



# Veteran Access to Housing Summit

San Antonio ♦ July 27, 2011  
Presented by The Home Depot Foundation

## Executive Summary

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On July 27, 2011, The Home Depot Foundation and the National Coalition for Homeless Veterans (NCHV), in coordination with the U.S. Department of Veterans Affairs (VA), hosted a historic conference focused exclusively on veterans' access to housing. The intensive strategic work sessions in San Antonio were designed to explore and identify opportunities – and challenges – for increasing the availability of housing for low-income veteran families and formerly homeless veterans graduating from assistance programs.

The opening plenary session included remarks by Peter Dougherty, Associate Executive Director of the VA Homeless Veteran Initiative Office; Fred Wacker, Director and Chief Operations Officer of The Home Depot Foundation; and John Driscoll, NCHV President and CEO.

As part of VA Secretary Eric Shinseki's Five-Year Plan to End Veteran Homelessness by 2015, VA officials estimated there was a critical need for about 90,000 units of permanent housing for homeless and low-income veterans. Two years into the Five-Year Plan, that critical need estimate may still be as high as 60,000 to 70,000 housing units nationally.

More than 125 nonprofit homeless veteran service providers, contract service providers, builders, financial experts, representatives of the VA and Department of Housing and Urban Development (HUD), and leaders of national charitable organizations were invited to the San Antonio summit. Their charge was to share innovative and replicable practices, ideas and recommendations that could have an immediate impact on the availability of permanent, affordable housing for homeless veterans and those at high risk of homelessness due to health and economic hardships.

The Summit plenary included an overview of the work session breakout topics, and afforded participants the opportunity to identify their organizations' priority issues and to choose one of the four groups for discussion based on their expertise. Organizers tended to be fairly liberal on the rules of engagement for the work sessions, preferring to encourage a free-flow, rapid-fire format. The four primary focus areas included:

- **Multifamily housing** – Both renovation projects and new construction.
- **Single family housing** – Converting foreclosed and abandoned properties to nonprofit-owned housing for rental units; shared living arrangements; and rent-to-own opportunities for formerly homeless and low-income veteran families.
- **Transition in Place initiatives** – To help organizations with under-utilized Grant and Per Diem beds convert part of their capacity to long-term (permanent) housing.
- **Public-Private Partnerships** – The role of philanthropy and the business community in helping organizations increase veteran access to housing as quickly as possible.

## **Background**

According to the 2010 Veteran Supplement to the Annual Homelessness Assessment Report (AHAR), produced by the VA and Department of Housing and Urban Development (HUD), there are approximately 76,000 homeless veterans on any given night in the United States, with about 145,000 experiencing homelessness at some point during the year. Of that number, upwards of 30,000 may be considered chronically homeless.

The VA Grant and Per Diem Program (GPD) – which provides transitional housing with supportive services – has had a significant impact in decreasing the number of homeless veterans in need of assistance each day. Based on FY 2011 VA program evaluation data, approximately 25,000 homeless veterans received services through GPD and 50% of those participants advanced to permanent housing upon completion of the program. According to the VA CHALENG Reports from 2005 through 2009, the reduction in the number of homeless veterans during that period was estimated to be about 57.2%.

It should be noted during the last two years of that period the reauthorization and rapid expansion of the HUD-VA Supportive Housing (HUD-VASH) Program made nearly 20,000 units of permanent supportive housing available to formerly homeless and extreme low-income veterans. HUD-VASH is designed to provide housing through dedicated HUD Section 8 vouchers, and essential case management and health services by the VA to veterans with serious mental illness, chronic substance abuse, co-occurring disorders and other disabilities.

After two decades of program development, VA research has shown most homeless veterans who enter GPD programs are able to regain control of their health and other personal issues and advance to full employment and independent living in less than half of the two-year eligibility period for the program.

However, the majority of those clients are still at risk of homelessness after they exit the program because, in most communities, there is a critical shortage of affordable housing for low-income and extreme low-income individuals and families. Providing access to safe, affordable housing is the most critical component of the VA Five-Year Plan and the *Federal Strategic Plan to Prevent and End Homelessness*.

Generally, the need for housing includes all housing types: permanent supportive housing for veterans with serious mental illness, disabilities, substance abuse and co-occurring disorders; permanent housing through Section 8 and other federal and state housing assistance programs – with and without supportive services; and affordable housing units for low-income and extreme low-income veteran families, most of whom are employed or have stable incomes.

This report provides an overview of each work session discussion, followed by profiles of organizations and programs that have been effective in creating and expanding housing opportunities for homeless and low-income veterans and their families.

Summit organizers hope the report helps inform federal agency officials of stakeholders' ideas, concerns and recommendations for actions that could increase access to permanent housing by homeless veterans and veterans at high risk of homelessness.

The report is also offered as a tool to help local planning authorities and service providers consider effective, innovative and practical strategies to rapidly increase the availability of permanent housing options to end and prevent veteran homelessness in their communities.

### **Need for Supportive Services**

From the very outset of the plenary session through the end of the Summit, it was abundantly clear that participants universally agreed the key to ending veteran homelessness depends on the availability of supportive services to help disadvantaged veteran families remain housed. This may seem intuitive to service providers who work with homeless individuals and families, but it was something of a surprise to summit organizers and business professionals.

The Summit, after all, was designed to focus on increasing the immediate availability of housing for homeless and at-risk veterans. Participants enthusiastically embraced that as the prime objective, but they repeatedly asserted that providing housing without assistive services is a recipe for client failure and, ultimately, wasted resources.

Nowhere was that message more evident than during the morning plenary session when service providers listed their organizations' top concerns related to veteran access to housing. The issues were divided into the three categories generally accepted as the principal needs of homeless veterans – housing, health services, and income security. Prevention services – the new frontier in the campaign to end veteran homelessness – overlap all three categories.

### **Housing:**

*\*Denotes recommendations with supportive services component.*

1. Multi-family developments receiving federal funds should include units designated for veteran preference.
2. All public housing should prohibit discrimination against women and families.
3. Provide specialized transitional housing for veterans returning from combat deployments – services must include housing referrals, health services and employment placement assistance.\*
4. More resources are needed to provide home ownership opportunities for low-income veterans, and to help them retain housing when in crisis.
5. Lack of affordable veteran housing in rural areas must be addressed.

6. Rapid re-housing assistance should be available for veterans who don't need mental health or substance abuse treatment.\* — (See Supportive Services below)
7. Allocate Section 8 vouchers for 2-year periods rather than 10 years for veterans exiting Grant and Per Diem (GPD) programs to provide longer-term stabilization assistance.
8. Increase housing vouchers and services for veteran families – GPD, special needs grants, HUD-VASH for single-parent families with low incomes.\*
9. Community Reinvestment Act should include veteran housing and assistance provisions.
10. Provide relief from threat of foreclosure for OIF/OEF veterans – to include loan rewrites to resolve delinquencies, credit repair counseling and debt relief, etc.\*
11. Modify VA Home Loan Guarantee Program to include provisions for low-income veteran families and to facilitate loan rewrites to reduce foreclosures.\*
12. Greater utilization of peer support for veterans in housing assistance programs who do not need intense case management.\*
13. Ask and Tell – All government and private service providers should adhere to a standard protocol to identify veteran status for services and resources.\*
14. Establish a White House Veteran Coordinating Committee to ensure veteran access to mainstream services across federal agency lines. This might have helped increase veteran access to Homelessness Prevention and Rapid Rehousing (HPRP) Funds.

### **Health Services**

1. Peer Support/outreach – VA and local agencies, veteran service organizations, GPD providers, faith communities – including family supports. Not all veterans need intensive supports and case management, most would welcome personal peer guidance and social networking.
2. Individual case management – not all veterans who need case management are in a service delivery system, such as veterans with traditional Section 8 vouchers.
3. No time limit for services – the five-year eligibility limit for Guard personnel and Reservists deployed to combat and combat support operations should be eliminated.
4. Encourage VA to work with community organizations providing health and rehabilitation services veterans need. This is one of the cornerstones of the VA Five-Year Plan to End Veteran Homelessness. GPD does this, but many who need mental health, substance abuse, physical rehabilitation and occupational therapy services are not able to receive them in areas under-served or not served by the VA.
5. Health treatment for incarcerated veterans – VA services are currently not allowed.
6. VA classes to enhance family support for returning combat veterans.
7. Improve services and benefits for Guard and Reserve personnel deployed to combat and combat support operations.
8. Provide rapid access to substance abuse and mental health treatment services – in real time, not through hotline and on-line connections.
9. Develop state and county grants to address veterans' needs – most specifically emergency housing assistance and health services until the veteran can be connected with longer-term assistance through VA and state assistance programs.

### **Income Security**

1. Department of Defense and Department of Labor must expedite work to provide for certification and licensing for military occupational skills that are readily transferred to the civilian sector.
2. Expand and ensure employment preparation services and job placement assistance for Incarcerated veterans.

3. Expand jail diversion programs.
4. Ensure that all hospitalized veterans keep/receive benefits.
5. Develop and fund a robust self-employment program.
6. Develop registry of veteran-friendly employers.
7. Monitor and ensure veteran access to mainstream benefits.
8. Educate veterans on pensions and benefits.
9. Increase federal tax credits for employers who hire veterans.
10. VA should hire veterans first.

### **Supportive Services for Veteran Families (SSVF)**

The newly launched Supportive Services for Veteran Families (SSVF) grant program is designed to provide temporary, short- to medium-term assistance to veteran families in crisis to help them remain housed, and to rapidly re-house veterans who lose their housing. Funded at \$100 million for FY 2012, this amount should be increased to \$300 million through FY 2015 to address the lack of assistance available to homeless and at-risk veterans under the Homeless Prevention and Rapid Re-housing Program (HPRP), consistent with the objectives of the Five-Year Plan to End Veteran Homelessness.

Assistance provided under the SSVF Program would include deposits and utilities hook-up fees for housing placements, short-term rental assistance for eligible veterans to prevent eviction, and most of the service needs identified by homeless veteran service providers at the Summit.

### **Role of the Grant and Per Diem Program**

The second most prevalent theme to emerge during the Summit was the VA Grant and Per Diem Program (GPD) must be preserved and evolve if the Five-Year Plan to End Veteran Homelessness is to succeed. The strong consensus among participants was that the program's role in preventing homelessness among OEF/OIF veterans may be as important as the health stabilization and transitional housing stability it provides to veterans working their way out of homelessness.

The evolution envisioned by VA officials is that GPD becomes the keystone of local veteran service delivery systems that provide rapid stabilization support and connect veterans to treatment services and other critical assistance necessary to keep them in their housing, or to move into permanent housing in their communities as quickly as possible.

The GPD has been the foundation of the VA's response to veteran homelessness for more than two decades, and is primarily responsible for the dramatic decrease in the number of homeless veterans on the streets of America over the last decade. Under the GPD program, approximately 500 community-based service providers across the nation partner with the VA to provide homeless veterans with stable, sober and clean transitional housing, food, clothing, access to health services, counseling, employment preparation and job placement assistance and other services. The program funds nearly 14,000 beds, and serves more than 30,000 homeless veterans each year.

By design, the GPD program is unique in the homeless assistance community because all funded organizations are part of an integrated service delivery system with a VA medical center serving as its hub. This link occurs in some non-veteran provider communities, but it is not universal and the services available to homeless individuals and families vary greatly.

Organizations applying for GPD funding must demonstrate a strong partnership with the VA medical center in their service area, as well as the ability to provide a wide range of supportive services to help homeless veterans advance to employment and permanent housing.

Research at the National Center on Homelessness Among Veterans concludes most veterans who are enrolled in the GPD program are able to obtain employment and are ready for independent living well before the two-year eligibility limit. However, the majority of veterans exiting the program are unable to afford housing at fair market rates in most communities.

There was general consensus on the following points with respect to the importance of the Grant and Per Diem Program to the Five-Year Plan to End Veteran Homelessness:

- The emphasis on permanent housing in the Federal Strategic Plan to Prevent and End Homelessness is critical, but the GPD is a localized integrated service delivery system unique to the veteran community that provides housing stability and a wide range of services that would likely be unavailable for veterans otherwise. It was developed because public assistance programs were not adequately serving veterans.
- The partnership between VA medical centers and community-based veteran assistance programs has reduced veteran homelessness by nearly 60% in the last five years. These organizations most often are providing the housing stability, outpatient mental health supports, personal and family counseling, employment services and follow-up care that have produced those remarkable results.
- The VA estimates there are 1.4 million veterans living in poverty in the United States, and that one in 10 of them is likely to experience homelessness at some point. With an estimated 76,000 homeless veterans identified in the Point in Time (PIT) estimate, and 144,000 projected to need homeless assistance at some point each year, this program is just as vital to ending veteran homelessness today as it has ever been.
- Because GPD program service providers must offer a wide range of services through contracts and cooperative agreements with the VA, other federal and state agencies, and established community partners, they are uniquely positioned to provide counseling, guidance and service referrals to veterans to help prevent homelessness.
- Most veterans who are enrolled in GPD programs do not need permanent supportive housing.
- Comparing the cost of permanent supportive housing to the cost of doing nothing obscures the fact that most of the time returning a veteran to employment and independent living – through the GPD program – is the most economically feasible, cost-effective intervention of all.

### **Veteran Service Commissions, Boards**

We, as a nation, have arrived at a historic crossroads in the 21-year-old campaign to end veteran homelessness. Five years ago the VA and a couple hundred of its community partners were engaged in a Herculean struggle to do what many believed was impossible.

Today we have the Federal Strategic Plan to Prevent and End Homelessness – a national priority for the first time in American history. VA Secretary Eric Shinseki’s Five-Year Plan to End Veteran Homelessness was fully incorporated into that plan. The target date for ending veteran homelessness is June 2015.

This does not mean there will be no homeless veterans after that date. It means that veterans who are threatened with homelessness or become homeless will have access to the support and services they need to regain control of their lives. They will not be left on the streets without hope. Nineteen federal agencies and more than 2,100 community-based organizations have united to make that vision a reality.

Yet as we aspire to achieve that goal, our nation continues to be strained by the continuing housing crisis, the worst economic downturn since the Great Depression, high veteran unemployment, and large-scale troop withdrawals from Iraq and Afghanistan. Several participants at the Summit said we have not yet begun to see the toll of these wars on the young men and women who have been called upon to serve in them.

One said simply, “Programs are not the only answer.”

Her point was then explored by a group of Summit participants. In most rural communities and many small American towns, housing strategies cannot be wholly dependent on federal dollars and competitive grants, if at all. As limited federal and state resources are stretched to serve a greater demand for services, those funds will increasingly have to be directed to areas with the greatest capacity to help individuals and families in need.

Many small and rural communities can pool available resources to benefit veterans, and often the assistance can be more immediate and impactful. There are tens of thousands of Veteran Service Organization posts, an even greater number of civic and fraternal organizations – and those numbers pale by comparison to the number of faith communities already helping people in need across the nation.

Some communities are developing a Veteran Service Board or Commission, with members representing local businesses, schools, the faith communities and local government. Members of veteran, civic and faith organizations in most small and rural communities are the employers, Realtors, bankers, auto dealers and health professionals. These boards can advise a designated county or town Veterans Service Officer or veteran agent on the availability of:

- Affordable rental housing with veterans preference
- Properties available for discount purchase (Realtors)
- Employment (local Chamber or business bureau)
- Affordable transportation (auto dealers)
- Low-cost or pro bono legal aid (local bar association)
- VA benefits counseling
- Educational and vocational training opportunities
- Access to mainstream assistance programs for low-income families

The Veteran Access to Housing Summit was intended to be an exercise to explore the possibilities – expanding the availability of safe, affordable permanent housing for formerly homeless and low-income veterans on a scale consistent with the objectives of the Five-Year Plan to End Veteran Homelessness.

Some of the innovative approaches discussed during the Summit have already been undertaken; some ideas will require further development and require revisions to address local issues and concerns. Some recommendations would require Congressional authorization; some could be implemented locally with virtually no government intervention at all.

On behalf of The Home Depot Foundation and the National Coalition for Homeless Veterans, we express sincere appreciation for the insights offered by the participants at this historic Summit. We also thank our partners at the U.S. Department of Veterans Affairs and the Department of Housing and Urban Development for their guidance and subject matter expertise.

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# 1 Multi-Family Housing Development



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## Introduction

Successfully ending veteran homelessness by 2015 will require a multi-pronged approach to housing development and generation of new housing units. While creation of single family units is a critical component of this initiative, generating multi-family housing options will allow for large numbers of homeless and at-risk veterans and their families to access secure, financially feasible, and supportive housing to meet their needs.

However, while the need is great, multi-family housing development is difficult to facilitate, gain approval for, and develop; and it requires extensive coordination between service providers that work directly with homeless veterans and their partners in the development and Federal arenas. As stated by staff of Veterans Manor, Milwaukee: “multi-families [developments] can make the greatest dent in the numbers the fastest while providing for efficiency in service delivery.” All partners must not only be extremely dedicated to the mission of developing housing options for homeless veterans, but also capable of identifying incentives and overcoming administrative and regulatory burdens that can stall or dismantle project plans.

While this process can be daunting and intimidating, some organizations have successfully navigated the territory to create new multi-family housing complexes around the country. For example, the St. Vincent de Paul Society of Lane County, Ore., has built or acquired over 1,000 units of affordable housing. Veterans Manor has contributed to a 10% decrease in the Point in Time count in Milwaukee. In one housing complex developed by the Housing Authority of Salt Lake City, 109 units are dedicated solely to veterans. Jericho Project in New York provides supportive housing to 309 formerly homeless persons through six congregate residences. In Los Angeles, New Directions served 332 chronically homeless veterans.

These programs stand as creative and innovative examples of the success organizations can have in developing multi-family housing. Before getting started, organizations should assess their ability to secure the three critical components of a multi-family housing development plan. When these critical components are assured, organizations should then assess the various factors, both beneficial and burdensome, that will influence their plan for success.

## Critical Components of Your Development Plan

Service providers and their development partners have identified three critical components of planning for successful multi-family permanent housing projects. These planning elements are: initial development resources; continuous rent supports; and a wrap-around supportive services network. While an ideal environment will allow for provision of all three components, identifying

and securing access to two of these elements can often provide enough leverage to attract the third.

***Development Resources:***

In order to successfully generate new multi-family housing units, investors and their service provider partners must have access to low cost development resources, which includes land, leveraged resources, experience (intellectual capital), and money (financial capital). It is generally accepted that these resources, in order to effectively attract private sector partners, should be low cost and near no cost whenever possible. The sources of these development resources generally fall into one of three categories: existing United States Department of Veterans Affairs (VA) resources that can be shifted, paired, or adapted to fit a permanent housing model; excess land and buildings outside of VA property that can be used for development; and leveraged resources from the mainstream housing programs of other agencies.

***Existing VA Resources and Programs:***

Existing VA resources and programs have paved the way for the generation of new and effective housing options for homeless veterans. However, VA's housing programs are focused largely on transitional housing, specifically Grant and Per Diem Program (GPD), which has been an extremely effective reintegration model unique to the veteran community that allows veterans who need temporary assistance and support to access the short-term care that fits their needs. Unfortunately, many other Federal programs cannot leverage GPD funding to secure funding for permanent housing because of this unique transitional quality. Among the participants, agreement exists on the merit of adapting regulations so that transitional GPD grant funding can be directly paired with other funding sources for permanent housing, such as funding through Department of Housing and Urban Development (HUD) programs or low income housing tax credits, to finance development.

An additional VA resource is land on VAMC properties that can be accessed through the Enhanced Use Lease (EUL) process. For more information on this component of multi-family housing development, please see the "Enhanced Use Lease" component of this section.

As efforts to adapt existing VA programs takes shape, knowledgeable and influential individuals in various arenas will need to take charge to move the initiatives forward. Participants at the Summit emphasized the importance of a leader within the VA, such as a Deputy Secretary or other high ranking official, to drive the needed changes forward to successfully adapt existing programs.

***Excess Land Outside of VA Properties:***

While VA programs and property are important capital components, property outside of VA compounds is also a critical capital asset. Obtaining a lease for this property is often the linchpin in obtaining other capital resources. When a lease is executed and signed, developers can often obtain development financing from various lenders. Also, talent for executing these agreements already exists within many agencies and nonprofits around the country.

One example given by the participants is excess property belonging to Federal agencies that can often be obtained at below market cost and used for the development of multi-family housing units. Participants in the summit specifically mentioned excess property belonging to the United States General Services Administration (GSA) and United States Postal Service (USPS) with the potential of 20 year lease guarantees. Additionally, nonprofit expertise through organizations like

Corporation for Supportive Housing or National Equity Fund was mentioned as another source of experience and guidance.

Private properties are another possibility presented by the participants. Personal homes can be adapted into multiple units and can also be obtained at low cost. Hotels, especially those with in-unit kitchens, often meet the qualification for single family units in a larger complex. While housing cooperatives cannot be used with GPD grant funding because of the partial ownership aspect, they have proven extremely effective at creating new permanent housing opportunities for formerly homeless veterans.

*Leveraging Mainstream Resources:*

In addition to VA programs and private and Federal land, a third development resource is leveraged assets of mainstream programs. Mainstream low-income housing programs through HUD have provided critical housing assistance to homeless veterans and to providers generating new housing. Funding through Continuums of Care provides needed resources to homeless programs for veterans, but the restriction on number of new programs allowed every year can delay possible funding for years. Participants specifically mentioned the role of Military Construction (MILCON) funds and Community Development Block Grants (CDBG) as useful resources, in addition to general HUD staff experience with lenders, evaluators, and development process facilitators. Leveraging these funds and expertise can only improve programs for homeless and at-risk veterans.

Pairing HUD-VASH with Section 8 is another proven strategy for leveraging mainstream resources. While HUD-VASH involves intensive case management and comprehensive clinical service provision in addition to housing support, Section 8 vouchers are more limited in scope, providing affordable housing as a primary goal. Homeless veterans who may no longer need the same high level of supportive services offered under HUD-VASH after a period of recovery would then be ideal candidates for transition into general Section 8 housing or another innovative HUD-VA collaborative program. This involves strong communication between the Public Housing Authority and local VA HUD-VASH Coordinators; and cooperation among multi-family housing developers, their partners in the service provider community, and local HUD representatives. This effort to more directly connect HUD-VASH and Section 8 will also require support from VA and HUD on a national level. Additionally, while not all HUD-VASH vouchers are project based, participants specifically mentioned the need for an “80-20” link between Section 8 and project based HUD-VASH to increase the stock of veteran specific housing units.

VA must also work with other federal partners to expand this initiative. Comparable programs and promising opportunities exist within other agencies, such as the Department of Agriculture’s Rural Housing Service and Department of Transportation. A Memorandum of Understanding (MOU) between VA and the Department of Defense (DoD) to obtain surplus DoD property, like the excess Fort Bragg, N.C., property could also provide additional needed resources.

A fourth mainstream development resource is financial incentives for development partners, such as low income housing tax credits and zoning bonuses. Developers who participated in the Summit recognize the necessity of tax credit incentives and bonuses to increase the speed and viability of these projects. They made a distinction between the utility of 4% and 9% tax credits for financing purposes. The basis of the leverage is 9% tax credits, which are ideal for this type of construction project, but currently there are not enough of these credits to match the need.

Participants stressed the need for a clearly articulated strategy so that the distribution of the allocation will be more predictable and a mechanism around the 4% credits to allow for tax-

exempt debt. Also, zoning bonuses for inclusion of targeted veteran housing would encourage the development of new housing units for homeless veterans.

***Rent Supports:***

Secured rent supports are needed to leverage development resources as well as to sustain the functioning of the project over time. Additionally, veterans on VA disability often have comparably low incomes, and participants emphasized the need for rent subsidies to generate and sustain low-income housing options for those veterans who are homeless and at risk of homelessness.

Connections between various Federal programs across agencies offer the largest source of rent supports for these projects. For example, a strong connection between service providers with veterans in GPD programs and coordinators of both project and tenant based Section 8 vouchers is necessary to allow for a smooth transition into permanent housing with little disruption of services to veterans who are in need of long-term supports. Programs through the McKinney-Vento Homeless Assistance Act network, such as HUD's Shelter Plus Care program, have provided useful rent supports for persons with disabilities and can also be connected to GPD program graduates. Programs that focus specifically on providing care and rent supports to the elderly can also supplement this effort.

Developers of multi-family housing units, both on and off VA property, recognize the utility of including commercial and service space on-site in addition to residential units. For example, commercial services can provide needed lease and rent funding for operating costs, and allowing space for service providers can ease the cost burden for service delivery by allowing services to be provided on site.

***Supportive Services:***

With capital resources secured for development and rent supports secured for operation, a diverse and extensive network of supportive services is the third critical component necessary for creating multi-family housing. As many service providers have emphasized, especially when serving the chronically homeless, case management support is necessary to maintaining consistent and reliable housing. These wrap-around services can come from various sources, including the VA Medical Center, veteran specific service providers, and health centers that serve homeless and low-income persons.

The VA Medical Center provides a unique model of care for veterans, providing an integrated care network. Providing access to medical services in a centralized area with strong connections to veteran service organizations and providers of supportive services, this service delivery network provides a comprehensive system for veterans and is a critical asset for service providers and developers interested in creating multi-family housing units for homeless and extremely low-income veterans and their families.

To supplement the efforts of this integrated service delivery system, developers should be aware of and be involved in other mainstream supportive service programs. Often, cognates from other programs can be mildly adapted or incorporated, increasing the importance of leveraging relevant HUD resources. For example, service coordinators in elderly programs could be utilized to provide services to elderly veterans in special needs GPD programs.

Participants discussed the growth of federally qualified health centers (FQHC) as a potential partner to provide on-site services, as well as potentially allow for the development of clinics, an additional source of capital. Because FQHCs serve those who have no other access point for benefits, this is an important component for those veterans who do not qualify for VA benefits and veterans' family members. With an integrated housing model, this is a critical service asset. CDBGs also include funding for public services, which could be used to provide additional supportive services.

Having a strong network of services allows the service providers to adapt the services to the need of the veterans, including when the veteran is no longer in need of the extensive supportive services provided under HUD-VASH. This flexibility in service delivery, paired with a strong resource development plan and secured rent supports provides the necessary components to create permanent housing through multi-family housing facilities.

### **Factors that Impact Your Development Plan**

Once you have finalized your plan to secure the three critical components of multi-family housing development projects (development resources, rent supports, and a strong service network) and have started taking steps to execute your plan, you must take into consideration a series of factors that can propel or restrict your mission-driven efforts to create permanent multi-family housing options for homeless and at risk veterans. Service providers and developers at the Summit identified major factors that impact multi-family housing construction. These categories include: leveraging funds; tax credits and debt; non-VA development; Grant and Per Diem; OIE/OEF Veterans issues; and Enhanced Use Lease. An understanding of four important factors affecting development of multi-family housing can lead to success and help interested parties prepare for the road to development.

#### ***Non-VA Financing and Development:***

Most cities and counties have surplus city-owned properties and the push for development of permanent supportive housing as part of their 5 and 10 year plans. However, "Not In My Backyard" (NIMBY) is often a significant barrier to development on non-VA properties because of stereotypes and stigmas associated with homeless populations. This can be combated by raising community awareness through distribution of informational materials, involving the community directly through site visits and events, and involving veteran residents in the community through public events, gardens, security surveillance, and other arenas of engagement important to members of the local community.

Lack of funding is an obvious yet continual problem. However, philanthropic foundations, such as the Home Depot Foundation, are increasing their involvement with in-kind donations and donations of time and expertise. Local banks and private financial institutions often have community development requirements and may be able to contribute resources. However, when planning on leveraging these private assets, developers must be aware of specific qualifying margins for the veterans for whom this money is granted. Common restrictions include: earning/receiving too little money with limited stability, earning/receiving too much money, lacking specific medical problems, including substance abuse and psychological disorders, and falling outside of a specific age bracket.

Adaptive reuse of certain types of buildings already in the community can create working units more quickly than new construction. Participants specifically mentioned hotels, retirement homes, schools, and post offices. However, coordination of funding schedules and requirements

to make sure all partners are moving concurrently is often cumbersome. Most partners have independent schedules, so making them coordinate efforts is difficult.

Joining with local veterans' organizations and having the support of local and national VA and HUD staff can provide access to an extensive communications network to spread this information to service providers and their partners. This communications network should also include local town supervisors, Public Housing Authorities (PHAs), and local public figures as much as possible. According to Summit participants, with national VA and HUD leadership support and insights on zoning and tax implications of multi-family housing development for homeless and extremely low income veterans, local town supervisors or public officials may be less likely to block projects.

### ***Enhanced Use Lease:***

When the original Enhanced Use Lease (EUL) legislation was first introduced, there was concern about the viability of VA programs and initiatives, prompting concerned veteran service organizations to advocate for much of the strong language. With an adapted political climate and renewed faith in the commitment and longevity of VA's efforts, some of the restrictions are no longer necessary, according to Summit participants. Because the program is expiring, there is an opportunity to create changes and rewrite components of the program.

Developers need to obtain conditional site control to allow a project to secure financing. At present, site control occurs at the point that the lease is signed. VA should give approval of preliminary site plan and the project concept, subject to outstanding EUL processing steps.

Land owned by the federal government is by definition exempt from local zoning control. The EUL lease specifically makes federal land under the lease subject to local zoning. An EUL process that includes no real estate taxes or zoning requirements would have important draws for many mission-driven developers. Developers recommend that land remains exempt within federal guidelines.

Creating affordable housing for homeless veterans with provision of on-site services was not considered in-kind consideration for the VA's purpose of determining compensation for the land lease. Mission driven projects should be exempt from providing in-kind consideration beyond meeting VA's goals of serving veterans.

VA required a funded maintenance account in addition to all other maintenance and other reserves by both state and private lenders and investors. VA should consider total reserves of the project. VA can coordinate reserve compliance by third parties holding project reserves.

The VA lease does not readily accept Low-Income Housing Tax Credits (LIHTC) Section 42 requirements regarding property foreclosure and eviction of tenants. It is suggested that all federally mandated financing requirement for LIHTC, or other programs, must be easily accommodated by the VA lease.

Currently, the VA lease does not allow for subordination of the leasehold interest to other project financing. VA should consider following standard real estate industry guidelines for subordination policies.

Finally, the EUL leasing process can take in excess of one year to achieve an executed lease. This lease execution should be expedited. A standardized lease which successfully addresses the issues above can significantly reduce the length of time needed to reach a lease signing.

### ***Leveraging Assets:***

When implementing a development plan, you must keep in mind the various processes and strategies for leveraging assets for your program. As discussed above, given the ability to leverage assets, such as private funding sources, community connections, and related federal, state and local programs, developers can succeed in creating multi-family housing units for homeless veterans. According to the Summit participants, leveraging assets includes directly connecting different federal programs to one another (HUD-VASH and Section 8; HUD-VASH and GPD) and connecting federal programs to community services.

### ***Connecting Federal Programs:***

Service providers and their partners in this initiative are driven by the possibility of producing multi-family housing as quickly, efficiently and cost effectively as possible, and connecting HUD-VASH to Section 8 and HUD-VASH to GPD are two methods of facilitating this development. This focus on leveraging existing multi-family programs to better serve homeless veterans will provide support throughout the spectrum of housing options – from homelessness to supportive housing to permanent housing and homeownership, when possible.

As previously mentioned, some opportunities include connecting HUD-VASH more directly to Section 8 vouchers and based on the best fit to match the veteran's needs. When the veteran no longer needs the supportive services offered with by the HUD-VASH program, providers should be able to coordinate the movement from HUD-VASH to regular Section 8 or unsubsidized rental units or homeownership. Veterans might be worried about the idea of being transferred out of HUD-VASH, so the case managers should clearly communicate with the veteran that services will still be available to that veteran even after the transition.

The relationship between HUD-VASH and Section 8 is of critical importance, especially when considering the allocation of project based units. Currently, the total number of project based Section 8 vouchers can be up to 20% of the total stock of vouchers allocated to a PHA. The specific Section 8 vouchers for HUD-VASH, however, can be up to 50% project based, as long as an increase does not bring the overall percentage of project based vouchers for that PHA above 20%. If both the 20% overall and the 50% HUD-VASH Section 8 voucher caps were lifted, developers could more readily leverage this asset when planning and executing multi-family housing projects.

Lifting of the cap on project based HUD-VASH vouchers can decrease the time it takes to process voucher requests and would increase the availability of rent supports. Individual PHAs could assess the stock of independent, low rent units and determine whether a higher percentage of project based units that result in new multi-family housing developments would benefit the clients receiving vouchers. Following the model of the Continuums of Care, there could be a national competition to coordinate the initiative. Aligning the initiative with Continuums of Care could help increase support and allow for more coordination of resource allocations.

The connection between GPD and other federal programs is discussed in more detail below in the section "Grant and Per Diem." However, a few points specifically mentioned by the Summit participants concerning leveraging these assets have been summarized here. First, the link between veterans in and graduating from GPD programs and HUD-VASH vouchers could be

improved in many places around the country. While the great majority of homeless veterans can achieve independent living post-GPD graduation when an appropriate stock of affordable housing options exist in a community, those GPD participants or graduates who are in need of more long term supportive care should be quickly identified and given priority in HUD-VASH determination. Participants also mentioned the possibility of creating another program to leverage: a shallow gradient subsidy program that would also coordinate with GPD and HUD-VASH for those veterans in need of assistance who might need GPD for a longer period of time beyond the two year maximum or who do not need the intensive supports of HUD-VASH.

*Connecting Federal Programs to the Community:*

When considering the importance of leveraging funds, organizations should be aware of the benefits to projects that come from leveraging other assets, like knowledge of and connections to the community. Successful developers often think of “leveraging” beyond the narrow definition of securing of dollars for development of projects; they also want to leverage community connections to secure supportive services and rent subsidies to support the veterans for as long as they are in need of supportive housing. Some examples of leveraging community connections include supplementing VA case management with community services for veterans with HUD-VASH and involving veteran service providers in the HUD-VASH allocation determination process.

One example of leveraging community connections is more directly connecting veterans with HUD-VASH vouchers to service providers in the community. This process can save resources by ensuring that efforts are not duplicated. Often, veterans with HUD-VASH vouchers do not have full access to the service providers in their community that could be offering them direct services. As stated by one veteran in HUD-VASH housing, “nothing parties like a HUD-VASH voucher,” meaning more community services are needed to provide regular, intensive services than are currently being provided through the VA’s case management system. While services from the VA are extremely beneficial to the veteran, increased community involvement in the case management process would likely provide a wider range of quality assistance to veteran clients.

Allowing for the provision of supportive services to veterans by community-based service providers, particularly by those that offer placement in supportive housing, could immediately increase access to permanent housing by formerly homeless veterans. Nonprofit, community-based providers can leverage other funding from private foundations and other government programs to provide a richer array of services than the VA can provide.

A second example of leveraging community connections is to involve veteran service providers in the process of deciding who receives HUD-VASH vouchers. Often, the pressure to lease up HUD-VASH is intense, but not all recipients are a good fit for HUD-VASH. This can be problematic because some who receive the vouchers may be already housed, but may not be in need of the intense, long-term care provided under the HUD-VASH program. Those veterans may, in fact, be better served under the Grant and Per Diem Program. According to participants, a mechanism should be put in place to prioritize VASH for chronically homeless and disabled veterans and families. Community-based nonprofit service providers with knowledge of the veteran’s needs, local resources and housing options should assist the VA and HUD in determining which formerly homeless veterans receive HUD-VASH vouchers.

*OIF/OEF Veteran Needs:*

OEF/OIF/OND veterans experiencing homelessness or extreme poverty have new emerging needs and risk factors that are largely still unknown, but service providers have acknowledged they do not express much interest in structured, congregate housing options. New multi-family

housing developments for low-income and homeless OEF/OIF/OND veterans must take into account this preference shift, especially when working with increased populations of homeless female veterans or veterans with dependent children.

The development of a coherent transition in place model is also critical for this population of new veterans. This model states that the provider leaves, not the veteran, creating a sense of ownership over personal space and fostering independence as the veteran grows less reliant on extensive supportive services. Cooperative housing models and peer mentoring are also desirable strategies for this generation of veterans, who respond better to an environment filled with their peers.

For many returning low-income veterans, the dearth of low-income housing in their communities presents obvious difficulties, especially when active duty service members are given priority in accessing this housing. According to participants, some locations are competing with the Department of Defense, which has a very high Basic Allowance for Housing (BAH), which, according to the Defense Travel Management Office, “is a U.S. based allowance prescribed by geographic duty location, pay grade, and dependency status. It provides uniformed Service members equitable housing compensation based on housing costs in local civilian housing markets within the United States when government quarters are not provided.”

Service providers working with this population of veterans has noticed that this BAH can inflate local rent costs so OEF/OIF veterans cannot afford to rent an independent unit in their community. The majority of communities have few available housing options, and even fewer that are accessible to low-income or homeless veterans. Right now, the lack of housing options also results from an increased number of renters in the market due to the housing crisis, and the large number of students who also qualify for low income housing.

In some housing markets, service providers with strong connections to needed supportive services for homeless and at-risk veterans are competing with condominium owners with comparably priced units. Private renters can decrease the costs of their units, but service providers often cannot. For the same amount of money, low-income veterans, specifically Iraq and Afghanistan veterans, can obtain a private unit without the same rules and regulations and with more extensive amenities. As a result, these extremely low-income veterans are finding themselves isolated and without direct access to the integrated service network unique to the veteran community.

Fortunately, prevention programs specifically targeted at OEF/OIF/OND veterans are hoping to identify the causes of homelessness for this generation of veterans, rapidly rehouse those who become homeless, and meet those on the verge of homelessness with critically timed and focused interventions to prevent homelessness. Some of these programs, such as the Veterans Homelessness Prevention Demonstration programs and the Supportive Services for Veteran Families grants, are paving the way to develop strategies that reach a new generation of low-income veterans. Successful multi-family housing programs will need to be aware of the results of these programs and connected to the grantees in their area.

### **Tax Credits and Debt:**

Navigating the tax credit, debt, and creative financing processes can be cumbersome for inexperienced organizations, and the state-by-state variations make generalizations difficult. However, some specific strategies and lessons have been embraced by developers of multi-family housing units for homeless veterans. These strategies include obtaining fitting Low Income Housing Tax Credits (LIHTC), making tax credit applications competitive, and increasing the percentage of space that can be used for commercial purposes.

First, obtaining tax credit and debt financing requires securing appropriate and available tax credits. According to experienced developers, obtaining 9% Low Income Housing Tax Credits (LIHTC) can allow a developer to cover close to 80% of overall costs. However, because every state is currently oversubscribed on these tax credits, a project becomes extremely risky, according to participants in the Summit. Because many states only hold this process once a year, a developer may end up waiting multiple years to obtain the desired credits. Developers at the Summit emphasized the need for 4% credits to earn a AAA rating to help finance much of the debt. Their experience has shown that these credits are easier to obtain as long as the developer can secure the credit enhancement. A developer that is concurrently assembling all of the necessary funding components, going through the zoning process, and trying to keep various partners connected and on the same timeline long enough to win the allocation may have difficulty aligning the competing schedules and priorities of the various partners.

A second component of obtaining tax credits and debt financing is the need to make tax credit applications more competitive. According to some participants, to make a tax credit application more competitive, larger supportive housing set-asides at the state level are necessary. Pushing for supportive housing projects to receive a 30% basis boost, at the discretion of the state housing agencies, could also prove useful, according to the participants. A third strategy for making applications competitive is increasing the number of project based HUD-VASH vouchers. This would make projects more competitive for tax credits because they would have an identified rent subsidy source. Additionally, for high cost areas with few low income housing options and HUD-VASH vouchers that are not yet leased up, providers could use the vouchers to leverage development funds for additional veterans housing units.

Finally, mixed used projects are critical, and as a result efforts are needed to adapt specific programs to allow for expanded commercial development as a component of multi-family housing programs. According to HUD, “Section 221(d)(3)(nonprofit borrowers) and Section 221(d)(4)(profit motivated borrowers) insure lenders against loss on mortgages. The program encourages construction or substantial rehabilitation of single-room apartment buildings with financing insured by HUD, thus enabling people with very limited incomes to find clean and safe housing. Insured mortgages may be used to finance construction or substantial rehabilitation of projects consisting of five or more one-room SRO units, with no more than 10 percent of the total gross floor space dedicated to commercial use (20 percent for substantial rehabilitation projects).” In a supportive housing environment, it is likely that you will have a significant portion of the area and of the revenue devoted to commercial use.

According to Summit participants, changes are needed in the 221D4 Program regarding the amount of space set aside for commercial use (for more information, please review [this resource](#)). A directive is also needed to encourage waivers on 223 Fs, HUD’s mainstream program for financing multi-family housing (for more information, please review [this resource](#)). Participants argued that 30% or more of total area and/or revenue should be allowed if it can be proved that doing so will be in the best interests of the veterans served in the units.

While HUD’s primary focus as an agency is on providing housing opportunities, participants explained the need to show how beneficial enhanced commercial space will be for the veterans in the project. Including a robust supportive services element in this commercial space will enhance the performance of the residential housing program, benefiting those in the multi-family housing program and providing incentives to developers for this type of housing for homeless and low income veterans.

## **Grant and Per Diem:**

As previously mentioned, GPD has proven to be extremely effective at assisting homeless veterans as they move from homelessness into independent living. However, potential multi-family housing developers must keep in mind that this unique focus on providing transitional housing opportunities often cannot directly connect to the permanent housing programs of other entities, both federal and state. Often, agencies like HUD and many local housing authorities cannot finance transitional housing, while they can fund permanent housing options. Additionally, Low Income Housing Tax Credits (LIHTC) often cannot be used to finance transitional housing, depending on the state in which the project is based. The transitional nature of GPD should not be a roadblock to developers hoping to leverage secured GPD grant funds to obtain other funding sources.

To illustrate this process, participants in the Summit offered the following example: if GPD and related outside agency programs were adapted to allow for the pairing of transitional GPD and permanent housing funding, an entity with excess land, such as USPS or GSA, could donate the land, which could then be developed using a capital grant for development, per diem for operating costs while the units are transitional, and then other funding sources when the units are gradually converted into individual permanent housing units. Participants also discussed the potential for paired GPD resources with project-based HUD-VASH and the Building Utilization Review and Repurposing (BURR) initiative to finance multi-family housing development; these discussions are ongoing.

The guidelines for GPD, first modeled after state veterans' home programs, can be altered to better fit the needs of developers applying for grant funds with the intention of converting the units to permanent housing when the needs of the veterans shift and the demand for transitional housing decreases in the geographic area. According to some participants at the Summit, in addition to adapting regulations to pair transitional with permanent housing funding streams, GPD can also be adapted to allow for direct conversion of units built for transitional purposes. Currently, grant funds through GPD must be applied to new programs only. GPD grant funding cannot be used for rehabilitation or safety improvements and repairs to existing units or those built with GPD grant funds. If GPD capital grant funds could be used for renovations, including renovations to convert shared units into single units, this would increase the supply of permanent housing units for GPD graduates.

However, some participants emphasized a caveat to this suggestion: this type of conversion should only occur to units where the need for transitional housing has subsided. In many areas, the need for transitional housing supports is larger than the supply, and the return of close to 200,000 low-income veterans from recent conflicts will have an impact on need that cannot yet be anticipated.

Finally, some developers at the Summit suggested using savings from reduction in the average length of stay in GPD to fund a new hybrid GPD program that funds a permanent, project-based operating and supportive services program for formerly homeless veterans. However, given that the current law authorizing GPD authorizes transitional housing specifically, this type of change would require a new authorization from Congress. However, a compromise could mean a shift in GPD to "longer-term" transitional housing for those individuals waiting on a Section 8 voucher, HUD-VASH voucher, or other permanent housing option. This type of shift would require a slight amendment to the existing law instead of the creation of an entirely new authorization.

## 2 Foreclosed and Abandoned Properties



It is estimated that more than 2 million homes across the United States are vacant due to mortgage defaults and foreclosure, or are heading for that eventuality. An unknown number have been lost due to property tax delinquencies. Whether owned by banks and mortgage lenders, federal agencies or local governments, vacant homes are a liability and may represent the most immediate opportunity to create housing for low-income and formerly homeless veterans exiting transitional assistance programs.

According to sources within the building industry, that notion is not purely an altruistic inclination. The housing crisis that has resulted in a historic glut of vacant homes across the landscape is inextricably tied to the nation's slumping economy – a depressed housing market eliminates well paying construction, skilled labor and service industry jobs, reduces local government revenues, and generally erodes the commercial and per capita wealth of entire communities.

Recovery from that vicious cycle, once the overall economy stabilizes, will be slowed considerably if there is a large inventory of empty homes on the market. The longer banks and governments hold onto abandoned property, the greater their cost to provide basic maintenance until they can unload them, and the greater their loss when they finally do.

Service providers with formerly homeless veteran clients who are employed and in need of affordable, safe permanent housing represent a unique consumer niche for owners of foreclosed and abandoned residential properties. The economic incentives for those controlling interests to enter into lease or lease-purchase contracts, even at extreme discounts, extend well beyond the current fiscal year's balance sheet. And veterans who desperately need affordable housing to climb out of or to avoid homelessness are not the only beneficiaries in communities where that may happen.

### **Identified strategies**

During the morning breakout session “Single-Family Housing Development,” a number of strategies were identified to spur the acquisition and development of foreclosed and abandoned properties for formerly homeless and at-risk veterans and their families. Initially, the following ideas were recorded and became the basis for discussion during two afternoon breakout sessions titled “Foreclosed Property”:

1. Reaching out to Realtors and bankers.
2. Creating an incentive for property owners.
3. Encouraging local governments to donate or lease property, thus increasing tax revenue.

4. Contracting with local governments, e.g. through Neighborhood Stabilization Program funds.
5. Utilizing state funding.
6. Considering different housing models, including co-ops and a lease-purchase option with supportive services.
7. Ensuring flexibility of loan servicing.
8. Promoting nonprofits' acquisition of properties to use for permanent housing for low-income and extreme low-income veteran families.

Where applicable, existing programs were offered as models illustrating the positive impact of these initiatives. On the topic of reaching out to Realtors and bankers, for instance, “Heroes Welcome Home” – a Chicago Association of Realtors program – was brought to the discussion group’s attention. This program prepares Realtors to advise veterans on housing options, including their legal rights under the Americans with Disabilities and Fair Housing Acts, home-lending programs, adapting homes to accommodate disabilities, and locating community rehabilitation and other veteran services.

The Neighborhood Stabilization Program (NSP) – part of the Department of Housing and Urban Development (HUD)’s Community Development Block Grant (CDBG) program – provides annual grants on a formula basis to local governments and states. The program helps fund the purchase and redevelopment of abandoned and foreclosed homes for individuals and families whose incomes do not exceed 50% of the area median income.

For-profit housing developer D & O Properties One, LLC, represented in the Foreclosed Property sessions by Dan O’Loughlin, had success using these funds. A few years ago, the company was awarded a NSP grant to develop 16 units of permanent supportive housing for homeless and at-risk veterans.

The discussion group determined that veterans, both independently and through community-based service providers, should have priority access to real estate owned (REO) properties – those that have come back into the lending institution’s possession after an unsuccessful foreclosure sale. Women veterans and veterans with families should be especially prioritized. Additionally, the group stressed that veterans must be fully educated as home buyers – without this education, the likelihood that they will remain permanently housed is jeopardized.

Advancing to home ownership can be a gradual process. For instance, a lease-purchase, or lease-to-own, housing model would enable a property-owning service provider to build a relationship with a formerly homeless veteran client that leads to his or her purchase of the home they occupy over time. One of the key advantages to this strategy is that the client has a “partner” or sponsor to help them stay on track and step up delivery of supportive services if it becomes necessary.

Service providers may enter into a similar agreement to acquire foreclosed properties for use as permanent housing for their clients who are unable or unlikely to want to purchase the home. One of the most persistent difficulties service providers encounter – especially those that participate in the VA Grant and Per Diem Program – is helping their graduating clients find affordable housing once they are stabilized and employed. This strategy would greatly enhance the availability and effectiveness of emerging “transition in place” initiatives.

Other housing models, such as cooperative (co-op) housing – in which residents are shareholders in a property-owning corporation – were discussed as alternatives to more traditional home purchases. The National Association of Housing Cooperatives provides a breakdown of several types of co-ops at [www.coophousing.org](http://www.coophousing.org). Limited-equity cooperatives, for example, “prevent speculation, encourage long-term residency, and preserve the ‘affordable’ character of the co-op for a wide variety of future residents.”

Additionally, there was consensus among the discussion participants that a national working group should be organized, convening the leadership of federal agencies, Fannie Mae and Freddie Mac, the National Association of Realtors and others. The coordination of these major players’ efforts will be critical in order to expand veteran access to housing.

A number of primary discussion points were also captured by summit participants in their written overviews, which are detailed below.

### **Program overviews**

Summit participants were asked to submit a two- to three-page overview of their programs’ success in providing housing for low-income, high-risk veteran families. Although widespread success with acquiring and developing foreclosed and abandoned homes for veterans has not yet been achieved, three overviews ably addressed the objectives of the Foreclosed Property track.

#### *West Angeles Community Development Corporation (WACDC)*

The overview submitted by WACDC details a project proposal for the Veterans Neighborhood Stabilization Program “to acquire REO/discounted homes in Southern California and rehabilitate them as high-quality, for-sale, affordable housing.” Although the program is still in a preliminary phase, the corporation has established itself by developing nearly \$50 million of real estate.

Among the proposal’s six strategic goals is a focus on helping veterans rebuild credit, obtain employment, and leveraging public/private funds and available programs to make homeownership possible for income-restricted buyers – specifically those at 50% to 100% of Area Median Income (AMI). The project proposal also seeks to stabilize neighborhoods in Southern California heavily affected by foreclosure by integrating job training and local business partnerships into revitalization activities.

With the discounted acquisition of at least five foreclosed homes, WACDC would solicit, assess and enroll five families in a pilot program called “Step Up to Homeownership.” Participants would complete a course of financial literacy, credit repair, monitored budget planning and operation while residing in the homes under a lease-purchase agreement. The program would qualify buyers for homeownership with a mortgage from a partnership institution.

The second phase of the corporation’s Veterans Neighborhood Stabilization Program would recycle sales proceeds from the first, pilot phase into subsequent home acquisitions – ideally, foreclosed homes acquired at a 40% to 50% discount – and renovations. This would further expand neighborhood revitalization, job creation, and high-quality affordable homeownership.

Additionally, the program would emphasize high-quality renovations. “One of the most common causes of foreclosure stems from required major repairs and deferred maintenance,” according to the overview submitted WACDC Director of Operations Robert Norris. “Many home renovations performed by REO investors are cosmetic and low quality, creating a high probability that the

houses will re-enter foreclosure. In contrast, this program performs major, long-lasting renovations to key building systems including electrical, plumbing, HVAC, roof, foundation, flooring, kitchen, bathroom and windows/doors.”

#### *D & O Properties One, LLC*

This company, represented on the Foreclosed Properties track by Dan O’Loughlin, touts its 37-year background as a general contractor. Among its diverse business opportunities, its work with the Illinois state capital, Springfield, has proven successful. In the future, D & O may “receive blighted property at no cost and building subsidies from the city to assist with developing housing there for veterans and persons with disabilities.”

On the topic of foreclosed and abandoned properties, the company’s written overview echoed a sentiment expressed by many summit attendees. “These properties could be donated by the cities and/or the banks that are holding title for rehab or redevelopment,” the write-up stated. “Some cities would be benefited by putting them back on the property tax role. Banks could be included in construction loans or mortgages for their properties.”

Down payments and closing costs can be inhibitive in the home-buying process. In his overview, O’Loughlin cited “city programs” as a means to overcome these impediments.

#### *People of Purpose, Dunham Healthcare, and Arlington Properties*

A joint venture between People of Purpose and Dunham Healthcare has resulted in the creation of a Community-Based Outpatient Center, providing primary and specialized care as well as “real estate sales and property management to aid homeless veterans in relocation and to restore foreclosed homes to habitable standard.” Among this group’s partners to secure homes and jobs for veterans are the North Carolina Association of Realtors, U.S. Department of Housing and Urban Development, Greenville Housing Authority, and Department of Social Services.

Housing for the group is handled by Arlington Properties, a North Carolina-licensed real estate brokerage firm. The company – which provides resale, new construction, property management and restoration, and employment throughout the state – is “willing to guarantee that work on rehabilitated foreclosed properties or handicapped accessibility is completed in a matter of days because we know the urgent nature of the homeless veteran population.”

### **Additional information**

#### *Legislation*

Legislative proposals were referenced during the forum. Introduced on July 25, 2011, H.R. 2636, Rep. Gary Miller’s (R-CA) Neighborhood Preservation Act of 2011, was mentioned as a possible vehicle for some of the housing initiatives at hand. The bill would “authorize depository institutions, depository institution holding companies, Fannie Mae and Freddie Mac to lease foreclosed property held by such entities for up to five years.” Veterans would not be targeted in these arrangements, though.

#### *Request for Information*

Two weeks after the San Antonio summit’s conclusion, the Federal Housing Finance Agency (FHFA) began formally soliciting input on options for selling single-family REO properties held

by Fannie Mae and Freddie Mac (the Enterprises) and the Federal Housing Administration (FHA). In the August 10, 2011, announcement accompanying the agency's Request for Information (RFI), FHFA Acting Director Edward J. DeMarco discussed the "possible pooling of REO properties in situations where such pooling, combined with private management, may reduce Enterprise credit losses and help stabilize neighborhoods and home values."

While veterans were not identified in the RFI's objectives as a target population, lease-to-own programs, REO to rental structures, and support for affordable housing were listed as possible asset-disposition strategies. These activities are expected to "range in size, but will likely involve REO assets totaling at least \$50 million in value and, in the case of joint ventures, up to \$1 billion," the RFI noted. This would preclude the overwhelming majority of homeless veteran service providers from acquiring these properties, at least on a unilateral basis.

# 3 Transition in Place



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## Linked With GPD, A Critical Option

Perhaps no breakout session at the Veteran Access to Housing Summit better illustrated the importance of the Grant and Per Diem Program as the centerpiece of a local comprehensive service delivery system for homeless and at-risk veterans than the session that focused on Transition in Place.

This was the smallest of the working groups, which is not surprising because there are few organizations that have been fully engaged in developing programs that provide housing units that will serve clients throughout their advancement through the continuum of care – from intake and enrollment in traditional transition assistance programs to independent living in permanent housing.

Research conducted by the U.S. Department of Veterans Affairs has shown the majority of veterans entering the Grant and Per Diem Program (GPD) are able to advance to full employment and independent living within a span of about three months. Current law allows homeless veterans to receive transitional supports – stable housing, health services, employment and other personal development assistance – for up to two years. This eligibility standard has been in effect for more than 20 years.

Service providers are somewhat cautious about the research, saying there are many reasons for clients’ reluctance to exit the GPD programs that have helped them reclaim control of their lives and given them the opportunity to succeed as contributing members of society:

1. Even the most successful graduates of GPD programs – those with relatively well paying jobs and long periods of sobriety – are often not able to afford housing at fair market rates. This problem is compounded by the lack of safe, affordable housing in most communities.
2. As much as low income and lack of stability, impaired credit and criminal histories often conspire against clients who generally want to advance to self reliance and independent living as quickly as possible. These issues have a direct, and most often negative, impact on a client’s progress.
3. While the short-term benefits of transitional programs – particularly GPD programs – are often extraordinary and promising, most of the behavioral, economic and health issues that increase the risk of veteran homelessness are long-term problems, contributing to the high incidence of clients who “fall back through the cracks.” Developing and exercising

the personal discipline necessary to rise above homelessness is a constant struggle, service providers say, and their clients' awareness of the consequences of failure is a constant threat.

Because of the size of this group, several service providers were randomly interviewed after the summit to provide additional insights on the assumptions and recommendations of those who attended the work session. We found there was very little disagreement between the two groups with respect to the issues the work session explored.

### **Transition in Place Has Widespread Appeal**

Generally, there is universal approval for the development and implementation of a Transition in Place strategy in the VA continuum of services for homeless and extreme low-income veterans and their families. There is no disagreement among major stakeholders on the merits of the concept, but there seems to be a noticeable difference in the primary justifications for its immediate development.

In recent years VA officials have expressed concerns about the increase in under-utilized GPD beds in certain locations. The dramatic decrease in the number of homeless veterans on the streets over the last 10 years, due in large part to the success and expansion of the GPD Program, is most often cited for those vacancies. They also acknowledge there is a serious shortage of affordable housing units for GPD graduates in most communities.

The research branch of the VA National Center on Homelessness Among Veterans provides the most compelling case for allowing the conversion of under-utilized GPD beds to Transition in Place permanent housing units. And the center's findings address many of the service providers' concerns listed above.

Transition in Place housing units are those that initially offer homeless individuals and families stable housing with wrap-around services – such as those prescribed in the Grant and Per Diem Program. As clients advance in their individual development plans, taking care of personal health issues and obtaining employment or other income supports, they qualify for leases or ownership opportunities for the homes they occupy. They can advance through the continuum of care without having to be uprooted as they progress from one level of assistance to the next.

For Grant and Per Diem programs, empty beds are lost revenue. In areas where there is a declining number of homeless veterans, Transition in Place would ideally allow service providers to convert some of their capacity to permanent housing units which would, in turn, qualify for other funding sources – such as HUD Section 8 vouchers and state veteran-specific housing assistance programs.

In this new era of interagency cooperation, the Transition in Place concept makes perfect sense. Localities – and more specifically, homeless veteran assistance programs – would be better able to align their housing and service offerings with demonstrated need, with veterans as a recognized focus of Continuum of Care applications. GPD funding could then be allocated with greater flexibility to maximize efficiencies and reach across the nation.

### **Service Provider Perspective**

The most strongly articulated consensus of service providers in the Transition in Place work session was that no matter how the strategy develops, formerly homeless and high-risk veterans

are going to need some level of supportive services to remain housed. The list of vital supports was not unlike that which already exists in the law authorizing the Grant and Per Diem program, with a few more contemporary issues included:

- Ongoing mental and behavioral health counseling, clinical services, and family supports.
- Financial counseling and legal assistance to repair credit histories, resolve child support issues, and improve income stability.
- Low-cost child care and transportation services.
- Peer mentoring or lifestyle coaches, children's services (health, nutrition, clothing, etc.).

That was something of a surprise to summit organizers who were initially more focused on the financial challenges and impacts of program development in the current economic and political climate. Their message was clear – veterans who have progressed to the point that they are ready for independent living in their own homes have done so because of the support and acceptance they received from the service provider community.

They will still need that. This is especially true of Grant and Per Diem Program participants and graduates, most of whom are in various stages of treatment and recovery for mental illness and substance abuse disorders.

### **Other Consensus Points**

None of the service providers at the work session – and none who spoke with organizers afterward – admitted to having a problem with long-term vacancies in their GPD programs. A few admitted their caseload fluctuated – usually as a seasonal shift – but none said a Transition in Place program was necessary to help offset lost revenue.

Virtually all expressed enthusiasm for a Transition in Place initiative, however. The top reasons offered for immediate development and rapid implementation of such a program:

- After stabilization is achieved, many – if not most – GPD clients could thrive in a residential setting with minimal case management support. GPD beds in the sponsor organization's facility could then be reserved for clients with more intense needs.
- Though it seems contrary to the philosophy, several providers said employment – or other income security – might be a useful requisite for placement in Transition in Place housing as an incentive to succeed.
- Working toward a long-term lease or ownership opportunity, and house-share arrangements, would help clients build self esteem and socialization skills.
- A less institutionalized setting would likely enhance the effectiveness of program supports for many GPD participants, particularly those impacted more by economic hardship than health-related issues.
- Transition in Place allows for advancement from homelessness to permanent housing, but it would also provide a safety net for veterans who trip up on their road to recovery.
- Providing access to safe, affordable permanent housing for GPD graduates remains one of the most daunting challenges of homeless veteran assistance programs.

Generally, the sense of service providers was that building Transition in Place housing capacity in the short term would most likely be more practical through acquisition and expansion, rather than conversion of existing units. Most GPD programs are relatively small, and many feature dormitory or shared-living areas. Service providers said the need to expand access to permanent housing immediately seems to argue against major renovation of existing programs.

Instead, service providers feel acquiring foreclosed and abandoned homes and obtaining veteran set-asides in resource-enriched developments and local government-funded housing assistance programs offer the most immediate source of new Transition in Place housing.

Small project construction or conversion of vacant residential buildings – motels, nursing homes, schools – in rural areas or those with an extreme shortage of affordable housing may be indicated. GPD programs with high vacancy rates would be included in this category.

There is a “healthy” skepticism concerning the data upon which the push for Transition in Place housing is based. Providers uniformly agree more affordable permanent housing options are needed if the Five Year Plan to End Veteran Homelessness is to succeed. However, many expressed concern about assumptions in the Veteran Supplement to the Annual Homelessness Assessment Report (AHAR, 2010). Some said until the inclusion of veteran-specific data in the nation’s HMIS systems is more complete, there should be reluctance to make significant changes in the GPD program’s capacity.

## **Recommendations**

It was clear during the work session that creating a Transition in Place component in the VA’s continuum of care for homeless veterans is regarded by service providers as a necessity. And throughout the session it became increasingly evident such an initiative would be – or should be – linked to the Grant and Per Diem Program.

There are approximately 500 GPD service providers nationwide, and most of them face similar challenges in advancing their homeless veteran clients to independent living in safe, affordable permanent housing for a variety of reasons.

### ***Legislation:***

Establishing a Transition in Place initiative, with dedicated funding, would require Congressional approval. Initially, the purpose for such a program and the services that participants will require to remain housed would be identical to what is already authorized under the GPD Program. Service providers felt amending the GPD authorization to include Transition in Place housing would be the most expeditious course.

Under current law, veterans are eligible for up to two years of housing and services in the GPD Program. The law is very specific about the entities eligible for funding and the allowable uses of those funds. Under the program there are capital grants – for acquisition and renovation of facilities to provide transitional housing – and per diem payments based on the number of veterans served.

Language for “Transition in Place” housing could be included in GPD capital grant authority, with ceilings for per unit cost and matching requirements similar to those under current law, with per diem awarded to sponsor organizations for veterans occupying those units until they qualify for HUD housing assistance programs. This would allow conversion of existing transitional units to Transition in Place permanent housing, or acquisition and renovation of properties for that purpose.

Providers anticipate that some of the housing units used for Transition in Place are likely to be incorporated into lease-purchase or home ownership strategies, and there was no clear consensus

on how sponsor organizations might acquire properties for that purpose. Suggestions seemed to follow two tracks:

- Properties that will be owned by nonprofit and for-profit service providers, to provide low-cost housing for veterans with housing vouchers or other rent supports, could be acquired with GPD funds with matching requirements similar to the capital grants under existing law – and sponsor organizations would be paid per diem until residents qualify for and begin receiving rental assistance.
- Properties that will be made available for ownership by formerly homeless clients after a specified period of residency could not be acquired with capital grants, but sponsor organizations could receive per diem until residents qualify for lease-purchase or purchase contracts.

***Veteran Housing Council:***

Every community should have a Veteran Housing Council to help shape local policies and ensure access to housing for formerly homeless and low-income veterans in their housing plans.

Members of such a council could include:

- Mayor or County Council Representative
- VA-approved homeless veteran service providers (GPD grantees)
- VA Health Care for Homeless Veteran Directors
- Public Housing Authority
- Local Planning and Zoning Office
- Veteran Service Organizations
- Local Realtors

***Properties Targeted for Acquisition:***

In order to make housing units affordable to formerly homeless and extreme low-income veteran families – whether they will be owned by the service provider or clients who will ultimately qualify for purchase contracts – sponsor organizations will need to acquire property below market value. The “best” options:

- Foreclosed and abandoned single family homes
- Foreclosed and abandoned multi-unit residential buildings
- Local government owned homes (tax defaults)
- Government owned properties (surplus, vacant)
- REO properties
- HUD and VA foreclosed homes

## 4 Philanthropy and Business Partnerships



Experts in the realm of philanthropy and business partnerships convened in two sessions to identify promising strategies to engage philanthropy and business partners in creating new housing opportunities for homeless and at-risk veterans and their families. The experts offered numerous suggestions and strategies, which can be summarized within five general categories that represent the most effective methods to involve philanthropy and business partners in creating accessible housing options for homeless veterans.

These strategies include providing nonprofit organizations with options to rent or own housing units; identifying set-asides specifically for veterans; creating community land trusts and shared equity; informing and creating encouragement and incentives for generators of housing opportunities to focus specifically on veterans; and incentivizing employment outcomes for veterans in housing programs. Each strategy presents unique challenges, but also offers creative benefits and solutions to create positive outcomes for homeless and low-income veterans.

### **Nonprofit-Owned Housing to Rent/Lease**

First, participants in this stream of sessions described the utility of creating housing opportunities through nonprofit-owned housing that can be rented and/or leased to veterans and veteran families. This method can create a positive cash flow for the nonprofit as well as affordable housing for veterans whose housing options are limited.

#### *Challenges*

While opportunities for nonprofit organizations to own and run housing for homeless and at-risk veterans can present unique and innovative ways to engage philanthropic and business partners, major challenges threaten the viability of this option. A major challenge identified in developing and maintaining nonprofit owned housing was the difficulty covering liabilities. These can include insurance, taxes, and other costs related to owning and operating rental housing.

Another challenge was acquiring adequate rental subsidies, including both subsidies to the nonprofit organization operating the housing and vouchers for the tenants. Acquiring property is another obvious, yet often daunting, challenge. Finally, the group identified the difficulty of securing adequate supportive services to encourage and enable successful maintenance of residency and eventual home ownership for the veterans.

#### *Solutions*

Although these challenges present difficulties for program directors and their partners in philanthropy, innovative solutions identified by the group offered hope for this promising

initiative. These solutions include direct cash support, secured rental supports and property donations, and leveraged local partnerships.

The first set of solutions includes direct cash supports and payments to nonprofits that own or lease property for homeless and at-risk veterans. The main and most effective solution for each of these challenges is to develop, cultivate, and utilize any and every unique funding source at all levels. Participants also recognized that running a responsible, efficient, nonprofit housing program can create a positive cash flow that can help sustain the project.

A second set of solutions includes secured rental supports and property. Participants discussed the benefits of rental vouchers, but also made sure to note that this solution is variable; all experts raised the concern that rental vouchers are often not an option for veterans who need them because there are not currently enough vouchers, and those that do exist are often utilized to assist other prioritized populations.

While the creation of additional vouchers for homeless veterans was deemed a policy issue, partners that service providers have in the philanthropic community, in the private sector, and in local, state and federal government, agreed on the necessity of leveraging influence to clearly communicate these needs in a united, consistent way.

The Neighborhood Stabilization Program (NSP) is another useful solution to acquiring property for nonprofit owned rental housing. Nonprofits can work with their state and local government to acquire abandoned and foreclosed properties through this program to then make available to veterans for rental or lease. In addition to the NSP, the group suggested working with local governments and banks willing to donate properties for use as veteran housing. This removes foreclosed or abandoned properties from the financial books of the governments or banks, allows for a resumption of tax collection, and allows the properties to be utilized in the provision of services to veterans.

A third set of solutions includes leveraged partnerships. In the area of nonprofit owned housing, as well as in the areas that follow this section, developing partnerships is vital. In the absence of government subsidies, nonprofits may be able to provide their own rental subsidies through independent funding or through funding provided or raised by community partners. Additionally, creating a “rent-geared-toward-income” subsidy program could provide low-income tenants with access to an affordable home.

Developing partnerships with local developers is another strategy unanimously agreed upon by the participants; these partnerships create spaces and opportunities for developers to build housing units and for nonprofits to provide services in one centralized location. Partnering with developers, local government, banks, Realtor associations, or any other strategic partnership can be the difference between success and failure. Each of these entities may be able to provide funding and other material resources, or expertise in assisting with the process of creating or making housing more accessible.

### **Identify Set-Aside Opportunities for Veterans**

The second recommendation of the group was to identify set-aside opportunities for veterans. Ensuring that a wide variety of housing opportunities provide a certain set-aside for veterans has the benefit of increasing the housing stock available to homeless and low-income veterans. It also raises awareness of the needs of homeless veterans, potentially fueling progress toward other opportunities with non-traditional partners.

### *Challenges*

Identifying set-aside opportunities for veterans presents many challenges. First, finding the opportunities themselves amid a myriad of related programs can be difficult; this is another area where partnerships are key. Another challenge can be that other groups in the community consider veterans preference discriminatory and choose to prioritize care for other target populations over veteran clients. As a result, addressing this barrier by educating potential partners on the importance of targeting services to veterans for set-asides can be viewed as competing with the needs of other target populations instead of as a critical component of healthy and safe communities. Organizational capacity to pursue and capitalize on set-aside opportunities can be one of the biggest challenges. Many organizations that do or would hope to seek such an initiative already operate on a limited budget with limited time to focus on activities beyond direct service provision for their clients.

### *Solutions*

Business leaders and their partners in philanthropy have identified many possible solutions to the challenges inherent in identifying set-aside opportunities for veterans. Education and advocacy are productive solutions to this issue, and the now-mandatory inclusion of veteran data in local Homelessness Management Information Systems (HMIS) should strengthen those efforts.

A persistent voice showing the need for and value of veteran set-asides is necessary to positively and accurately highlight the idea before and during implementation. Partnerships are extremely important in this area as well. The right partnerships can leverage funding, resources, and expertise to pursue implementation of veteran set-asides.

Being involved with the local Public Housing Authority, housing trust funds, local Offices of Planning and Grants, and Building Associations opens up avenues to identify opportunities for and to create veteran set-asides. Other potential targets include city or county properties, the Housing Partnership Network, and real estate owned properties.

Another strategy to illustrate that veteran set-asides are successful and attractive community assets is to showcase supported clients who are benefitting from wrap-around services. This could be through improved coordination with the Department of Veterans Affairs or other community partners that can provide a comprehensive set of supportive services to veteran tenants. Knowing veteran tenants will have a support network of needed services can assuage the fears associated with providing housing for homeless populations.

### **Community Land Trusts/Shared Equity**

After nonprofit housing ownership and the creation and promulgation of veteran set-asides, the next main topic area recommended by the Summit participants for creating veteran housing was community land trusts and shared equity projects.

### *Challenges*

A main challenge for these types of housing strategies is the fact they are not familiar or well understood concepts for many providers. Also, the acquisition of land or property can be difficult, and the quality and location of the property, especially in community land trusts, can be less than ideal. Another challenge can be “Not In My Backyard” (NIMBY), which is the resistance from a community or part of a community to have housing for homeless veterans located nearby due to the perceived risks for and impact on neighborhoods due to inclusion and integration of homeless individuals within the community.

### *Solutions*

Adequate funding and proactive community education and outreach in support of these types of initiatives are necessary to overcome these challenges. Also, working with community land trusts and functioning shared equity programs to enact a veteran set-aside is another strategy to overcome the challenges of creating new opportunities. Piggybacking on existing community land trust housing or shared equity opportunities by creating a veteran set-aside was strongly recommended as a way to build partnerships and housing opportunities for veterans.

### **Encouragement and Incentives for Generators of Housing Opportunities**

Encouraging organizations and groups that fund housing projects to target veterans housing as a priority was the fourth main recommendation of the group. Whether on a national, state, or local level, partnering with and advocating for such entities to make veterans housing a priority can put the initiative into the hands of those most prepared to support it.

### *Challenges*

One concern expressed by the participants was the need to connect any national initiative or organization with local level activity for targeting veterans. In other words, a national priority must have the authority, education, and reach to be embraced and carried out at the local level. Another challenge presented by participants was the difficulty in incorporating a private sector leader into this initiative because private sector entities do not generally seek opportunities with limited equity. Also, these types of groups may not be aware of the specific needs of veterans for housing or other related services, decreasing their effectiveness as change agents who should be fluent in the importance of targeting housing services to veterans. The uncompensated time and effort involved in creating and implementing a new focus on veterans housing can be a deterrent as well.

### *Solutions*

One solution to these challenges was to target local or state branches of national organizations, or local and state organizations. These will have a more local, immediate impact in your community. Another solution was having a leader who can bring key players to the table – appointing a local advocate in the field to represent the concern of veterans housing who has the presence, the connections, the knowledge, and the passion to make it a reality.

Getting across the message that veterans represent all of society was another solution. Veterans come from all walks of life, and they represented and protected all of us. As stated by the participants, veterans are our mothers and fathers, brothers and sisters, friends and neighbors. A theme repeatedly emphasized throughout both sessions was the need for an expanded, coordinated public relations campaign on the national and local levels to give a face to homeless veterans and to make people and organizations aware of the issue and their ability to enact change.

### **Incentivize Employment Outcomes**

The final main suggestion from the group on how philanthropy and business partnerships can create housing for veterans was to incentivize employment outcomes to allow veterans to maintain and obtain resources for independent living.

### *Challenges*

The main challenge of creating housing with incentivized employment outcomes is creating a mutual beneficial synergy between the employers and the veteran providers. The participants

acknowledged the difficulties inherent in presenting homeless veteran clients to employers. Employers must address their apprehensions concerning security and legal risks when deciding to hire a veteran who may have struggled or be struggling with addiction, PTSD, military sexual trauma, or legal issues that act as significant barriers to employment without comprehensive and attentive care and case management. Many employers are familiar with the Department of Veterans Affairs's existing vocational rehabilitation programs and Department of Labor's tax incentive programs that offer benefits to employers for hiring veterans, so employers may not feel inclined to do additional work to hire veterans they perceive as high risk.

### *Solutions*

Employment is an imperative for those veterans who are able to work. Employment provides the self-worth and the income that makes veterans more prepared for housing. It also makes eventual homeownership a realistic and achievable goal for many low-income and formerly homeless veterans.

A clear solution is to create employment for homeless and low-income veterans through the process of housing construction itself. Construction of housing units requires multiple workers with varied skill sets over long periods of time. This is a great opportunity to provide employment and focused training to veterans with an interest and ability to work in the construction field. Working with a developer who will agree to hire veterans to be housed in the housing is one way to ensure this type of arrangement.

Another related opportunity would be to create housing that includes employment opportunities within the structure. For instance, retail space, a restaurant, or any other entity that could provide employment training and opportunities for those veterans utilizing the housing would be an ideal arrangement that fulfills both employment and housing needs of veterans.

Having proactive partnerships with potential employers tied to the housing, by showing the value of the housing and of the veterans as employees is another suggested solution to creating a mutually beneficial relationship. Organizations such as Habitat for Humanity and Goodwill have program models based on work as equity toward housing and services that may be replicable in this area. Engaging those veterans to be housed in peer-to-peer support with empathic, formerly homeless veterans is a good strategy to help those being housed to work through the process.