**Connecticut Interagency Council on Supportive Housing**

The Connecticut Interagency Council on Supportive Housing (IACSH) was created by an act of the Legislature in the early-1990’s. The goal of the legislation was to create a framework for attacking the issue of homelessness. Acknowledgement that homelessness was caused by a variety of factors made cross-agency collaboration essential.

The legislation called for the drafting of a Memorandum of Understanding (MOU) among key agencies. The initial agencies were: Office of Policy and Management, CT Housing Finance Authority (CHFA), Department of Economic and Community Development (DECD)(later Department of Housing(DoH), Department of Mental Health and Addiction Services (DMHAS) and the Department of Social Services(DSS). CSH was initially a party to the MOU whose role was to provide technical assistance to the state as well as to parties applying for funding.

The MOU spelled out what resources each agency would provide. OPM served as the coordinating agency ensuring that the collaboration was coordinated at a high level. One critical resource which OPM directly controlled was appropriation of funding to service debt on bonds issued for supportive housing capital projects.

Membership on the Council consisted of Commissioners of the respective agencies. A working group of high level staff for each agency met (and still meets) monthly. The IACSH reports periodically to the state legislature.

The initial task of the IACSH was to issue a unified *Request for Proposals* to create supportive housing for chronically homeless individuals.

CHFA took on the lead operating role, issuing the RFP and evaluating proposals, assisted by a sub-group of the IACSH with representatives from each agency.

Cross-agency collaboration in Connecticut helped create a powerful engine for supportive housing production. Combining capital for construction and long term operating reserves, funding for services, and project-based operating subsidies was a formula that created almost 2000 units of supportive housing in Connecticut. Some of those units were created in so-called “scattered site” rounds, where operating subsidies and services funding were attached to existing units of housing, an approach which housed people relatively quickly but did nothing to address the overall shortage of housing, especially affordable housing in Connecticut.

Beginning in 1993, several RFP’s for Supportive Housing were issued. A description of the funding and results of each separate initiative is included below.

**Connecticut Supportive Housing Initiatives 1993-2015**

#### Demonstration Program (1993-1998)

Developed Units - 281

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| --- | --- | --- |
| **Funding Type** | **Source** | **Amount (one time/annual)** |
| Predevelopment funding (loans, grants, and technical assistance) | CSH | $2.3 million (one time) |
| Capital | DECD/CHFA | $21 million (one time) |
| Capital | NEF Tax Credit Equity | $28 million (one time) |
| Operating Subsidies | DMHAS/HUD | Shelter + Care for half the units and Operating reserves |
| Services Funding | DMHAS/DSS | $1.5 million (annual) |

#### PILOTS Program (2001-2010)

Developed Units - 260 Scattered Site Units - 402 Total Units - 662

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| --- | --- | --- |
| **Funding Type** | **Source** | **Amount (one time/annual)** |
| Predevelopment funding | CSH | $3.5 million (one time) |
| Capital | DECD/CHFA/DMHAS | $30 million (one time) |
| Capital | Tax Credit Equity | $25 million (one time) |
| Operating Subsidies | DSS (initially Section 8 and RAP) | $2 million (annual) |
| Services Funding | DMHAS/DSS | $8 million (annual) |

**Next Steps (2006-2013)** Developed Units - 369 Scattered Site Units - 400 Total Units -769

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| --- | --- | --- |
| **Funding Type** | **Source** | **Amount (one time/annual)** |
| Predevelopment funding | CSH | $3.5 million (one time) |
| Capital | OPM | $5 million annually debt service |
| Capital | CHFA | $94 million 501(c)(3) Bonds |
| Capital | DECD | $3 million (one time) |
| Capital | HTCC | $6.5 million (one time) |
| Operating Subsidies | DSS (project based rental assistance) | $3.2 million (annual) |
| Operating Subsidies | VA (VASH) | VASH Vouchers (2 projects) |
| Services Funding | DMHAS | $5 million (annual) |
| Services Funding | DSS | $1.325million (annual) |
| Services Funding | VA | VASH Vouchers (2 projects) |

### 2011 & 2013 Permanent Supportive Housing Initiatives (PSHI)

Developed Units – 298

Scattered Site Units - 150 (+-)

Total units - 448

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| --- | --- | --- |
| **Funding Type** | **Source** | **Amount (one time/annual)** |
| Predevelopment funding | CSH | $500,000 (one time) |
| Capital | City HOME | $2.3 million (one time) |
| Capital | HUD 811 | $2.3 million (one time) |
| Capital | DOH/CHFA | $56.3 million (one time) |
| Capital | HTCC | $850,000 (one time) |
| Capital | Other | $150,000 (one time) |
| Operating Subsidies | DOH(RAP) | $1.48 million (annual) |
| Services Funding | DMHAS | $1.58 million (annual) |

To advance a similar program in Maine it is critical to create a collaborative, accountable structure like the IACSH. For each initiative planned, a unit goal should be created. That unit goal should be matched with the requisite level of funding from each of the three categories: capital, services and operating. Ten years ago, in Connecticut the state estimated the costs of supportive housing using experience gained over twenty years.

*Capital – Assuming a 3.5% interest rate and a per/ unit cost of $250,000, annual debt service per unit would be $13,500.*

*Services funding – For many years Connecticut provided $9,500 per unit to provide case management services for individuals in supportive housing. However, in recent years that number has been reduced to $7,500 for individuals.*

*Operating subsidies – Connecticut estimates that an individual leaving homelessness would require $10,000 per year in rental assistance.*

*So, using all state resources, the cost per year would be $31,000 per unit.*

This could, of course, be reduced on the capital side by utilizing tax credit equity or other capital subsidy like HOME or CDBG. On the operating side, state outlay could be reduced by allocating Housing Choice Vouchers to some or all of the units. Finally, services funding paid for or enhanced with Medicaid payments could also reduce the amount of state outlay for case management services.

The matching of resources to the task is the most important function of a strong IACSH. Over its many years of operating in Connecticut, the IACSH has been characterized by a high degree of creativity in identifying or re-purposing resources for supportive housing. This creativity and flexibility along with the willingness to keep a larger common goal in focus has been the key to its success.