

City of Alexandria, Virginia

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5-17-03

MEMORANDUM

DATE: MAY 13, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *PS*

SUBJECT: REUSE OF THE ALEXANDRIA RESIDENTIAL CARE HOME (ARCH) FACILITY

ISSUE: Consideration of proposals for the reuse of the Alexandria Residential Care Home (ARCH) facility at 716/718 North Columbus Street.

RECOMMENDATION: That City Council hold the public hearing, and docket this item for consideration at Council's Tuesday, May 27 legislative meeting.

DISCUSSION: On April 22, the City Council approved the City Manager's recommendations to close the ARCH assisted living program effective once the current residents have been relocated, and to hold a public hearing on May 17 on the reuse of the ARCH facility.

In the April 22 docket memorandum, staff included two alternative potential uses for the ARCH facility: 1) a Foster Mentor Program; and 2) two homeownership opportunities by splitting the facility into two townhomes. This memorandum presents those two options for reuse in more detail. The recommendation is that after the public hearing, at its Tuesday, May 27 legislative meeting Council decide how the property should be reused and request the City Manager to more fully develop and present a formal reuse proposal for Council consideration prior to the end of June.

1. Homeownership

This proposal involves restoring the ARCH facility to two separate townhouses and selling each townhouse through the City's Homeownership Assistance Program or Moderate Income Homeownership Program, depending on the income of the purchaser. An architect, under contract with the City, has walked through the two properties and estimated that the cost of renovating the two structures would be somewhere between \$200,000 and \$300,000. The sale price (depending on the income level of the buyer) would be between \$175,000 and \$225,000 per unit, a discount from the anticipated market value of approximately \$300,000, based on assessed values in the area. The renovation would include adding a kitchen to one unit and replacing much of the basic plumbing, heating/air conditioning and electrical systems, which were all combined when the townhouses were made into a single unit.

If this option is chosen, staff recommends the use of federal HOME Investment Partnerships funds for this rehabilitation project. The City's Draft Consolidated Plan One Year Action Plan for FY 2004 contains \$268,478 designated as City Special Project that can be used for this purpose. Depending on the actual costs of renovation, the sale price and the amount of down payment assistance, it is likely that all or more than the \$268,428 in HOME renovation funds would be returned to the City for affordable housing reuse. The City could contract for the rehabilitation or could partner with the Alexandria Redevelopment and Housing Authority or a non-profit housing developer for the rehabilitation. The two homes could then be sold either through the City's regular homeownership programs for low or moderate income, first-time home buyers, or could possibly be designated for purchase by an ARHA public housing or Section 8 resident. Such a purchaser could benefit from low interest rate SPARC¹ mortgages, and, if applicable, Section 8 homeownership funds. Since the facility was purchased with CDBG funds and is owned by the City, the City would need to repay the CDBG funds with City General Fund monies, if the facility is not used for a CDBG-eligible purpose. The repayment could then be used by the City for other CDBG eligible purposes. Selling the houses through the City's homeownership programs or through ARHA would be considered a CDBG-eligible purpose. Selling the homes would also return these properties to real estate tax-paying status, as well as increasing home ownership in the neighborhood.

2. Mentor Foster Home Program

(a) Reason for Program

The Alexandria Division of Social Services (ADSS) currently has 43 youth over the age of 16 in foster care, a majority of whom are residing outside of the City due to the high cost of housing and the lack of foster homes willing to accept placement of teenagers. There are 16 foster care youth for potential placement in the proposed mentor home and this need is expected to remain at this level in the future. This mentor home would allow youth to remain in the City, continue to have access to the community's resources and facilitate the sustaining of life long emotional relationships with the significant adults in their lives. The mentor home would also allow the youth to learn independent living skills.

(b) Description of Program

The Alexandria Independent Living Mentor Home would provide live-in supervision and a safe living environment for foster care youth to support personal growth and independence, while facilitating their transition out of the foster care system. Up to four youth, between the ages of 16 and 20, would be served in the home at any one time, and youth selected for the program would be assessed for their appropriateness to reside in an independent living program. The minimum requirements for consideration would include:

¹ Sponsoring Partnerships and Revitalizing Communities (SPARC) is a Virginia Housing Development Authority (VHDA) program that offers first trust mortgages at rates either ½ percent or 1 percent below VHDA's regular rate for mortgage monies. The City has an allocation of mortgage funds at both rates, and ARHA has an allocation of SPARC monies at ½ percent below regular rates.

- Enrollment and active participation in an educational or vocational training program.
- Employment within 60 days of entering the home, including summer employment for youth who attend school full time.
- Demonstrated compliance and motivation in the youth's previous placement.
- Completion of an independent living assessment and development of a transition plan outlining the youth's short and long term goals.
- Participation in an independent living contract specific to living in the mentor home.
- No criminal charges that would impact appropriateness for placement in a group setting.

A Social Services Independent Living Coordinator's office would be located in the home. The Independent Living Coordinator would meet with each youth weekly to offer consultation, feedback, and independent living skills training. Ongoing independent living group training would be offered in the home on a bimonthly basis and would utilize ADSS staff and other community volunteers. Training topics offered would include, but not be limited to, employment skills, money management, educational planning, interpersonal skills, emergency and safety skills, food management, transportation, health, legal issues, and housekeeping. The home would utilize other Alexandria City agencies and resources, such as the Alexandria Adolescent Health Center, Job Link and Alexandria Mental Health to assist the foster care youth with achieving independence.

The home would be licensed as a Mentor Foster Home by ADSS in accordance with Virginia Department of Social Services regulations, to include obtaining criminal history and child protective services background checks on the mentors. No Special Use Permit is required under City zoning regulations as the home would be occupied by one or more mentors licensed as a foster parent and the foster youth. Each live-in mentor would receive ongoing training on adolescent issues provided by local, state and national resources. The mentor or mentors would provide daily supervision and demonstrate skills necessary for self-sufficiency in the community, and serve as an advocate for the youth.

(c) Facility Descriptoin

The property at 716 and 718 N. Columbus Street is a three level structure with 10 bedrooms. It has enough bedrooms to house four foster youth, each with their own bedroom. In addition, each mentor would have his/her own bedroom (up to 2) and there would be another bedroom available for a relief mentor. Two other bedrooms would be used as study rooms, and the last bedroom as a storage space.

Inspection by General Services on April 25 revealed that the appliances are in good condition, but the following items need attention:

- Closet doors need to be replaced in three of the upstairs bedrooms.
- The ceiling abutting the skylight in the day room needs repair.
- The roof on each structure should be inspected for the presence of potential leaks.
- The sprinkler system needs its regular inspection.

- The insulating foam in the basement ceiling and walls needs to be secured.
- The structure should be painted throughout.
- The duct work throughout should be cleaned.
- Most of the existing furniture can be utilized.

There does not appear to be any major structural problems, and the structure would allow use as a Mentor Foster Home with only general maintenance repairs.

(d) Funding for operation of the Program

Currently, ADSS costs for caring for the 16 to 20 year old youth in foster care varies. A foster care home generally costs between \$586 and \$686 per youth per month, while the transitional services 18-month Residential Youth Services, Inc. (RYS) LIFT program for these youth costs \$4,500 per month per youth. To utilize this existing City property to operate a Mentor Foster Home would require no new costs for service provision compared to what DHS has spent over the last year. However, there will be a need for ongoing City funding for maintenance of the home.

Monthly independent living stipends would be provided to the youth. These would be funded through the Comprehensive Services Act. The maximum monthly stipend is \$644 and is based on the youth's income. Each youth will pay a monthly rental payment of \$200 which will be deposited into a savings account and released to the youth when he/she transitions from the home. Each youth will be responsible for his/her own food, personal care items, and clothing expenses. Each youth will be encouraged to utilize the Alexandria Adolescent Health Center for health care needs. Youth may also be eligible for Virginia Medicaid depending on income and resources.

The cost of gas, electric, water and the telephone will be shared on a monthly basis by the youth and the mentor. Based on FY 2002 building operating expenses (utilities, exterminators, etc.) of \$7,878 for the ARCH, the shared monthly utility expenses of the house at full occupancy would be \$131 per youth, and mentor. As a City owned property, General Services would continue to provide general upkeep and repairs to the home. Other repairs not under General Services oversight would need to be funded by the City, or through grant funds that DHS would need to identify and obtain.

The mentor would receive a daily rate of \$16 a day for each youth in the home, and would be responsible for their personal expenses, a reduced rental payment of \$200 per month and the utility payment of \$131 per month. The payment for the mentors' services would be funded through the Comprehensive Services Act. Mentors would be expected to be employed outside of the home.

The agency would pursue grants and private funding that could assist with the costs associated with maintaining the home and expanding the services provided to the youth. The cost of caring for the youth in a City owned property funded through the Comprehensive Services Act would be \$1,131 per month per youth. An example of the cost of a similar program, privately run, is the LIFT program which costs \$4,500 per month and has been used by ADSS. ADSS currently has

no clients in the LIFT program, but had two clients in the program earlier in the year. To date in this fiscal year DHS has spent \$35,600 for foster care youth in the LIFT program.

The cost of serving four youth in the Mentor Foster Home is estimated at \$51,888 per year², plus any maintenance costs incurred by the City. The funds to cover these costs would derive in part from currently utilized foster home funds, as well as the funds used to pay for the residential LIFT program (which would no longer be used by ADSS). In total, it appears that the costs for the Mentor Foster Home project on an annual basis would be somewhat less than what was spent this past year by DHS to serve four foster care youth in foster family homes and the LIFT program. The \$51,888 annual cost, however, is more than the \$28,128 to \$32,928 cost of serving four youth in traditional foster family home settings.

FISCAL IMPACT: Fiscal impact will depend on which proposal or new idea is chosen by City Council. The impact will be presented in the fully developed proposal brought back to City Council before the end of June.

STAFF:

Suzanne Chis, Director of Social Services
Jack Powers, Director of Community Programs
Beverly Steele, Interim Director of Human Services
Bob Eiffert, Deputy Director of Housing
Mildrilyn Davis, Director of Housing

² (\$1,131 per youth per month x 4 youth - mentor rent of \$200 per month) x 12 months = \$51,888 per year.

City of Alexandria, Virginia

MEMORANDUM

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~~4-22-03~~

DATE: APRIL 17, 2003

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER ^S

SUBJECT: CLOSING THE ALEXANDRIA RESIDENTIAL CARE HOME, REUSE OF THE FACILITY AND RECEIPT OF THE ASSISTED LIVING STUDY GROUP REPORT

ISSUE: Consideration of the closing of the Alexandria Residential Care Home (ARCH) and the reuse of the ARCH facility, and receipt of the report from the Assisted Living Study Group.

RECOMMENDATIONS: That City Council:

- (1) Approve closing the ARCH assisted living program effective once the current residents have been relocated;
- (2) Receive the Assisted Living Study Group Report (Attachment I) and approve its recommendation to establish a new Assisted Living Work Group;
- (3) Refer the Assisted Living Study Group's recommendation for expansion of the City's Companion Services program to the Department of Human Services for implementation no later than the FY 2005 Budget; and
- (4) Schedule for the May 17 public hearing the staff recommendations for reuse of the ARCH facility at 716/718 North Columbus Street.

The Commission on Aging, at its regular meeting on April 10, voted unanimously to recommend that City Council approve the recommendations listed above, and not close the ARCH until the employees find other employment.

BACKGROUND: The Alexandria Residential Care Home, at 716/718 North Columbus Street, is owned by the City of Alexandria and is designed to serve 10 frail elderly adults who require 24-hour care and assistance with daily living activities. The ARCH is operated by the Office of Aging and Adult Services (OAAS) in the Department of Human Services, and has been open since 1987. Services provided by the ARCH include housekeeping, meals, administration of

medications, personal care, social services, recreation and social activities.

In June 1984, City Council approved the use of 716 North Columbus Street, a vacant and boarded property acquired under the City's Blighting Influences Program, as a home for six elderly residents. In January 1985, before 716 North Columbus was renovated, City Council approved the acquisition of 718 North Columbus Street (the adjoining townhouse which was for sale on the private market) to be used in conjunction with 716 North Columbus to serve a total of 10 elderly residents. The City used Community Development Block Grant (CDBG) funds for the purchase and rehabilitation of both houses. The total purchase price for both houses was \$188,500, and renovations cost an additional \$126,196.

The ARCH has been operating since 1987 as a Licensed Home for Adults, serving 10 residents at a time who were not able to live in the City independently, but who did not qualify for a nursing home. As time went by, however, residents referred to the ARCH were increasingly more physically disabled and had psychiatric or medical needs beyond the scope of care available through ARCH staff, but still short of nursing home eligibility. Because of State Licensure requirements for a higher staff-to-resident ratio when serving persons who develop dementia while living in the ARCH and the increasingly complex needs of the residents, the budget required to operate the ARCH increased over the years.

In 1996, staff recommended to City Council that the ARCH program be closed and the funding be used to provide in-home services to a larger number of seniors in the Ladrey and Annie B. Rose senior residences. That approach was initially supported by the Commission on Aging, but when the families of the residents asked City Council not to close the ARCH, the Commission reversed its position. City Council decided to keep the ARCH open.

In 2002, the Department of Human Services had the ARCH Supervisor position reclassified to a Nurse Supervisor in order to meet the increasingly complex medical and mental health needs of the ARCH residents.

The FY 2003 approved operating budget for the ARCH is \$342,259. Revenue sources are \$130,000 in State auxiliary grant revenues and \$212,259 in General Fund. The \$130,000 State auxiliary grant requires a 20 percent cash match of \$26,000. Because there are only two residents at the ARCH, both of which are auxiliary grant fund-eligible, the auxiliary grant revenues (which are all of the revenues that the ARCH will earn this year) that will be collected in FY 2003 will be only \$51,642. This would result in the City General Fund payments to the ARCH of \$290,617 or \$78,358 higher than the FY 2003 budget. The ARCH budget supports the 24-hour, 7-day a week operation with 4 full time Companion Aide positions, one part time on-call Companion Aide position and 3 temporary staff (2 of whom job-share the Nurse Supervisor position). The FY 2002 actual cost per bed was \$3,244 per month.

DISCUSSION: The staff recommendation to close the ARCH program is based on the need to find a more appropriate and cost efficient way to provide assisted living services to Alexandria seniors in need. What follows is a discussion of the issues surrounding the closing of the ARCH, the Assisted Living Study Group's report, options for assisted living in Alexandria and possible

reuse of the ARCH facility.

Closing the ARCH assisted living program. There are three principal reasons to close the ARCH: 1) the condition of the residents referred to the ARCH, 2) the physical facility of the ARCH, and 3) the cost to operate the ARCH.

1. Condition of the clients referred to the ARCH. In FY 2003, several residents had to be discharged from the ARCH to nursing homes or other placements, and currently, only two residents remain. New residents have not been placed in the ARCH because recent referrals to the ARCH have been seniors who have advanced dementia, mobility or balance deficits, and alcoholism, and required services which the ARCH is unable to provide.

This is a trend that has been evolving over the past several years. Seniors that are referred to the ARCH have had, at their initial assessment, increasingly more significant health, medication and mobility issues than in years past. We have also seen the same trend at the Adult Day Services Center. Reasons for this change may be that seniors are staying in their own homes longer through the use of other programs, such as the Department of Human Services' Companion Services and the Red Cross Friendly Visitor programs, and support from their families. Even when seniors have been determined to be appropriate for initial admission to the ARCH, often their health and mental status has quickly deteriorated, which has required the City to double the number of staff on duty to keep the ARCH compliant with Licensure requirements.

2. Physical layout of the ARCH. A prime difficulty with the ARCH is its physical layout, specifically the stairs into the facility, and the two steep staircases to the second floor where 8 of the 10 residents have their bedrooms. These characteristics of the facility make it not well suited for frail elderly residents or those with mobility issues. There is no elevator in the facility and residents living on the second floor must be able to walk up and down steep stairs. According to Licensure requirements, in case of an emergency, all ARCH residents must be able to exit the building within a safe and reasonable time frame with only one verbal or physical cue. This is extremely difficult for many senior adults, and practically impossible for seniors with moderate dementia or physical impairments.

3. Cost to operate the ARCH. The actual FY 2002 cost per bed of \$3,893 per month is still not a cost efficient approach for assisted living when compared to other alternatives. To make an assisted living program economically feasible, the fixed costs (e.g., staff, supplies, meals, overhead) must be spread over a higher number of beds and common facilities. For example, the 73-bed assisted living facility at Culpepper Gardens in Arlington costs about \$1,800 per month per bed because operating costs and a commercial kitchen are shared with 267 independent living units. As noted in the Assisted Living Study Group's report, Fairfax County staff estimated the per resident cost of their Lincolnian assisted living facility in 2002 at \$2,500 per month. The new 77-bed Birmingham Green assisted living facility, owned by Alexandria and other Northern Virginia jurisdictions, will cost about \$2,100 per month per bed. This assisted living facility is also co-located with a nursing home.

The annual budget for the ARCH consists of payments made by the residents, supplemented by the City and the State Auxiliary Grant program for eligible residents. In FY 2002, all but three residents in the ARCH were subsidized through the Auxiliary Grant program. To be eligible for the Auxiliary Grant program a person's income cannot exceed \$966 per month. The amount an individual pays monthly is determined by taking the individual's monthly income, subtracting \$62 for a personal allowance, and then subtracting that result from the State-set maximum auxiliary grant amount of \$966. The difference, if any, is the amount of the Auxiliary Grant. The City then pays 20% and the State pays 80% of the amount of the Auxiliary Grant. The result is that the resident's payment and the Auxiliary Grant still only total \$966 per month. Additional City General Fund monies are needed to make up the difference between \$966 and the cost of care. In FY 2002, where the total per bed cost was \$3,893 per month, the State Auxiliary Grant covered \$56,641 (of which the City paid 20 percent or \$11,328), the three private pay residents paid \$48,492 and the City paid the remaining cost of \$284,171.

For these reasons, staff has concluded that the ARCH is no longer able to well serve the elderly population needing assisted living at the level of care we are experiencing, and is too costly an operation, and that the City funds now assigned to the ARCH could serve more seniors more effectively in other ways. Therefore, the recommendation is to close the ARCH, assist the two residents in the facility to relocate and pursue the recommendations of the Assisted Living Study Group contained in Attachment I and discussed below.

Report from the Assisted Living Study Group. In 2000, the Health Committee of the Alexandria Commission on Aging, at the request of staff from the Alexandria Redevelopment and Housing Authority (ARHA), initiated a study group to look at issues of resident care at the Ladrey and Annie B. Rose senior residences. Health Committee Chair Stefanie Reponen chaired the study group which included representatives from ARHA, the two senior residences (Ladrey and Annie B. Rose), and the City Departments of Health, Human Services, Housing, and Mental Health, Mental Retardation and Substance Abuse.

The Committee formed two study groups: (1) the care coordination group which began meeting in July, 2000, and (2) the assisted living study group which began meeting in November 2000.

The care coordination group completed its study which led to a Memorandum of Understanding among the agencies providing services in the Ladrey and Annie B. Rose senior residences. Each agency identified the services it was prepared to offer and agreed to coordinate those services with the other members of the group by having regular meetings to address case issues and share information.

The assisted living study group looked at the needs of the seniors living in Ladrey and Annie B. Rose, and at models of affordable assisted living that exist in the Washington, D.C. metropolitan area that could be replicated in Alexandria. Based on its findings, the Group made two recommendations: (1) that the City's Companion Services program in the Department of Human Services be expanded to assist additional low-income persons to remain in their own homes for as long as possible, and (2) that a new Assisted Living Work Group be formed to develop

concrete options for expanding affordable assisted living for Alexandria seniors. The work group could include, but not necessarily be limited to, two members of the Commission on Aging's Housing Committee, and staff from ARHA and the City's Department of Human Services and Office on Housing. The group would be charged with developing, for Council review, specific proposals for the expansion of affordable assisted living opportunities for Alexandria seniors, along with a funding or financing plan for every such proposal. In the event a non-profit housing development corporation is created in the City, as recommended in a recent memorandum from the City Manager to Mr. Euille and Ms. Woodson, we would see this Assisted Living Working Group working very closely with the corporation.

Commission on Aging supports closing the ARCH. As stated above, the Commission on Aging, at its regular meeting on April 10, voted unanimously to recommend that City Council approve the recommendations of the City Manager, and not to close the ARCH until the employees find other employment.

Status of current ARCH residents and staff. Staff met with the two residents and their families to explain the staff proposal to close the ARCH and the decision-making process, and to assure them that staff would be available to help the families locate assisted living facilities for both of the current residents. The families indicated they understood the reasons for closing the ARCH and that, if the ARCH closes, they would like the staff's assistance in finding another placement.

The proposal to close the ARCH and the process for making the decision was also explained to the four full time and one part time City staff currently working at the ARCH. The City's policy is to place full time employees in another position in the City when a program is closed. With regard to part time and temporary employees, the City's policy is to assist these employees with finding another position, but there is no guarantee of a position. All of the full time and part time employees have begun looking at the employment opportunities within and outside the City.

Reuse of the ARCH facility. The staff recommendation is that the reuse of the ARCH facility be set for public hearing on May 17. At that time, the public can present ideas for reuse. In preparation for the public hearing, staff is suggesting that two ideas be considered along with those that may come from the public hearing. Below is a brief discussion of each idea. If City Council should decide, after the public hearing, to pursue one or both of these ideas further, staff would return to City Council with more detailed plans.

1. Homeownership. One reuse option involves restoring the ARCH facility to two separate townhouses and selling each townhouse through the City's Homeownership Assistance Program or Moderate Income Homeownership Program, depending on the income of the purchaser. An architect, under contract with the City, has walked through the two properties and estimated that the cost of renovating the two structures could be somewhere between \$200,000 and \$300,000. The renovation includes adding a kitchen to one unit and replacing much of the basic plumbing, heating/air conditioning and electrical systems, because they were all combined when the facility was made into one unit.

If this option were chosen, staff would recommend the use of federal HOME Investment Partnerships funds for this rehabilitation project. The City's Draft Consolidated Plan One Year Action Plan for FY 2004 contains \$268,478 designated as City Special Project that could be used for this purpose. The City could contract for the rehabilitation or could partner with the Alexandria Redevelopment and Housing Authority or a non-profit housing developer for the rehabilitation. The two homes could then be sold either through the City's regular homeownership programs for low or moderate income first-time home buyers, or could possibly be designated for purchase by an ARHA public housing or Section 8 resident. Such a purchaser could benefit from low interest rate SPARC¹ mortgages, and, if applicable, Section 8 homeownership funds. Since the facility was purchased with CDBG funds and is owned by the City, the CDBG funds would only have to be paid back if the facility is not used for a CDBG-eligible purpose. Selling the houses through the City's homeownership programs or through ARHA would be considered a CDBG-eligible purpose.

2. Mentor Foster Home Program. Another option that is a CDBG-eligible reuse is a Mentor Foster Home. Mentor Foster Homes have live-in supervision, and provide a safe living environment for foster care youth which supports personal growth and independence, while facilitating transition out of the foster care system. Up to four youth, between the ages of 18 and 21, could live in the ARCH facility at one time. Youth selected for the home would be those who can reside in an independent living program. They would be enrolled in an educational or vocational training program and would be employed or secure employment within 60 days of entering the home. Each youth can receive a monthly independent living stipend of up to \$644, depending on their income. They would pay a monthly rental payment of \$200 which is deposited into a savings account and released to the youth when they transition from the home. Each youth would receive training on money management, housekeeping, food management, emergency and safety skills and interpersonal skills.

The mentor provides evening supervision every day, demonstrates skills necessary for self-sufficiency, and serves as an advocate for the youth. The mentor could receive \$16 a day for each youth in the home, and a reduced rental payment. The mentor would be responsible for his or her own personal expenses. The Alexandria Division of Social Services' Independent Living Coordinator would meet with each youth weekly to offer consultation, feedback, and independent living skills training in areas such as educational and career planning. Group independent living training could be offered in the home on a bi-monthly basis and would utilize Social Services staff and community volunteers who have been screened and trained. The home could utilize other Alexandria City agencies and resources such as the Alexandria Adolescent Health Center, JobLink and the Alexandria Mental Health Center.

¹ Sponsoring Partnerships and Revitalizing Communities (SPARC) is a Virginia Housing Development Authority (VHDA) program that offers first trust mortgages at rates either ½ percent or 1 percent below VHDA's regular rate for mortgage monies. The City has an allocation of mortgage funds at both rates, and ARHA has an allocation of SPARC monies at ½ percent below regular rates.

The monthly independent living stipends for the youth and the funds to pay the mentor would come from the Comprehensive Services Act. The monthly cost of utilities (gas, electric, water and the telephone) would be shared between the mentor and the youth. Based on actual Fiscal Year 2002 operating expenses for the ARCH, the shared monthly expenses of the house at full occupancy is estimated at \$130 per person. The City's General Services Department could continue to provide general building maintenance and repairs. The mentor foster home must be licensed by the Virginia Department of Social Services and the State's Office of Interdepartmental Regulation.

A mentor home would meet an important need in the City's foster care system. A majority of the Human Service Department's youth in independent living are residing outside of the City due to the high cost of living and the unwillingness of licensed foster homes to accept placement of teenagers. This mentor home would give our foster care youth the opportunity to remain in Alexandria, while receiving the supportive services they need from the agency, the community, and each other as they move toward independent living.

FISCAL IMPACT: The FY 2004 Proposed Department of Human Services budget includes \$315,352 for the ARCH. This is about \$27,000 less than the FY 2003 operating budget because at the time the FY 2004 budget was prepared last fall, the intention was to hire full time staff in place of temporary staff. A \$130,000 revenue budget was assumed. Should the City Council approve the staff recommendation to close the ARCH, there would be \$185,352 in direct FY 2004 General Fund monies and \$26,000 in local match to the Auxillary Grants for a total of \$211,352 which could be used for the expansion of the Companion Services program or for senior assisted living developed by the Assisted Living Work Group in FY 2004.

ATTACHMENT: Assisted Living Study Group Report

STAFF:

Jack Powers, Director of Community Programs

Suzanne Chis, Director of Social Services

Beverly Steele, Interim Director of Human Services

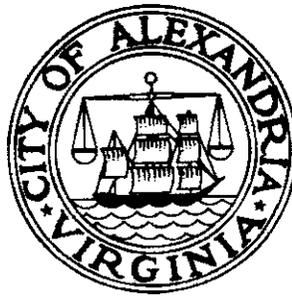
Bob Eiffert, Deputy Director of Housing

Mildrilyn Davis, Director of Housing

ASSISTED LIVING STUDY GROUP

FINAL REPORT

MARCH 2003



Members:

Stefanie Reponen, Chair
Carol Augustine
Alice Charity
Mildrilyn Davis
William Dearman
Bob Eiffert
Michael Gilmore
William Harris
Arlene Hewitt
Charles Konigsberg, Jr., M.D.
Connie Lennox
Ron Lyons
Archie Morris
Jack Powers
Lisa Puma
Beverly Steele
Margo Tolliver
Cindy Wallace
Otis Weeks

Assisted Living Study Group Report

I. Background of the Committee

In 2000, at the request of staff from the Alexandria Redevelopment and Housing Authority (ARHA), the Health Committee of the Alexandria Commission on Aging initiated a study group to look at issues of resident care at the Ladrey and Annie B. Rose senior residences. Chaired by Health Committee Chair Stefanie Reponen, the study group included representatives from ARHA, the two senior residences, and the City Departments of Health, Housing, Human Services, and Mental Health, Mental Retardation and Substance Abuse.

The group decided to focus on two major issues: care coordination at the two senior residences and the need for affordable assisted living. The care coordination group began meeting in July 2000 and the assisted living group began meeting in November 2000.

From the outset, the Assisted Living Study Group was concerned about the needs of residents at the two senior residences. ARHA Executive Director William Dearman told the group that residents of the buildings were "aging in place," and that their care needs were far beyond what ARHA could reasonably provide. But ARHA staff are reluctant to evict tenants who can no longer care for themselves because there is usually no affordable assisted living option available to them in the City. [NOTE: The City's Alexandria Residential Care Home, the ARCH, is an assisted living facility with a capacity of 10 beds. The City has one bed for a low income person at Sunrise of Alexandria. These beds are usually full.]

The group requested that staff conduct some sort of needs assessment to ascertain the level of need that existed in the two buildings. The results of that assessment were presented to the group in July 2001 and are included in the next section of this report.

The group also decided to look at models of affordable assisted living that exist in the metropolitan area to see what might be applicable to the situation here. A discussion of those options is in Section IV. of this report.

II. Statement of Need and Report of the Limited Needs Assessment conducted by staff

Members of the Ladrey/Rose Care Coordination Team completed Uniform Assessment Instruments (UAI) on residents of the two buildings who were at some risk of being unable to live independently. In addition, social workers in the Office of Aging and Adult Services (OAAS) completed UAIs on at-risk persons living elsewhere in the community. All of the persons assessed were low income, making them likely to be eligible for the Auxiliary Grant. The study was conducted in the spring of 2001, and represents a "snapshot" of the needs at that time.

Determining the need for assisted living placement using the UAI is defined in the Virginia Department of Social Services Manual. To qualify for assisted living through the Auxiliary Grant, individuals must have deficiencies in two or more activities of daily living, or be rated deficient in terms of one or more behavior patterns. The seven activities of daily living (ADLs) are: bathing, dressing, toileting, transferring, eating/feeding, bowel function and bladder function. Behavior patterns that indicate deficiencies are: (1) wandering once weekly; (2) wandering more than once weekly; (3) abusive, aggressive or disruptive behavior once weekly; (4) abusive, aggressive or disruptive behavior more than once weekly; and (5) comatose. Instrumental activities of daily living (IADLs) are not counted toward the determination of the need for assisted living, but are included in the UAI, and are a determinant of the frailty of an individual. IADLs include: meal preparation, housekeeping, laundry, money management, transportation, shopping, using the telephone, and home maintenance.

The study included 107 assessments, 38 completed by members of the Ladrey/Rose Care Coordination Team excluding OAAS staff, and another 69 completed by OAAS staff. Twelve of the 69 individuals assessed by OAAS staff were residents of Ladrey or Rose, and the rest live elsewhere in the community. There were no duplicates among the Ladrey/Rose assessments.

Results of the study showed that a total of 59 individuals (55%) qualified for assisted living: 13 in Ladrey or Rose, and 46 in the community. 57 of the 59 who qualified for assisted living did so on the basis of limitations in ADLs, while an additional two qualified on the basis of behavioral limitations alone. Of the 48 who did not qualify for assisted living, most had deficiencies in IADLs that required in-home services to help them maintain their independence.

In a follow-up study, OAAS Social Work staff looked at the needs of the persons who qualified for assisted living. The greatest needs were for medication management and monitoring, and for 24 hour supervision. About half of the 59 needed those services. Somewhat fewer than half needed home health care for a chronic disease, or a visiting nurse to administer health care. Other needs included respite for family caregivers, additional Companion Services hours (currently limited to 20 hours per week per client), help with bill paying, intensive mental health counseling, financial assistance, and additional social supports.

Community supports that were already in place and in use by these individuals included family assistance (the largest source of caregiving), Meals-on-Wheels, Companion Services, Medicaid personal care, mental health counseling, Senior Taxi and DOT paratransit, Food Stamps, Tax Relief or Rent Relief, cooling and fuel assistance, and legal assistance.

Areas of the City where the clients lived by zip code were: 40% in 22314 (Old Town and Parker Gray; slightly over half (55%) of the clients in this zip code were residents of Ladrey/Rose); 26.7% in 22304 (Duke Street area from the Masonic Temple west through Landmark); 13.3% in 22301 (Del Ray area); 10% in 22305 (north Beverly Hills, Warwick Village and Arlandria); and 3.3% each in 22302 (Beverly Hills), 22311, and 22312 (West End west of I-395).

The studies did not include asking the clients if they would be willing to move to an assisted living facility if one were available and affordable.

The study looked only at persons who are currently receiving services either through the City's Office of Aging and Adult Services or ARHA. The study did not include persons whose incomes make them ineligible for these services, i.e. over the current income limit of \$1,475 per month for a one person household or \$1,928 per month for a two person household. Persons with incomes under about \$2,500 per month can not afford private assisted living at facilities in this area, where prices range from \$2,000 to \$4,500 per month for care. They must also find in-home or other services in the private market, where companion services average about \$14 per hour. Quantifying the overall community need for affordable assisted living would require a study far beyond the resources available to the Assisted Living Study Group.

The population needing these kinds of services will continue to grow. The elderly population is increasing, especially those age 75 and over, the segment of the population most likely to need assisted living. The 75 to 84 year old age group in Alexandria grew by 17.7% from 1990 to 2000; the 85 and over age group in Alexandria grew by 23.6%.

III. Current options for care for a resident who would benefit from assisted living

As noted in the previous section, a number of community supports are available for persons who need extra care. But for someone who needs 24 hour supervision or medication management, assisted living may be the only option.

The State of Virginia helps pay for assisted living for very low income persons through the Auxiliary Grant (AG). The AG supplements the individual's income up to \$966 per month to cover the full cost of care for assisted living. This compares to \$2,000 to \$4,500 per month for care at private assisted living facilities in this area. The only private facilities that accept the AG as full payment are in other parts of the state.

If a person reaches a point where they require assisted living, a social worker from the Office of Aging and Adult Services (OAAS) performs an assessment to qualify the person for the AG. Once the person is qualified, the social worker will look for an appropriate assisted living placement. As mentioned previously, the only options for AG recipients in Alexandria are the 10 bed ARCH, or the one AG bed set aside at Sunrise.

Another option is Birmingham Green in Manassas, a skilled nursing and assisted living facility jointly owned by the City of Alexandria and the Counties of Fairfax, Fauquier, Loudoun and Prince William. Alexandria currently uses 11 beds for Alexandria residents at the Birmingham Green assisted living facility.

If there are no beds available at those facilities, then the social worker must look in other parts of the state. Facilities that accept the AG as payment range from small family-run operations to

large facilities of 40 to 80 beds. Alexandria uses facilities in Richmond, Covington and Winchester, to name a few. Moving a person to one of these more distant locations frequently cuts them off from their community ties here in Alexandria.

In October 2002, Alexandria had 64 AG recipients. Of those, 4 lived in the ARCH or Sunrise, 11 lived at Birmingham Green, and the balance (49) were placed out of the Northern Virginia area.

Persons whose incomes are greater than the amount of the AG can also qualify for these out-of-area facilities, since the facilities will accept \$966 per month for the full cost of care. For example, a person with an income of \$1,200 per month could conceivably pay the full cost of their care at a facility that only charges \$966 per month.

As noted in Section II above, persons with incomes under about \$2,500 per month can not afford private assisted living at facilities in this area, where prices range from \$2,000 to \$4,500 per month for care.

IV. Existing Models and Options for Affordable Assisted Living

The Committee looked at several different local facilities that provide assisted living. Staff visited the Lincolnian in Fairfax County and Culpepper Garden in Arlington County. The full group heard presentations from representatives of Culpepper Garden, INOVA Sunrise Assisted Living, and Kensington Gardens in Montgomery County, Maryland. Brief summaries of the visits/presentations follow. In addition, staff has provided a description of the publicly owned Birmingham Green Adult Care Residence and their application for HUD 202 and 811 funds to replicate the Culpepper Garden model.

NOTES FROM SITE VISIT TO THE LINCOLNIAN, FAIRFAX COUNTY, VA

The Lincolnian is the residential portion of the Lincolnia Regional Senior Center, which is owned and operated by Fairfax County. The residential portion houses 52 assisted living and 26 independent living residents. The land for the Center was donated and Fairfax County paid for the construction of the facility with its own funds, incurring no debt. Total cost for the facility was \$7.8 million in 1988-89, but the facility includes assisted living, independent living, adult day care, a senior center and a full commercial kitchen.

Currently, the County's Department of Housing pays facility costs. The County maintains the building and contracts for management and services. The management, including food service for all program components (independent living, assisted living, senior center, adult day care), is handled by Sunrise. The amount of the current contract with Sunrise is just over \$1 million per year. Sunrise is involved in the admissions process, but the waiting list is maintained by the County's Division of Family Services. The County estimates their per resident cost in 2002 at \$2,500 per month.

The County provides the following staff:

Social worker	4 days/week
Mental health worker	4 days/week
Psychiatrist	8 hrs/week spread over 2 days

HOME monies are used to provide rent subsidies for independent living residents. State Auxiliary Grants are used for 50% of the assisted living residents; the rest pay 60% of income.

The County General Fund provides approximately 45% of the operating budget. Additional revenues are provided by residents and program participants.

CULPEPPER GARDENS, ARLINGTON COUNTY, VA

Mr. William Harris, Executive Director of Culpepper Gardens, presented information on their assisted living facility. [NOTE: Mr. Harris has since retired and is currently a member of the Alexandria Commission on Aging and Chair of its Housing Committee.]

Culpepper Gardens is owned and operated by the Arlington Retirement Housing Corporation (ARHC) and consists of 340 residential units for the elderly: 267 independent living units (Culpepper I, funded with federal Section 236, and Culpepper II, funded with federal Section 8) and 73 assisted living units (Culpepper III).

The assisted living portion, Culpepper III, was developed with a combination of \$5.2 million in HUD Section 202 funding along with \$1.4 million in Arlington County Affordable Housing Investment Fund/HOME monies. ARHC provided \$200,000 - \$300,000 of its own funds. The County's assistance is in the form of a residual receipts, deferred payment loan secured by a second trust on the property. At the time of approval, the County did not expect that the facility would generate sufficient income to repay the loan.

The Section 202 monies funded the development of the project, but also come with Project Rental Assistance Contract (PRAC) funding. As of March 2000, the project has a five-year contract for \$318,000 per year. This assistance can be used only toward rent and may not be used to subsidize meals or care. Of the \$1600 per month cost per resident, \$485 is rent, \$315 covers meals and snacks, and \$800 is for care. All who are eligible are asked to apply for Auxiliary Grants. Whatever is not funded by the rental subsidy or AG must be paid from the residents' own funds, or, in some cases, the Tom Floyd Fund, which is funded partially by ARHC (\$36,000) and partly by Arlington County (\$60,000).

Culpepper III shares overhead, maintenance, insurance, and a commercial kitchen with the rest of the property. According to Mr. Harris, Culpepper III would not work as a stand-alone facility. It is viable only because of the absence of a mortgage (the Section 202 capital funding does not have to be repaid as long as eligible people are being served), and the economies of scale from sharing costs with Culpepper I and II.

INOVA/SUNRISE ASSISTED LIVING

Harley Tabak, Vice President of Alternate Care Services for INOVA Sunrise, discussed their involvement in public-private partnerships for affordable assisted living. As noted above, INOVA Sunrise is the contract operator of Fairfax County's Lincolnian. They are also partnering with Fairfax County in the development of a 60 bed assisted living facility that will use tax credits as a source of funding. The county donated the land for the project. The project is intended to be affordable to a person whose income is 60% of area median (currently \$36,540 for a single person). The project plans to keep its cost to \$60 per resident per day, or an average of about \$1,825 per month or \$21,000 per year. Mr. Tabak noted that on-going operational funding is the biggest problem. They have identified Medicaid waivers or the use of Section 8 Housing Choice Vouchers as possible sources of additional funding. The project should be completed and ready for occupancy in 2003. [NOTE: Virginia has no plans to apply for a Medicaid waiver for assisted living.]

KENSINGTON GARDENS

Ms. Carol Woodson of the Montgomery County, Maryland Housing Opportunities Commission, addressed the group regarding their assisted living project at Kensington Gardens. The Housing Opportunities Commission (HOC) is similar to a public housing authority, and owns and operates various types of publicly-subsidized housing that serve Montgomery County.

The HOC began planning for the Kensington Gardens project in 1986. Montgomery County donated 8.2 acres of land with the stipulation that 20% of the units be for low-income persons. Using \$19 million in bond financing, the HOC built 210 housing units in three buildings: two for assisted living and one for independent living. In the assisted living units, they have 140 beds, 26 of which are in a locked unit for dementia care.

In HOC's experience, the average cost of care is about \$2,000 per month per resident. Market rates for the assisted living units are \$2,000 to \$2,200 per month for a shared unit; \$2,500 to \$3,200 for a private unit; and \$3,200 to \$3,800 for a two room suite. Forty-two residents are low income and pay between \$200 and \$2,000 per month (depending on income) for their care. The balance of the residents pay market rates.

Ms. Woodson noted that HOC has had a very difficult time making the project work. Expenses exceeded income immediately. Their biggest shortfalls came in staffing and food costs. They fired their first contract operator after three years for non-performance, and fired their second contract operator after two years for the same reason. After the third contract operator allowed occupancy to fall to 74%, HOC decided to sell. However, they would have sustained a huge loss, so they finally decided to hire extra HOC staff to micro-manage the contractor. HOC staff "seized control" of the management and told the contractor exactly what to do. Since that time, they worked their way up to 94% occupancy and hoped to have a balanced budget for the first time in FY 2002.

Another problem that Ms. Woodson noted was tension between the market rate and subsidized residents. Market rate residents feel that their rates are inflated to cover the cost of the subsidized residents, causing some resentment.

THE ALEXANDRIA RESIDENTIAL CARE HOME (ARCH)

The ARCH is a ten bed assisted living facility owned and operated by the City for frail elderly Alexandrians. In 1984 and 1985, the City purchased two adjoining townhouses and combined them to create the facility. Six full-time City staff operate the facility, which provides meals, laundry, medication management, case management and other services to its residents. The ARCH is licensed by the Virginia Department of Social Services (as are all the Virginia facilities listed here). The average cost of care had been around \$2,700 per month, but recently costs have gone over \$3,000 per month per resident.

BIRMINGHAM GREEN

As mentioned above, Birmingham Green is a skilled nursing and assisted living facility in Manassas that is jointly owned by the City of Alexandria and the Counties of Fairfax, Fauquier, Loudoun and Prince William.

The assisted living facility is a 60 bed facility that was built in 1927. It is in desperate need of replacement. In May, the five owning jurisdictions approved applications to the federal Department of Housing and Urban Development (HUD) for funds to replace the current facility. One application is for the HUD Section 202 program for housing for the elderly, defined by HUD as persons age 62 and over. Birmingham Green applied for funds to build a 77 bed facility with 202 funds. The cost of this facility is estimated at \$7 million. The other application is for the HUD Section 811 program for adults over the age of 18 with disabilities. Birmingham Green applied for funds to build a 15 bed facility with 811 funds. The cost of this facility is estimated at \$1.5 million.

In November 2002, HUD approved the two applications. The project is now in the beginning design stages. The HUD funds are estimated to cover 85% to 90% of the cost of the new facilities, estimated at \$8.5 million. Additional costs for site development and improvements will increase the total project cost. Average monthly per resident cost is estimated at \$2,100.

The combined capacity of the two facilities will increase the total number of beds from 60 to 92. If the beds were assigned to jurisdictions in the same proportion as currently, Alexandria's share would increase from 11 to 16 beds.

CONVERTING PART OF AN EXISTING FACILITY

Another option the Assisted Living Study Group discussed was converting a floor or floors in an existing building to assisted living. ARHA was not interested in converting a floor of the Ladrey

building because it would decrease the stock of independent living units. The owner of Annie B. Rose expressed some interest, if they could use their project based Section 8 subsidies in conjunction with the AG. While a State official confirmed that a project-based section 8 subsidy would not be counted as income in determining eligibility for the AG, a HUD Official indicated that the AG would count as income under the Section 8 program, thereby reducing the Section 8 subsidy available to the individual. This problem has not been fully resolved.

V. Cost Estimates for an Affordable Assisted Living Facility

As noted above, facility costs vary, but the average per-unit development cost for an efficiency apartment in a facility of around 70 units is \$90,000 to \$100,000 per unit. That average price includes all other building costs, such as hallways, elevators, common areas, etc., but not a central kitchen (both Culpepper Garden and Birmingham Green have pre-existing commercial kitchens in adjacent buildings). Adding a full commercial kitchen would increase the cost.

The prime source of capital funds seems to be the HUD 202 and 811 programs. These sources are especially attractive because they are more like grants that do not require a repayment unless the facility is sold or its use changes. These funds also include the ongoing Project-based Rental Assistance Contract (PRAC) that provides additional monthly rental assistance for each unit in the facility.

Another source of funds is the Low Income Housing Tax Credit program administered by the State. Housing tax credits are being used in Fairfax County at the new Coppermine Place development for independent living for the elderly and persons with disabilities. The Virginia Housing Development Authority, which operates the program, has proposed new rules that would set aside 22% of the tax credits for special needs housing, including assisted living. Birmingham Green intends to apply for tax credits for its new facilities to provide additional capital funding to supplement the HUD funds.

A third source of capital funding for a public facility is bond financing. A major drawback to this kind of financing is that it must be repaid, adding significantly to the operating costs of a facility. As noted above, that is one of the problems for Kensington Garden.

Finally, it should be noted that operating costs are not included in capital costs. While HUD 202 and 811 funds come with a project-based rental assistance contract (PRAC) that subsidizes each resident's rent, care costs are not covered, and must come from some other source. The Auxiliary Grant can raise a resident's income to \$966 per month, but costs above that must come from some other source. In the case of Culpepper Garden, the monthly cost-of-care subsidy figure for an AG recipient can be as high as \$600 per month. The Assisted Living Study Group has not been able to identify a dedicated, on-going source for these additional operating funds. Monthly per resident costs range from \$1,600 at Culpepper Garden to over \$3,000 per month at the ARCH.

VI. Alternatives for Possible Further Study

The Assisted Living Study Group developed the following list of possible options for further study:

No facility expansion options

- 1) In the short term, to eliminate the need for capital costs, seek new grant or other funding to increase care available in people's homes, including increased hours for companion care and an expansion of the type of services available, such as nurses, case managers or providing medication management.
- 2) Consider an adult foster care program.

Facility expansion options - small scale to large scale

- 3) Increase the number and location of group homes in the City (ARCH-like model, but could be privately run). Homes with a capacity greater than eight persons would also face the difficulty of gaining land use approval (special use permits).
- 4) In an existing federally subsidized, multi-unit building, consider dedicating a floor to residents needing 24-hour care access (assisted living). This option would have the effect of reducing the number of affordable units for independent-living seniors, however, and could require a HUD waiver or regulation change to make it effectively combine with the Auxiliary Grant (as referenced at top of page 8).
- 5) Consider the feasibility of a partnership with an existing continuing care retirement community to add units to their existing facilities. This is dependent on several factors, including whether any of the existing facilities have the ability (under land use/zoning) to expand operations. In Alexandria, it appears that 2 of the 3 continuing care communities would not be able to expand under current zoning.
- 6) Build or acquire a new building for a mixed-income (subsidized to market rate) assisted living facility.
- 7) Pursue a regional partnership to build (or expand) a regional facility in Northern Virginia - but perhaps not in Alexandria. Expanding Birmingham Green is one approach, but a partnership even closer in with either Arlington or Fairfax may be another approach.

All of the facility expansion options would require an operating subsidy of some sort to make them work for low income persons, since the Auxiliary Grant payments would not cover the full cost of operating.

VI. Recommendations

City staff have met and discussed the options listed above. In light of current interest and possibilities for affordable assisted living in Alexandria, staff makes the following recommendations:

1) Expand in-home services: The overwhelming majority of persons wish to remain in their own homes for as long as possible. Providing in-home services is the best way to meet this desire and also save money. In-home services only exceed the cost of assisted living when the services are required for more than about 200 hours per month. The existing Companion Services Program in the Department of Human Services has a waiting list of persons who need this service. Expanding the program could eliminate the waiting list. In addition, adding in-home medication management - a service not currently available to low income persons - could prevent some individuals from requiring assisted living. The medication management could be handled by hiring a Licensed Practical Nurse or Certified Nursing Assistant with medication management certification.

2) Explore the establishment of an affordable assisted living facility: One option could be purchasing assisted living beds at the Oak Springs Assisted Living Facility in Arlington County, should the County choose to buy the facility (the facility is currently closed and the property is for sale). The County is considering that option now. In addition, a new Assisted Living Work Group should be formed to explore other options to provide affordable assisted living to Alexandrians. The Work Group would include two members of the Commission on Aging's Housing Committee, and staff from the Alexandria Redevelopment and Housing Authority, the City's Department of Human Services and the Office of Housing. One task for the Work Group will be to determine the number of assisted living beds actually needed in the community. A second task will be identifying ongoing sources of funds to subsidize the cost of care.

7
5-17-03

Public Hearing – ARCH Property
Comment on Behalf of the Community Services Board
May 17, 2003

Speaker: Mary Riley, Acting Chair, *Community Services Board*

One month ago, I stood before you on behalf of the *Homeless Services Coordinating Committee* and described the fact that we had found 113 unsheltered, chronic homeless in the City in our 2003 Survey. I noted at that time that we were four years into the *Five-Year Consolidated Housing Plan* and had not yet addressed one of the plan's highest priorities: supportive housing for individuals living on the street who are unable to access the existing shelter system due to their severe mental illness. I spoke about the need for a Safe Haven facility that would provide a place of refuge where chronically homeless persons might be coaxed off the street to live in a safe, home-like setting and, over time, accept treatment. Ten years ago next month, *David's Place*, a day program for street homeless, was begun. Many of the same people who began accessing that program 10 years ago – some of whom were born, raised and attended school right here in Alexandria - are still living on our City's streets today.

This morning, I am here on behalf of the *Community Services Board* to urge you to consider a CSB use for the ARCH property. As I noted last month, HUD has placed a high priority on ending chronic homelessness in the nation's cities. We have recently learned that HUD is offering up to a \$750,000 bonus to those jurisdictions that apply this year for a new supportive housing project that will address the chronic street population. This bonus, if awarded to Alexandria, would be added on to our Continuum of Care funding that we receive from HUD every year to support our transitional and permanent supportive housing projects. In our application this year and last, HUD has asked us to document the steps we are taking now to address the chronic street population.

As you are aware, the CSB has a proven track record in operating and managing residential properties in the City. One example of this success is the CSB's Columbus and Wythe Street property. This home serves residents who were homeless and have a diagnosed mental illness and/or substance abuse disorder. It is very much like a Safe Haven facility - staffed with professionals who support and assist residents in medication monitoring, daily living skills and maintaining a clean and sober lifestyle. One possibility would be to move these individuals – now stabilized and leading productive lives – into the ARCH property and utilize the Columbus and Wythe home for a Safe Haven.

Staff are prepared to work out the details of this proposal. We urge Council to consider this use as one of the options being studied for the ARCH property. Just one final comment – as much as I am an advocate for affordable housing, I hope that the City will hold on to the ARCH property. An average of 32 individuals per month are on the Board's Residential Services waiting list for some form of CSB housing. It's critical that the City maintain this property for those Alexandria citizens who, without the City's help, are unable to care for themselves.

Thank you.

7
5-17-03

MaryRiley

From: "Mary Riley" <maryriley@comcast.net>
To: "William Cleveland" <billclev@comcast.net>; "Joyce Woodson" <council@joycewoodson.net>;
 "Euille, Bill" <wmeuille@wdeuille.com>; "Donley, Kerry" <mayoralx@aol.com>; "Del Pepper"
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 <mike.gilmore@ci.alexandria.va.us>
Sent: Wednesday, May 21, 2003 11:41 PM
Attach: hsc1-yrplaninput3.wps; publichear5-17-03.doc; ALIVE!option.doc; MillRdOption.doc;
 ARCH&FairHousing.doc
Subject: ARCH Use

Dear Mr. Mayor and Council Members,

I wanted to follow up on my comments at the Public Hearing on the "Options for the ARCH Property" and urge you to seriously consider a CSB use of the property for permanent supportive housing. I realize that both groups under consideration - foster youth and homeless - have tremendous needs, and neither has a real voice in the public process. Your decision must be based on the most efficient and effective use of the ARCH property, and I believe the CSB option best meets these criteria.

As I suggested at Saturday's public hearing, one potential option for use of the ARCH property would be for the CSB to move the consumers currently at the Columbus & Wythe property to the ARCH location and utilize the Columbus & Wythe property for a Safe Haven. A Safe Haven is a 7 - 8 bed facility for difficult-to-serve, unsheltered homeless persons who are unable to use the existing shelter system, usually due to severe mental illness and/or substance abuse issues. Right now, there is no place within Alexandria for these individuals to be housed and receive the services they so desperately need. The deaths of several homeless individuals over the past two winters in Washington, D.C. dramatically illustrate the crisis facing this population. We here in Alexandria cannot continue to ignore this population. Research has proven that these individuals can be helped once they are physically secure and able to establish trust with treatment workers. The consumers at Columbus & Wythe, some of whom were living on the street when they first came into the facility, are a shining example of this. They are now stabilized and leading productive lives. Furthermore, the Columbus and Wythe property design is ideally suited for a Safe Haven, with individual apartments and space for 24-hour staffing. (My testimony to City Council on April 12 is attached as "hsc1-yrplaninput3" and my comment at the Public Hearing on May 17 is attached as "publichear5-17-03." These attachments document the need for a Safe Haven facility and include statistics from the 2003 Survey of Homeless Persons in Alexandria.)

I am sure you are all aware of the sensitive issues involved in siting a property such as this - much more difficult than siting a property for foster youth. **There are many more viable options for the placement of these youth than there are for the population CSB needs to house.** I have suggested to the City Manager and to the Acting DHS Director that they seriously consider the use of the ALIVE! House for foster youth. It provides a nurturing, home-like environment with easy access to Metro in a very nice neighborhood. I have attached e-mail correspondence concerning this potential option (see "ALIVE!option"). The CSB has also offered the possibility of DHS using some of CSB's supervised apartments for these youth.

Furthermore, the CSB can access up to \$750,000 from HUD per annum to support a permanent supportive housing facility at the North Columbus Street location. This is on-going, continuation funding - funding that may not be available in future years. We have corresponded with the City Manager about other potential locations. However, none of these options is as financially attractive as the ARCH property due to the fact that acquisition and/or rehab costs would be deducted from the amount that we are able to access from HUD on an on-going basis. One alternative suggestion discussed was our Substance Abuse facility at Mill Road. I have attached an e-mail to the City Manager explaining why the Board does not believe this location is viable for a Safe Haven (see "MillRdOption").

Should we not utilize a property with an existing social services use (as the ARCH is), the Board's Housing Plan would call for our next permanent supportive housing project to be placed in Housing Planning Area IV, Old Town and the Southeast Quadrant. (Planning Area V, which is where the ARCH

property is, would be the second choice, with other neighborhoods throughout Alexandria in subsequent placements.) We believe the N. Columbus location is the ideal solution because it is already City-owned and it is already zoned for social service use. We believe it would be extremely difficult to find and site a property for this population in the other Planning Areas, thereby losing the opportunity for the HUD funding.

Finally, a related issue which is causing me much concern: I have recently learned that DHS has scheduled a "neighborhood information session" on May 29 on the options being considered for the ARCH property. I believe such a session puts the Board and the City at risk of a Fair Housing violation and urge that it not be done. I have attached my e-mail to the City Manager addressing this concern (see "ARCH&FairHousing"). We must all be cognizant of consumer protections under Fair Housing law. To "solicit" the neighbors for comments on the options currently on the table invites dissent. I think we all know which option would be chosen. I would hope that public notice was made to the civic associations and neighbors prior to the Public Hearing on May 17, so that neighbors concerned about the use of the property could have come to that hearing.

It is unfortunate that the Board was not included in this process earlier so that all of the options (such as the use of ALIVE! House or other locations for foster youth) could be discussed in detail, and I'm sorry that I have not had the opportunity to meet with each of you to explain our proposal in more detail. Now, with a very limited time frame in which to gather all the necessary information and especially considering the fact that HUD is offering on-going continuation funding of this magnitude for permanent supportive housing, we hope that you will support our efforts in accessing this funding by approving a CSB use of the ARCH property. I would appreciate the opportunity to meet with each of you before your decision on June 10. Please e-mail or call me at 703-836-8823 after you have had a chance to review the attachments, or I will touch base with you before the 10th.

Thank you.

Mary Riley
Acting Chair, Community Services Board

P.S. Paper copies of this e-mail with all attachments will be delivered to your City Hall address within 24 hours.



**HOMELESS SERVICES COORDINATING COMMITTEE (HSCC)
COMMENT ON THE CITY'S
CONSOLIDATED PLAN FOR HOUSING & COMMUNITY DEVELOPMENT
ONE-YEAR ACTION PLAN
For the Period July 1, 2003 - June 30, 2004**

Speaker: Mary Riley, Homeless Services Coordinating Committee

Handout: *Homelessness in Alexandria, 2002*¹

I'm speaking today on behalf of the *Homeless Services Coordinating Committee (HSCC)*. This Committee, established in 1989, is a collaborative partnership of 39 businesses, non-profits, City agencies and advocates addressing the needs of Alexandria's homeless. The HSCC has developed five strategic objectives to meet the high-priority needs of Alexandria's homeless population. These objectives are based on an annual "Point-in-Time" or "snap shot" count of homeless persons in shelters, transitional facilities, and on the streets of Alexandria from which gaps in housing and services for this population are identified and prioritized. The HSCC's strategic objectives were incorporated into the *City's Five-Year Consolidated Plan (July 1, 2000 - June 30, 2005)*. That plan is now entering its fourth year and much remains to be done.

This year's survey, conducted on January 22, 2003, in conjunction with the Metropolitan Washington Area Council of Governments' regional survey, found 515 homeless persons in Alexandria. This result is significantly lower than the 2002 count, when 600 homeless persons were identified. Hidden in the lower numbers, however, is a disturbing fact: the number of unsheltered, chronic homeless rose from 85 persons last year to 113 persons this year. The lower number for families indicates some progress in closing service gaps, particularly the addition of 13 transitional housing units funded through Alexandria's Housing Trust Fund. However, service providers note that the lower number also reflects the fact that families are leaving the City, due to the lack of affordable housing.

To address the unsheltered homeless population, one of HSCC's most critical priority objectives is the development of a 7 - 8 bed "Safe Haven" facility for persons currently living on the street who are unable to use the existing shelter system, usually due to a combination of severe mental illness and substance abuse issues. Our goal is to provide these difficult-to-serve chronically homeless persons a place of refuge where they might be coaxed off the street to live in a clean and safe setting and, hopefully, over time, to accept treatment. This is perhaps the most obvious gap in our continuum of services for the homeless, as there is currently no place within the City for these individuals to be housed and receive the services they so desperately need. Alexandria's Community Services Board has also identified a Safe Haven facility as a priority objective. We urge the Council and the City to be proactive in its efforts to house these most vulnerable

¹ Note that the numbers in this handout reflect the HSCC Survey conducted in January, 2002. Numbers from the January, 2003 HSCC Survey are discussed in the above Comment.

citizens. HUD and HHS have recently announced initiatives to end chronic homelessness, and at the 2003 Conference of Mayors, Philip Mangano, head of the federal Interagency Council on Homelessness, challenged mayors across the country to end chronic homelessness in their cities. We would like to see Alexandria accept that challenge.

Another priority objective of the HSCC is to address the critical problem of homeless persons requiring on-going medical supervision, for example, persons with HIV/AIDS, pneumonia and other serious health issues living in shelters. As has been noted in earlier Action Plans, "The staffing required for such daily medical monitoring is beyond the current capabilities of Alexandria's homeless service providers." To date, no progress has been made on this objective.

HSCC's other objectives address the need for transitional and permanent supportive housing, particularly for those with special needs; expansion of affordable health care services to the homeless, including primary care and mental health/substance abuse services; and, finally, the need for increased affordable housing so that homeless persons residing in emergency shelters and transitional programs can move on to permanent housing.

In summary, considerable funds will be required to address the multiplicity of needs enumerated above, and the HSCC strongly urges Council and City support in accessing additional private, State, Federal, and City funds that may be available to address these needs. A first step will be to recognize these needs as the high priorities that they are.

**Public Hearing – ARCH Property
Comment on Behalf of the Community Services Board
May 17, 2003**

Speaker: Mary Riley, Acting Chair, *Community Services Board*

One month ago, I stood before you on behalf of the *Homeless Services Coordinating Committee* and described the fact that we had found 113 unsheltered, chronic homeless in the City in our 2003 Survey. I noted at that time that we were four years into the *Five-Year Consolidated Housing Plan* and had not yet addressed one of the plan's highest priorities: supportive housing for individuals living on the street who are unable to access the existing shelter system due to their severe mental illness. I spoke about the need for a Safe Haven facility that would provide a place of refuge where chronically homeless persons might be coaxed off the street to live in a safe, home-like setting and, over time, accept treatment. Ten years ago next month, *David's Place*, a day program for street homeless, was begun. Many of the same people who began accessing that program 10 years ago – some of whom were born, raised and attended school right here in Alexandria - are still living on our City's streets today.

This morning, I am here on behalf of the *Community Services Board* to urge you to consider a CSB use for the ARCH property. As I noted last month, HUD has placed a high priority on ending chronic homelessness in the nation's cities. We have recently learned that HUD is offering up to a \$750,000 bonus to those jurisdictions that apply this year for a new supportive housing project that will address the chronic street population. This bonus, if awarded to Alexandria, would be added on to our Continuum of Care funding that we receive from HUD every year to support our transitional and permanent supportive housing projects. In our application this year and last, HUD has asked us to document the steps we are taking now to address the chronic street population.

As you are aware, the CSB has a proven track record in operating and managing residential properties in the City. One example of this success is the CSB's Columbus and Wythe Street property. This home serves residents who were homeless and have a diagnosed mental illness and/or substance abuse disorder. It is very much like a Safe Haven facility - staffed with professionals who support and assist residents in medication monitoring, daily living skills and maintaining a clean and sober lifestyle. One possibility would be to move these individuals – now stabilized and leading productive lives – into the ARCH property and utilize the Columbus and Wythe home for a Safe Haven.

Staff are prepared to work out the details of this proposal. We urge Council to consider this use as one of the options being studied for the ARCH property. Just one final comment – as much as I am an advocate for affordable housing, I hope that the City will hold on to the ARCH property. An average of 32 individuals per month are on the Board's Residential Services waiting list for some form of CSB housing. It's critical that the City maintain this property for those Alexandria citizens who, without the City's help, are unable to care for themselves.

Thank you.

From: Mary Riley
To: Phil Sunderland; Michael Gilmore
Sent: Monday, May 19, 2003, 4:31 p.m.
Subject: ALIVE! possibility?

Dear Phil and Mike,

I re-read the DHS proposal for the foster mentoring home last night and it struck me that the ALIVE! House might be explored by DHS as an option for foster youth. ALIVE!'s Director, LaRue Barnes, has extensive experience in working with youth. In Florida, she was the Program Director for five programs, including Child Abuse & Neglect, Family Preservation, etc... While there, she developed a "Teen Parent" program and a "Teens with AIDS" program. Prior to her work in Florida, she was the Assistant Director for a Children's Home in Maryland for troubled teens and she worked with runaway teens in Florida.

DHS is already paying ALIVE! \$1,000 per month per household for homeless women and their children. Youth aging out of foster care are considered "homeless." We have four separate rooms in the ALIVE! House - 14 beds. If DHS wanted to use the entire house for foster care youth, at least two youth per room could be in the larger rooms (where we now have 4 beds & 6 beds), thereby accommodating more than four youth for the same price DHS is proposing for ARCH. ALIVE! House was designed to provide a nurturing, home-like environment for fragile homeless (e.g., homeless women being discharged from the hospital, or a pregnant woman needing bedrest); however, we are rarely able to target these "fragile" populations because we are usually full.

LaRue has also overseen the ALIVE! mentoring program and is probably more experienced than anyone in town at recruiting, training, and working with mentors. All of our mentors were volunteers. We also have a Resident Manager who works during the day, but is available nights and weekends for clients. She gets free rent/utilities. (It is not easy finding Resident Managers, and I really wonder how DHS could keep their home staffed as they propose. I also wonder how realistic it is to expect 16 - 20 year olds to be employed within 60 days of entering the home and paying rent/utilities. We find this difficult with the adult population.)

For many years, it was argued that ALIVE! House should retain its role of providing shelter to homeless families. However, we have discussed at strategic planning meetings for homeless services recently that our statistics are now showing homeless family numbers decreasing. Both Carpenter's and ACS had vacancies for families on the night of the count. Part of the problem is shelter configuration - we also had empty spaces for singles. DHS really needs to explore the entire Continuum of Care and perhaps consider restricting ACS to singles, so that Carpenter's could focus on families, thereby allowing the continuum to house additional families, as well as individuals.

I hope that the City will look at this issue with a strategic, long-term focus, with the goal being to serve as many consumers as possible.

-Mary

From: Mary Riley
To: Beverly Steele & Suzanne Chis
Sent: Tuesday, May 20, 2003, 8:27 a.m.
Subject: Fw: ALIVE! Possibility

Dear Bev & Suzanne,

(previous page)
Please see the e-mail below that I sent late yesterday to Phil and Mike. I spoke with Cathy Thompson, Susanne Arnold (current House Chair) and La Rue Barnes about this and we all thought it was something that could work and that our congregations would wholeheartedly support. La Rue was confident that she could recruit mentors for this age group. Please let me know if this is something you would like to explore. I can be reached at 703-836-8823 or by return e-mail.

I realize that you all have put a lot of energy into your plans for the ARCH property; however, before a final decision is made by Council, I hope that all of the potential options can be explored and that we can all work together to find the best solutions for all of the consumers involved.

Thanks so much.

--Mary

P.S. I understand that ALIVE! House is currently sheltering one of these youth.

From: Beverly.Steele@ci.alexandria.va.us
To: Mary Riley
Cc: Suzanne.Chis@ci.alexandria.va.us ; Nelson.Smith@ci.alexandria.va.us ;
Phil.Sunderland@ci.alexandria.va.us ; mike.gilmore@ci.alexandria.va.us
Sent: Tuesday, May 20, 2003 10:26 AM
Subject: Re: Fw: ALIVE! possibility?

Hi Mary: I find the availability of ALIVE! House for foster youth somewhat surprising. I go back to the days when it first opened (I think we used City CDBG funds to help with the renovation) and it was to be available for homeless women and their children, if I remember correctly. Just recently, a friend of mine tried to get a homeless single woman in to ALIVE! House and was told it was full. And I don't recall that AH was focused primarily on fragile homeless women. I'm going to be meeting with Nelson Smith to get his sense of where ALIVE! House needs to be in the continuum of care for the homeless. Will get back with you after I talk to Nelson.

From: "Mary Riley" <maryriley@comcast.net>
To: <Beverly.Steele@ci.alexandria.va.us>
Cc: <Suzanne.Chis@ci.alexandria.va.us>; <Nelson.Smith@ci.alexandria.va.us>;
<Phil.Sunderland@ci.alexandria.va.us>; <mike.gilmore@ci.alexandria.va.us>
Sent: Tuesday, May 20, 2003 12:22 PM
Subject: Re: Fw: ALIVE! possibility?

Hi Bev,

You are right that ALIVE! House is always full. And, yes, our idea when we did the renovation in '93 and re-opened in '94 was that it be a place that provided a nurturing, home-like atmosphere for everyone, but especially for those with special health issues. Cathy Thompson and I have often spoken about the fact that the House hasn't really been able to target that fragile population because we are always full.

I have just come from the *Homeless Services Coordinating Committee* meeting at which we discussed the need to separate populations at Carpenter's and ACS so that the larger shelters are able to accommodate more families and individuals. Mary Martin, Carpenter's, raised this issue this morning as we were reviewing the winter shelter numbers. She noted that she could have accommodated more families there and also referred more individuals to ACS if the two had separate populations (families vs. singles). As I mentioned, Carpenter's and ACS had lots of beds available on the night of our January 2003 count, yet no one could access them because of the shelter configuration issue. My point is that, with homeless family numbers down dramatically, there should be plenty of space to house families at the larger shelters, which would free up ALIVE! House for foster youth, one of HSCC's priority homeless populations.

Thanks, Bev.

-Mary

From: Mary Riley & Phill Bradbury
To: Phil Sunderland
Cc: Mike Gilmore
Sent: Sunday, May 4, 2003, 7:02 p.m.
Subject: RE: Use of ARCH facility

Dear Phil,

Thank you for your response. We looked, originally, toward Mill Road, but have become convinced that it may have too many shortcomings to be viable. The Safe Haven model that has been proven to be successful with these vulnerable individuals has been a small, homelike, non-institutional environment with a strong emphasis on nurturing and support. The Mill Road location is troublesome for a number of reasons:

- 1) It does not provide this type of "homelike" environment. HUD states in its guidance for creating Safe Havens that there needs to be a "communicated sense that Safe Haven is a home rather than a shelter or institution."*
- 2) It is an "institutional" setting, one that may prove difficult in coaxing these individuals off the street.
- 3) It houses the substance abuse treatment facility, a facility that these individuals are not inclined to go near at this stage of their illness. Furthermore, until they have reached a stage of accepting treatment, it would be best not to mix these populations.
- 4) There may be financing problems: It appears that HUD will provide funding for building acquisition, but very little for rehab of facilities (other than bringing the facility up to code). Staff are researching this issue further.
- 5) It is not in a "community" setting, close to the types of services and supports these individuals will need, such as social services, employment, and so forth. HUD notes that an important feature of a Safe Haven is for the consumers to learn community living skills - how to interact in a community setting - going to the bank, the post office, the library, etc...

In summary, the Board's position is that Mill Road may not be a suitable location for a Safe Haven facility.

After some further research on the HUD financing and other issues, we will consider presenting our proposal at the public hearing on May 17th.

Thank you.

Phill & Mary

Phill Bradbury & Mary Riley

*Source: "In From the Cold: A Tool Kit for Creating Safe Havens for Homeless People on the Street."

----- Original Message -----

From: <Phil.Sunderland@ci.alexandria.va.us>
To: "Mary Riley" <marvriley@comcast.net>;
<phillip.bradbury@worldnet.att.net>
Cc: <mike.gilmore@ci.alexandria.va.us>
Sent: Friday, May 02, 2003 5:10 PM
Subject: Re: Use of ARCH facility

- > I suggest that the board raise these possibilities with council at the May
- > public hearing on this subject -- if council wishes us to consider these
- > proposals, Mike will need to provide the financial and other info needed
- > to
- > evaluate them and to compare them with the other reuse options
- >
- > As I believe you know, I continue to feel that the best location for any
- > safe haven program wd be at the Mill Rd facility -- so I really need to be
- > convinced that it's wise to use the No Col facility to house the C/W
- > tenants in order to free up the latter facility for a safe haven use
- >
- > In any event, you certainly should present your position to council at the
- > hearing

From: Mary Riley & Phill Bradbury
To: Phil Sunderland
Cc: Michael Gilmore
Sent: Friday, May 2, 2003, 2:16 p.m.
Subject: Use of ARCH Facility

Dear Phil,

As a follow-up to our comments at last night's Board meeting concerning possible use of HUD Continuum of Care funds for one of the five CSB group homes included in the City's *Consolidated Plan*, the Board would like for the City to seriously consider the use of the ARCH property for this purpose.

Councilwoman Del Pepper noted at the April 12 public hearing on the *Consolidated Plan* that one of the options for ARCH should be a Safe Haven. Another option would be to move consumers from Columbus & Wythe (C&W) to the ARCH location and use the C&W property as a Safe Haven. The early use of C&W was very similar to a Safe Haven in that consumers with severe mental health issues living on the street were housed at the facility and successfully treated.

A recent Board review of housing needs for Alexandrians with mental illnesses, intellectual disabilities and chemical dependency identified 115 consumers needing residential beds. This includes persons living on the street, consumers living in State-run

facilities ready to return to Alexandria, and an average of 32 individuals per month on our Residential Services waiting list for some form of CSB housing. The addition of one group home for 7 to 8 individuals would be a small step toward serving this large population.

The CSB staff are reviewing the HUD Notice of Funding Availability to determine the feasibility of applying for the funds this year. If their findings are positive, we hope that ARCH will be one of the facilities seriously considered for this purpose. I know that you are well aware of the difficulty of placing CSB group homes throughout the City. The ARCH property has the advantage of being a City-owned property already zoned for a social service use and would make the Board's job much easier than finding and purchasing a new property, almost an impossibility in today's real estate market.

A Mentor Foster Home, one of the proposed uses for the property, would be much easier to place elsewhere in the community than a home for the consumers CSB must serve. We believe the other option – restoring the facility to two separate townhouses and selling the properties – represents a lost opportunity, given the multiplicity of housing needs faced by the City's most vulnerable citizens.

We would appreciate your consideration of this proposal.

Thank you.

Sincerely,

Phill

Phill Bradbury, Chair, CSB

Mary

Mary Riley

Vice Chair, CSB & Chair, CSB Extended Care Committee

From: Mary Riley
To: Phil Sunderland
Cc: Michael Gilmore
Sent: Wednesday, May 21, 2003 10:11 a.m.
Subject: ARCH & Fair Housing Law

Dear Phil,

I learned from Mike Gilmore that DHS has scheduled a neighborhood information session on May 29th at the ARCH property. I believe such a session puts the Board and the City at risk of a Fair Housing violation and urge that it not be done. Below is the e-mail I sent to Mike. I would appreciate hearing your views on this.

Thanks.

Mary

Mike -

I would urge that the informational session be held AFTER Council has decided what the use should be; then, whichever agency is selected can deal with the neighbors. This would be in line with the protections afforded consumers under the Fair Housing Act and this would be in line with Board Policy #13, which states, "once a site is selected and a binding contract is negotiated," the Board will notify . . . affected civic associations and neighbors.

As George McAndrews stated in his comment on Policy #13, "Thus, the notification occurs once placement of the home is a 'done deal.' In my opinion, the notification is a courtesy. It doesn't give the neighbors a veto over placement of the home, so it doesn't impose a hurdle. Thus, I believe that Policy 13 complies with the Fair Housing Act."

Although we're not talking about placing a contract on the ARCH property, the intent is the same.

--Mary