC Tenants -Social Service Provider	-Create survey tool, analyze data -Distribute and collect surveys -Complete survey -Assist tenants with completion of surveys
Short-term Outcome 2	
Team	Tasks
-HODC Associate Director -HODC Property Manager -HODC Tenants	-Create survey tool, analyze data -Distribute and collect surveys -Complete surveys
Short-term Outcome 3	
Team	Tasks
-HODC Executive Director -HODC Associate Director -HODC Housing Developer	-Analyze data -Create evaluation tool -Complete evaluation

Figure 6. Evaluation team and tasks

E. Evaluation Schedule

Each tenant will be evaluated as to whether they are receiving needed supportive services 6 months after move-in. The same schedule will be followed when evaluating level of tenant satisfaction with HODC's property maintenance staff and assessing whether tenants are exhibiting responsible behaviors. In each case the tenant will be given 2 weeks to complete a written survey.

HODC will evaluate the number of times the rehab schedule was changed on the first building one month after rehab is complete. Each subsequent building will follow the same

evaluation schedule. As each subsequent building is evaluated, the results will be compared to the first completed building in order to determine whether the development team has the capacity to identify patterns and take proactive measures to lessen the number of changes required.

VII. Sustainability

A. Sustainability Element

The North Suburban Permanent Supportive Housing Project includes the following sustainability elements:

Financial

Development for the North Suburban Permanent Supportive Housing Project is being financed by IHDA. HODC has received both grant funds as well as a loan in order to complete development of this project. In order to be sustainable, HODC must collect enough rent to cover the operating costs of the buildings as well as to contribute to the salaries of the property manager and maintenance staff. During the lease-up phase HODC will cover any outstanding costs from its' general operating fund. Upon full lease-up and release of the developer fee from IHDA the project will reimburse HODC for covering those costs.

Political

The affordable permanent supportive housing units for this project are located in two northern Chicago suburbs. Many communities are against any kind of affordable housing and

maintaining the properties responsibly and providing needed social services to tenants to allow them to assimilate into the community will positively impact HODC's ability to continue to work in these suburbs. When community members and politicians experience affordable housing in a positive manner the chances of developing additional affordable housing increases. This same idea holds true in relation to IHDA; each successful development HODC completes increases the chance of being selected to receive funding again in the future.

Social

All 24 units in this development are to be occupied by low or very low income individuals with physical/developmental disabilities and/or mental illness. In order to make this project sustainable from a social perspective, there must be an adequate number of potential tenants who are interested in, and qualify for, this type of housing to continue filling units as they become vacant. Also, the majority of the individuals living in this housing development will be moving from nursing homes or institutionalized housing and will not have lived independently and in the community at-large for quite some time. Creating a network whereby these individuals can appropriately assimilate into the community will have a positive social impact and create a blueprint for developing more permanent supportive housing as the need arises.

B. Sustainability Plan

In order for this project to sustain long-term viability, HODC has incorporated the following elements:

Financial

HODC has been awarded 24 project-based housing choice vouchers for this housing development. The use of the housing choice vouchers increases the affordability of rent for tenants allowing them to only pay 30% of their income for rent with the remainder of the rent being subsidized by Cook County. This will ensure that, if the tenant is unable to pay their rent at any point in time, HODC will collect at least a portion of the total rent amount and be able to cover the cost of building operations.

Political

Through the development process HODC has created relationships with municipal community economic staff. Once this project is complete, HODC will hold a ribbon cutting/open house inviting municipal staff, as well as staff from IHDA and HACC, to see the results of their support. Being able to demonstrate HODC's professionalism and competence in completing developments is a critical component to political sustainability, not only for this housing development but for future development opportunities.

Social

The State of Illinois has a referral network that was established specifically to address the issue of housing individuals who are impacted by the Consent Decrees. Landlords that are providing permanent supportive housing can contact the referral network in order to receive names of potential tenants. In addition, HODC has existing working relationships with social service agencies that serve clients who qualify for permanent supportive housing and can be a resource for potential tenants.

HODC will work with local social service agencies to link tenants with case workers who can provide needed services. This will assist with assimilation into the community and provide a safe environment for the tenants to learn how to live independently and be responsible residents. HODC hopes to hire a full-time social worker within the next three years which would provide an additional resource for meeting tenant's needs. Specifically, HODC is looking to have the capacity to provide services 24 hours a day as needed; hiring a social worker who is solely responsible for supplementing existing services will allow that to become a reality.

IX. Results

Short-term outcome 1: Acquire and rehab a combination of 2-flat, 4-flat and 6-flat buildings totaling 24 units. Significant progress has been made toward completing all activities and outputs related to short-term outcome 1. HODC is actively pursuing the purchase of foreclosed properties in the Village of Skokie. One 6-flat building was purchased in September, 2013 and HODC is under contract to purchase one additional building before the end of 2013. Contacting the Village of Skokie's Property Standards Supervisor and securing the services of a Real Estate Broker has significantly impacted HODC's ability to successfully acquire units for this development. HODC has acquired twenty-five percent of the total required units. While HODC has identified the parties required to close with IHDA as well as each property, and has engaged a contractor to rehab each unit, the rehab work has not yet begun.

Working with the Village of Skokie to identify foreclosed properties appropriate for this project has resulted in developing local political support for the work of HODC. Another realized positive outcome is the result of a negative circumstance. IHDA implemented new

program restrictions shortly before HODC was to close on both IHDA funds and the first property, resulting in a request for an extension to close. As a result, the team of professionals working on both closings on behalf of HODC worked through the complications in order to successfully close on the first property. This creates a team that HODC can trust to do what is in the organization's best interest.

Due to the long-term nature of this project, attainment of the short-term outcomes occurs over a longer period of time. Completion of all activities outlined in the Logic Model, as well as the first of three outputs, has led to significant progress toward full attainment of short-term outcome 2. Incompletion of the remaining two outputs, acquiring all 24 units by March 2014 and completing unit rehab by September 2014, has contributed to non-attainment of this short-term outcome.

An important lesson learned relates to identifying all parties that are required to close with IHDA as well as to close on each property. HODC engages two separate attorneys for this process; one to review documents and negotiate with IHDA and a second attorney to review documents and negotiate with the seller of the property. These two attorneys must work together due to a program requirement which mandates the IHDA closing and the closing for the first property occur on the same date. Another lesson learned is associated with engaging a contractor to conduct the rehab work on all the units. HODC will be working with a contractor that has built and rehabbed affordable housing in the past and is familiar with the type of program constraints when using funding from IHDA. Even with that experience, HODC staff has had to remind the contractor of the allowable parameters on more than one occasion and oversee each

aspect involved in the beginning of the rehab process. HODC will be closely monitoring all details of the rehab to ensure all program requirements are met.

Short-term outcome 2: Refer tenants who are not yet linked to a social service agency to three local social service agencies that are capable of providing supportive services. The activities and outputs related to short-term outcome 2 have not yet been completed. HODC has been in contact with three local social service agencies in order to gauge interest regarding providing services to tenants in the North Suburban Permanent Supportive Housing development. After discussing the specifics of this PSH development each agency understands the expectations associated with agreeing to provide social services to residents. Discussing which agencies best fulfill the needs of the program with HODC's Executive Director and Property Manager has not occurred and Memorandums of Understanding have not yet been signed between HODC and the local social service agencies. Due to the fact that the units are not yet complete and there are no tenants currently living in the buildings, zero tenants have been linked to a social service agency.

Meeting with local social service agencies to discuss involvement with this project resulted in two overall positive outcomes for HODC and each individual agency. The meetings involved discussions regarding this project but, in each instance, began with discussing each organization's core mission. Most of the social service agencies serve clients who are in need of affordable housing and added HODC as a resource for their staff after learning more about the organization. HODC relies on a wait list to fill vacant units but occasionally the people on the list are unable to move and the units must be filled using other avenues. Meeting with the staff

of the local social service agencies provides HODC with a resource to tap into when vacancies need to be filled and the wait list has been exhausted.

The activities and outputs for this short-term outcome have only been partially completed due to timing issues. Each activity and output outlined in the Logic Model is required to attain this short-term goal. Therefore, the short-term outcome of linking tenants to needed supportive services has not yet been attained.

While attempting to schedule meetings with the local social service agencies it became apparent that finding mutually beneficial times for multiple staff members to coordinate their schedules in a short period of time would be a challenge. This can partially be attributed to the typical difficulties when trying to work with multiple schedules but also to the fact that the meetings were being scheduled in the summer months. Working around vacation schedules and shortened summer work hours made scheduling especially difficult.

Short-term outcome 3: Provide property management which includes timely, appropriate and effective responses to tenant needs. The activities and outputs associated with this short-term outcome will not be attained until short-term outcome 1 is fully realized. As mentioned previously, due to the long-term nature of this project, the attainment of the short-term outcomes occur over a longer period of time.

X. Conclusions & Recommendations

A. Prospects of Attaining Intermediate and Long-Term Goals

Acquiring and rehabbing a mix of 2-flat, 4-flat and 6-flat units will allow HODC to create affordable permanent supportive housing units that meet the needs of individuals with various physical/developmental disabilities and mental illnesses. HODC acquired the first 6 units in October 2013 and entered into contract to purchase an additional 4 units in December 2013. Steady progress toward attainment of this short-term outcome indicates high probability of attaining the intermediate outcome of managing 24 units of affordable permanent supportive housing. The eventual acquisition and rehab of all 24 units will provide an opportunity for individuals to live in a community-based housing environment, increasing their quality of life.

All tenants living in this permanent supportive housing development will have a documented physical/developmental disability or mental illness. HODC has entered into partnership with one local social service agency to provide needed supportive services as partial attainment of short-term outcome 2. Full attainment of this short-term outcome will result in the provision of needed supportive services for each of the 24 tenants living in this development. Services provided may include, but will not be limited to, house visits to verify a tenant has taken his/her medication, assisting a tenant with bathing and dressing or providing one-on-one counseling. HODC's capacity to attain the intermediate outcome of managing 24 units of affordable permanent supportive housing is directly linked to the attainment of short-term outcome 2. With each tenant receiving needed supportive services from a local social service agency, HODC staff will be able to concentrate solely on the property management needs of the

tenant. Due to the fact that many of the tenants will be experiencing independent living for the first time, full attainment of short-term outcome 2 will contribute to each tenant successfully living independently in a community-based setting therefore increasing their quality of life.

Providing property management which includes timely, appropriate and effective responses to tenant needs is part of the overall management strategy for these 24 permanent supportive housing units. Due to the fact that many of the tenants in this development will be living independently for the first time it will be critical for HODC property management staff to respond to maintenance repair requests and environmental concerns (noisy neighbors, slamming doors, smoking inside, etc.) in a prompt and sensitive manner. This will create a relationship of trust between the tenant and property management staff and create an environment that empowers the tenant to feel that they are in control of their circumstances. Managing these units in this fashion will contribute to increasing the tenant's quality of life in this community-based housing environment.

B. Personal Thoughts

HODC has competent, reliable staff in every department of the organization. This was, and continues to be, a benefit while working on this project. Tasks delegated to HODC's Housing Developer have been completed correctly and promptly. When there were financial questions that needed to be answered the Finance Manager had the information I needed ready and available. Finally, because this was my first experience being intimately involved with the actual development of housing, HODC's Executive Director was available to answer any questions I had. Tremendous progress has been made toward attaining the long-term goal of this

project and that is due to the work of HODC staff as a team. If the situation would have been different, and I would have attempted to do all the work alone, the project would be much farther behind.

Throughout my career I have preferred a team approach when working on any large project and that preference was confirmed through this experience. I am comfortable creating a vision, directing a work group and following up on completion of tasks. However, in the midst of that, I prefer to work with a group that is collaborative; one where people can discuss ideas and help each other problem solve when issues arise. The team working on this particular project had an understanding of the importance surrounding the development of permanent supportive housing from the beginning; this meant they were invested in the project and dedicated to its success. There was no need for me to refocus people's attention and energy's, it was the best possible situation for working on a project of this size.

The monitoring, reporting and evaluation presented a personal challenge. HODC conducts monitoring and reporting on many different developments but the structure for those processes are pre-determined by the funding organization. In this case, creating processes and documents for monitoring, reporting and evaluation from scratch was a learning experience for me. Overall the experience was positive and will be useful in the future. There are two additional projects HODC is implementing from the ground up, not related to housing development, and the strategies I have learned regarding project planning, implementation and evaluation will be relevant to the development of the new projects.

As a Community Economic Development practitioner this process has helped me better understand and define my role as it relates to developing affordable housing. It became clear early on that my role could be likened to that of a coach; I created the project outline (game plan), talked with and assembled stakeholders (the team) and worked alongside HODC staff to implement and oversee the progress (coaching and motivating). In addition, communicating with HODC staff and project stakeholders was a critical part of my role. This included providing project updates, making sure changes were conveyed to the individuals being impacted and encouraging on-going communication between organizations.

To anyone seeking to become a Community Economic Development practitioner I would say three things: be persistent, involve members from the community to be served in planning and decision making, and assemble a team of people to work with who are dependable. Persistence will be required in order to get the project off the ground. It could take multiple phone calls to local politicians, pastors, partner organizations and other potential resources in order to obtain commitments to assist with the project. Involving members of the community is critical to creating and implementing a project that will have a real impact on the area being served. If community members are not involved they might not lend grassroots support to the project and that could be the difference between a project that is a failure or a success. Finally, working with people who are dependable will increase the chance of a smooth project implementation. There are multiple pieces to keep track of in CED projects and knowing that the people on the team can work independently, complete the work on time and do it accurately will significantly lessen the amount of time spent micromanaging each piece. It will allow the

CED practitioner to manage at the macro level and move the team toward completion of the final product.

XI. Appendices

A. References

- Corporation for Supportive Housing. *Toolkit for Developing and Operating Supportive Housing*. Retrieved from http://www.csh.org/wpcontent/uploads/2011/12/Tool_DevelopingOperating-Toolkik.pdf.
- The Heartland Alliance Mid-West Institute on Poverty. (2009). *Supportive Housing in Illinois: A Wise Investment*. (3-4).
- Illinois Department of Human Services. (2008). *Illinois Division of Mental Health Permanent supportive housing Policy*. Retrieved from http://www.dhs.state.il.us/OneNetLibrary/27894/documents/mental%20health/D MH_housingpolicy.pdf.
- Illinois Housing Task Force. (2008). *Illinois Housing Task Force Supportive Housing Working Group Final Report*. Retrieved from <http://www2.illinois.gov/nursinghomesafety/Documents/Final%20Report%20-%20IL%20Housing%20Task%20Force%20Supportive%20Housing%20Working%20Group.pdf>.
- Koenig, R. (2010). Improving Tenants' Lives through Affordable Rental Housing: Quality-of-Life Impacts of Five Capitals by Developer and Location. Retrieved from <http://academicarchive.snhu.edu>.
- Koenig, R. (2012). *Supportive Housing for Persons with Disabilities: An Alternative Model. Enterprise Community Partners, Inc.* Chicago, IL: Enterprise Community Partners, Inc.
- Ligas v. Hamos (2005). Ligas et al v. Hamos et al 05-CV-4331. Retrieved January 12, 2013 from <http://www.dhs.state.il.us/page.aspx?item=40989>.
- The Mayor's Task Force on Homelessness. (2012). *Heading Home: Working to End Homelessness, A Five-Year Plan for the City of Evanston*. Evanston, IL: City of Evanston.
- National Alliance on Mental Illness. http://www.nami.org/Content/ContentGroups/Helpline1/Social_Security_and_Disability_Benefits.htm. Retrieved February 14, 2013.
- www.realtytrac.com. Retrieved February 8, 2013

Supportive Housing Providers Association. *Moving Individuals with Mental Illness out of the Institutional Setting of Nursing Homes (including IMD's) and into the Community-based Option of Supportive Housing: A Plan to Rebalance and Change the Illinois System for Serving Individuals with Mental Illness*. Retrieved March 15, 2013 from <http://www2.illinois.gov/nursinghomesafety/Documents/SHPA%20PlanDetail.pdf>.

U.S. Census Bureau. <http://quickfacts.census.gov/qfd/states/17/1770122.html>. Retrieved February, 10, 2013.

U.S. Department of Housing and Urban Development. http://www.huduser.org/portal/datasets/fmr/fmrs/FY2013_code/2013summary.odn?inputname=METRO16980M16980*Chicago-Joliet-Naperville%2C+IL+HUD+Metro+FMR+Area&selection_type=hmfa&year=2013&data=2013&area_id=&fmrtype=Final&ne_flag=%24ne_flag&path=C%3A%5C%5C%5Cwwwdata%5Cdatabase&incpath=C%3A%5C%5C%5CHUDUSER%5C%5C%5CwwwMain%5C%5C%5Cdatasets%5C%5C%5Cfmr%5C%5C%5Cfmrs%5C%5C%5CFY2013_Code. Retrieved February 11, 2013.

U.S. Social Security Administration. <http://www.ssa.gov/OACT/COLA/SSI.html>. Retrieved February 12, 2013.

Village of Skokie. (2010). *Consolidated Plan for Community Development Block Grant*. (14, 57-59). Retrieved from http://www.egovlink.com/public_documents300/skokie/published_documents/Community%20Development/CDBG%20www%20101%20Consolidated%20All.pdf.

Williams v. Quinn (2005). Williams v. Quinn 1:05-cv-4673. Retrieved 01/12/2013 from <http://www.dhs.state.il.us/page.aspx?item=56446>.

B. Project Staff

Six of HODC's current staff will be involved with the operation of this affordable, permanent supportive housing project. The staffing plan and responsibilities are as follows:

-Executive Director: Applies for funding in order to pursue affordable housing projects; creates partnerships with other organizations in need of affordable housing for the populations they serve such as adults with mental illness, women who are victims of domestic violence and the homeless; and serves as the direct supervisor for HODC's Associate Director and Housing Developer.

- Associate Director: Works with HODC's Housing Developer to select properties to be acquired for rehab; manages all office staff directly involved with this project; works with Executive Director to identify social service agencies to provide services to tenants; and submits annual required reporting documentation to funding sources.

- Housing Developer: Works with Village Staff and HODC's realtor to identify and acquire all sites; oversees all facets of rehab for this development project; and is responsible for submitting draw requests, change orders and construction updates to/from the funding source.

- Finance Manager: Manages bank accounts for the project; cuts checks for all costs associated with rehab or construction; and maintains accurate record of expenditures.

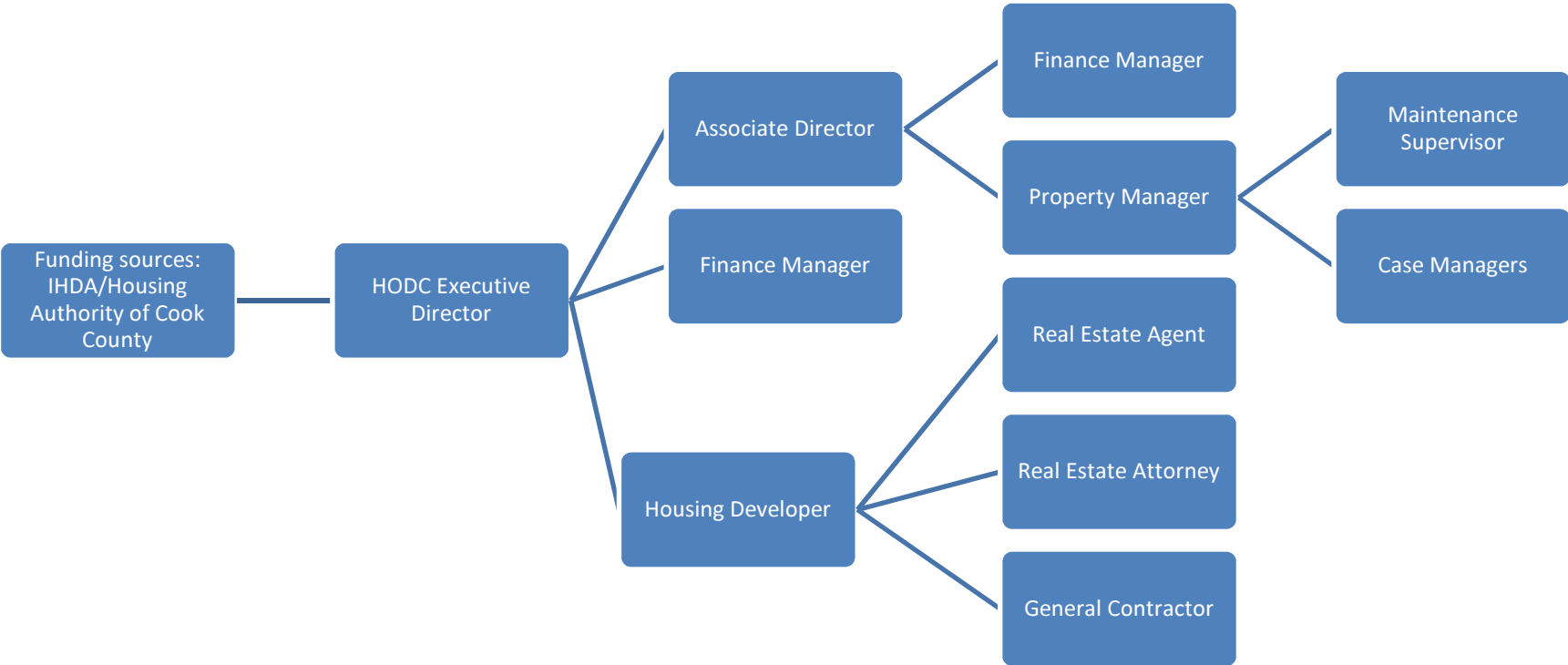
-Property Manager: Leases up and performs all annual income certifications for tenants; responsible for managing maintenance staff; and ensures successful inspections of the property

- Maintenance Supervisor: Schedules daily work for maintenance crew; responsible for assessing building needs and addressing issues as they arise; when emergencies occur, must adjust previously established work schedule; and communicates daily with the Property Manager regarding the state of the property.

C. Roles and Responsibilities Chart

Name	Roles/Responsibilities
Illinois Housing Development Authority	Provides 100% funding; ensures compliance throughout the life of the project
Housing Authority of Cook County	Provides 24 project-based housing vouchers; ensures quality of housing throughout the life of the project
HODC Executive Director	Monitors the overall progress of the project; directly supervises the Associate Director and Housing Developer; gives final approval for all decisions related to the project
HODC Associate Director	Monitors day-to-day progress of the project; is aware of staff workload; tracks compliance deadlines; communicates daily with Executive Director
HODC Housing Developer	Identifies and acquires properties; oversees all facets of rehab; submits draws and change orders to IHDA; communicates daily with Executive Director
HODC Finance Manager	Receives and pays invoices; manages all project bank accounts; maintains accurate record of project expenditures; communicates daily with Associate Director and as needed with Executive Director
HODC Property Manager	Leases up units; performs all annual income certifications for tenants; manages maintenance staff; communicates daily with Associate Director
HODC Maintenance Supervisor	Schedules daily work for maintenance crew; assesses building needs as they arise; communicates daily with Property Manager
Real Estate Agent	Identifies appropriate properties for this project; negotiates non-traditional contract terms with seller
Real Estate Attorney	Reviews all documents related to acquisition; present at all closings
Case Managers	Provide necessary social services to tenants; communicate issues as they arise to the Property Manager
General Contractor	Schedules rehab work; oversees day-to-day rehab operations; communicates daily with Housing Developer

D. Organizational Chart



E. Communication Plan Chart

Audience: Project Team¹				
Participants	Location	Communication Frequency	Communication Method	Items Required
HODC Project Staff, General Contractor, Social Service Partners, IHDA Representatives, HACC Representatives	HODC office	Quarterly	In-person, by conference call if necessary	Meeting space, light breakfast, agenda, project update handouts
Audience: Rehab Team²				
Participants	Location	Communication Frequency	Communication Method	Items Required
HODC Housing Developer, General Contractor, Architect	Project site	Weekly	In-person	Meeting space, tables and chairs, heat or A/C depending on time of year, architectural plans
Audience: Stakeholders³				
Participants	Location	Communication Frequency	Communication Method	Items Required
IHDA, HACC, General Contractor, Village of Skokie, Social Service Partners	N/A	Twice a month	E-mail blast	Computer, e-mail address list, internet access

1. In order to keep the entire team engaged with the process, and one another, it is important to hear what each team member is working on. Everyone working on this project is working on other projects as well, so requiring a commitment to attend a frequent physical meeting commitment would be inconvenient. Also, there are long stretches of time where the only activity for this project will be acquisition and rehab which does not require the input of all team members. Therefore, quarterly meetings will require a minimal time commitment while encouraging engagement from all.

2. Once rehab of the units begins there will be many items to discuss as each property will be in a different stage of rehab simultaneously. Meeting at the job site means the people working on the rehab do not have to be pulled away from the job for a long period of time and it allows the HODC staff to see the progress of the rehab in person. This also allows for the contractors to point out any design changes that need to be made; visualizing those kinds of changes is always easier on-site and much more difficult when being explained over the phone.

3. The people receiving this email will be those in charge of multiple projects for their organizations and therefore will have a limited amount of time to devote to reading about project details. The idea is to send out an e-mail blast every two weeks which succinctly provides a quick update on the progress of the project. This way all stakeholders are kept up to date but are not bogged down with unnecessary details.

F. Budgets

<u>PROJECT DEVELOPMENT BUDGET</u>			
Acquisition Costs			
	Acquisition		\$3,000,000
	Other acquisition		\$0
Hard Costs			
	Site Work		\$0
	Construction		\$1,440,000
	Construction Contingency	10.00%	\$144,000
	Bond	5.50%	\$79,200
Interim Costs			
	Const. Period Insurance		\$12,000
	Const. Interest	0.00%	\$0
	Const. Period Taxes		\$24,000
	Const. Loan Origination		\$0
	Other Interim Costs:		\$720
Professional Services			
	Construction Management		\$0
	Architect - Design	6.67%	\$96,048
	Architect - Supervision	0.00%	\$0
	Engineering	0.00%	\$0
	Accounting		\$5,000
	Appraisal		\$5,000

	Market Study		\$8,000
	Environmental Report		\$10,000
	Cost Estimation		\$0
	Other Professional: traffic study		\$0
	Other Professional: zoning		\$0
Fees			
	Title and Recording		\$30,000
	Building Permits		\$60,000
	Impact, Zoning Fees		\$0
	Survey		\$2,000
	Legal Fees		\$70,000
	Lender's Inspection		\$0
	Relocation		\$0
	Lender Legal		\$0
Escrows and Reserves			
	Real Estate Tax Escrow		\$48,000
	Insurance Escrow		\$12,000
	Operating Reserve		\$0
	Marketing and Leasing		\$0
	Rent-up Reserve		\$0
	Replacement Reserve		\$24,000
Financing Costs			
	Loan App Fees		\$1,500
	Perm. Loan Origination		\$255,232

	Tax Credit App Fees		\$0
	Tax Credit Reservation Fee		\$0
	Other financing		\$0
Developer's Fees			
	Developer's Fee	4.3%	\$227,880
		TOTAL COSTS:	\$5,554,580
PROJECT FINANCING:			
	Financing/Equity Sources	Position	Amount
	Trust Fund	1st	\$1,500,000
	PERMANENT SUPPORTIVE HOUSING	grant	\$4,054,580
		TOTAL FINANCING:	\$5,554,580

<u>Annual Operating Budget</u>			
Revenues			
	Rents		\$252,000
			\$252,000
Administrative Expenses			
	Office Expenses		\$240
	Management Fee	6%	\$13,608

	Legal and Accounting		\$5,000
	Advertising/Marketing		\$200
	Other: Credit cks		\$120
Total Administrative			\$19,168
	Payroll		\$15,000
Operating Expenses			
	Janitorial Supplies		\$600
	Exterminating		\$720
	Trash Removal		\$1,440
	Other		\$0
Total Operating			\$2,760
Maintenance Expenses			
	Security		\$7,200
	Supplies		\$360
	Grounds		\$800
	Carpeting		\$0
	Elevator		\$0
	Heating and AC		\$2,400
	Plumbing & Electrical		\$2,400
	Painting & Decorating		\$2,400
	Other		\$0
Total Maintenance			\$15,560

Utilities			
	Gas		\$24,000
	Electric		\$9,600
	Water		\$14,400
	Sewer		\$0
	Other		\$0
Total Utilities			\$48,000
Taxes and Insurance			
	Replacement Reserve		\$9,600
	Operating Reserve	0%	\$0
	Real Estate Taxes		\$48,000
	Insurance		\$12,000
	Other (tc fee)		\$1,260
Total T & I			\$70,860
	TOTAL OPERATING		\$171,348
Net Income/(Loss)			\$80,652