

Chittenden County Hard-to-House Initiative

Background:

This Hard-to-House Initiative was developed by Housing Vermont, Lake Champlain Housing, the Burlington Community Land Trust and the Committee On Temporary Shelter. These organizations developed this pilot project in an effort to respond to the growing need for homeless families in Chittenden County to transition from homeless shelters into permanent, safe, and affordable housing. Many homeless families have been unable to access subsidized housing because of poor credit histories that have arisen because of precipitating events such as illness, sudden loss of employment, or a change in family structure.

Project Goal:

To provide affordable, stable housing in designated housing units operated by Lake Champlain Housing (LCH) and the Burlington Community Land Trust (BCLT) for homeless families who do not fully meet credit requirements at the time of application for housing, but who can be reasonably expected to become successful long-term tenants (and maintain timely rent payments) with the support of case management services provided by the Committee On Temporary Shelter (COTS).

Project Description:

This pilot project will serve 10 homeless families during the next 12 months by providing them with access to safe, affordable housing and by enabling them to achieve housing stability through case management services.

Participant Selection:

- Families who are COTS clients and are homeless or about to be homeless
- Families participating in this program will develop a housing contract that will include their individualized service plans (ISP) and a signed release that allows the landlord to provide COTS with information on rental payments and housing status. No family will be recommended for participation in this program if they are unwilling to sign the housing contract and release forms.
 - The ISP is a central component within each housing contract. It will include specific goals that can be monitored during weekly case management sessions. These will likely include:
 - Life skills -housekeeping, scheduling, etc.
 - Credit reparation
 - Monthly budgeting targets
 - Landlord/neighbor relations
 - Linkage to community resources as needed: transportation services, nutrition counseling, parenting classes, employment and training opportunities, mentoring

The COTS Case Management Coordinator will perform an initial screening (assessing financial capability, progress toward meeting family goals, etc.) before asking the family to complete a standard housing application to Lake Champlain Housing (LCH) and/or Burlington Community Land Trust (BCLT).

- Families will meet all criteria for tenancy with LCH and/or BCL T except credit history.
 - Credit history can be substandard but should not reflect a long history of consistently poor performance.
 - Ideal candidates are those who had acceptable credit history before experiencing major, unanticipated changes in life circumstances (such as major illness, loss of employment or change in family composition) which precipitated a negative credit record.
- The COTS Case Manager and LCH Director of Resident Services or BCL T Director of Property Management will review applications and determine if the family meets the program guidelines. Both parties (COTS and the relevant housing provider) must agree to accept a family into the program. Should the parties disagree; every attempt will be made to discuss extenuating circumstances and/or specific factors that may mitigate a negative family history.
- Should the parties fail to come to an agreement regarding a family, decisions may be appealed to the Director of Property Managers (LCHV) or Chief Financial Officer (BCLT).
- Security deposits are due at time of occupancy, and will be paid by the family from savings accrued during tenancy in COTS housing.

Site Selection:

In order to house families in this project, BCLT and LCH have determined that housing developments or units must meet the following criteria:

- Positive cash flow to ensure that the unit(s) can take on the limited additional risk inherent in this project
- Availability of public transportation
- Potential to use project-based rental assistance
- In or very close to Burlington
- Potential Sites that meet this criteria:
 - O'Dell Apartments, South Burlington (2 PB units, 1 other unit)
 - 1306 Ethan Allen Avenue, Colchester (2 units)
 - AI-Canal, Winooski, (1 PB unit)
 - Bus Barns, Burlington (2 units)
 - ECHO, Burlington (1 unit)
 - ONE, Burlington (1 unit)

Program Services:

COTS will provide weekly (or more often if needed) case management services to the participants of this program. These meetings will be held on-site to allow the case manager to review the current condition of the unit, any changes in income and expenses, address conflicts that arise between tenants, flag any potential risks before they lead to landlord problems such as a relapse or the return of abusive spouse, etc.

Support services COTS will provide to each family include:

- Development and monitoring of Housing Contract and individualized Service Plan.
- Weekly contact with families to ensure they have the support/resources they need and are following through on their plans;
- Mediating conflict with neighbors if necessary;
- Crisis intervention if unexpected contingencies arise: loss of job, difficult pregnancy, health issues, etc.
- Checking the upkeep of the apartment; and
- Contacting the landlord bi-weekly if needed to ensure things are going well.

Collaboration with Owner(s):

- Property manager(s) will send COTS notice of rent paying status of all participants on the sixth of each month
- Property manager(s) will follow routine eviction process for non-payment of rent which calls for eviction (nonpayment) notice to be sent on the 14th day of the month with copy to COTS.

Rental Risk Reserve Fund:

In order to reduce the financial risk to BCL T and LCH, a rental risk reserve fund will be established. This fund will be used to defray the costs incurred should any of the participant families fail to pay their rent. The Rental Risk Reserve will include funds for lost rental income as well as potential legal costs.

In addition, COTS will provide supplemental funding to participant families who suffer a temporary financial setback so that they do not fall behind in their rent. In this way, COTS will help to prevent the use of the Rental Risk Reserve Fund unless it is absolutely necessary.

Annual Assessment Process:

- Each participant family will be evaluated after one year's participation in the program to determine whether or not continued participation in the project is necessary.
- If both COTS and LCH/BCL T agree that the family has been successful and can continue without case management services, the family will continue occupancy outside this program (with no required case management services and with no access to the program's Rental Risk Reserve account).

- If the parties do not concur, the household will continue to receive case management services with re-evaluations to occur every six months. The Rental Risk Reserve account will be accessible during this extended period.

Project Cost:

Case Management Cost =	\$25,000
Calculation of program's Rental Risk Reserve:	
• Potential rent loss per unit: (\$700/month for 4 months)	\$2,800
• Potential legal costs (per unit):	\$1,000
• Per unit subtotal:	\$3,800
• Total Reserve need for 10 units:	\$38,000
COTS Supplemental Rental Assistance Fund:	\$5,000
<u>Total Project Cost =</u>	<u>\$68,000</u>

Funds Available:
Housing Vermont: \$37,500
COTS: \$ 5,000

Total Available: \$42,500

Additional Funds Needed: \$25,500