

# Alternative Shelter Models: Using Master-Leased Apartments As Short-Term Housing

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# SKID ROW FAMILIES DEMONSTRATION PROJECT

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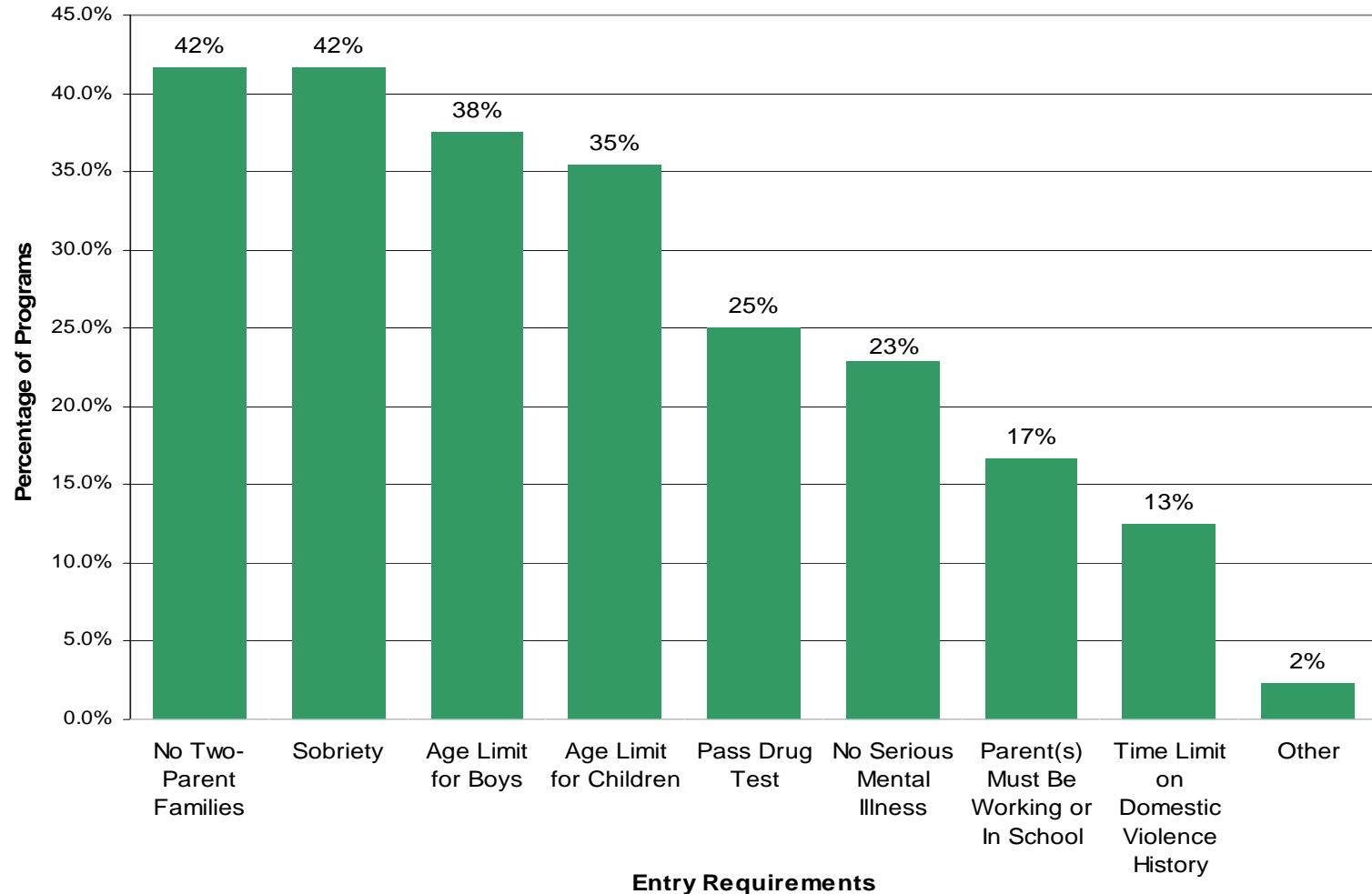
- **Partnership with Supervisor Gloria Molina, L.A. County Departments, HACLA, & Beyond Shelter**
- **Support from Homeless Prevention Initiative and Federal and City Section 8 Funds**
- **300 homeless families**
- **Immediate removal from Skid Row area and into motels**
- **Subsequent relocation of many families to master-leased apartments**
- **Permanent housing placement with Section 8 or short-term subsidies, followed by intensive, time-limited case management services**

# Responding to Environmental Conditions

- **Family short-term housing programs are completely full in Los Angeles County**
- **Families are staying in programs longer, contributing to shelter “gridlock”**

- **Families with certain compositions are hard to place**
- **Programs have increasingly stringent entry requirements**

# Program Characteristics: Entry Requirements Among All Shelters\*



Shelter Partnership's 2006 Study: "Operating at Capacity: Family Shelters in Los Angeles County"  
[www.shelterpartnership.org](http://www.shelterpartnership.org)

\*Excludes DV Programs in LA County

# The Impact on Families

- **Families are pushed away from their communities of origin, including children's schools**
- **Families are forced to seek assistance in unfamiliar and sometimes dangerous environments (e.g., Skid Row)**
- **Families are desperate and are sleeping in parks, cars, public restrooms, riding public transit all night**

# The Original Program Design

- **Place 50-75% of families primarily in existing shelter programs throughout L.A. County**
- **Lease 50 apartments for families with special needs and/or other barriers to shelter**

# Greater Barriers to Emergency Shelter Than Expected

For example...

- **Four or More Children** **29% (84 families)**
- **One or More Teenage Boys** **19% (58 families)**
- **Two-Parent Household** **14% (35 families)**
- **Chronic Health Condition** **25% (73 families)**
- **Mental or Physical Disability (Parent)** **23% (68 families)**

# Addressing Systemic Gaps:

Using apartments as  
emergency shelter

# Goals for Apartment Search

- **Conveniently located within a few mile radius of our Demonstration Project office or with direct public transit access to that office**
- **Landlords willing to accept Section 8 vouchers**
- **Units that could pass Section 8 inspection**

- **Scattered-site placements as opposed to clustering families in the same or neighboring buildings**
- **Decent quality neighborhoods**
- **12 month leases, in the beginning of the Demonstration Project, and month-to-month leases, towards the end of the short-term housing phase of the Project**

# Program Features

- **Beyond Shelter is the lease holder and families are guests (not a “sublease” situation)**
- **Agency furnishes the apartment and the furnishings move with the family to permanent housing**
- **Units turn over so that one unit may serve multiple families**
- **Units are convertible to permanent housing (transition-in-place)**

- **While in the master-leased units, a housing specialist develops and then implements a permanent housing plan in conjunction with the family.**
- **Plan includes applying for a Section 8 subsidy or a short-term subsidy (i.e., 1-2 years)**

- **Families remain in the units until a housing subsidy has been processed and a suitable apartment has been located (or current unit converts)**
- **Once in permanent housing with their own lease agreements, families receive six months of voluntary, intensive home-based case management.**



# TO ACCESSING PRIVATE RENTAL HOUSING

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- **Know What You Are “Selling”**
- **Develop Relationships With Landlords**
- **Market The Program**
- **Warm Hits – Through Contacts**
- **Cold Calls And Community Searches**
- **Networking**
- **Follow-Up**

# Lessons Learned

- **Non-monetary incentives work with landlords**
- **Scatter apartment rentals but within close proximity to program offices**
- **Budget adequately for property management and operations**

- **Beware of unanticipated costs**
- **Check the property status first due to the foreclosure crisis**
- **Property damage: are you covered?**
- **Understand the needs and wants of landlords**

- **Do NOT make promises you cannot keep**
- **Document, Document, Document all communications with landlords**
- **Model is adaptable and can work well with families with low, moderate, or high intensity service needs**

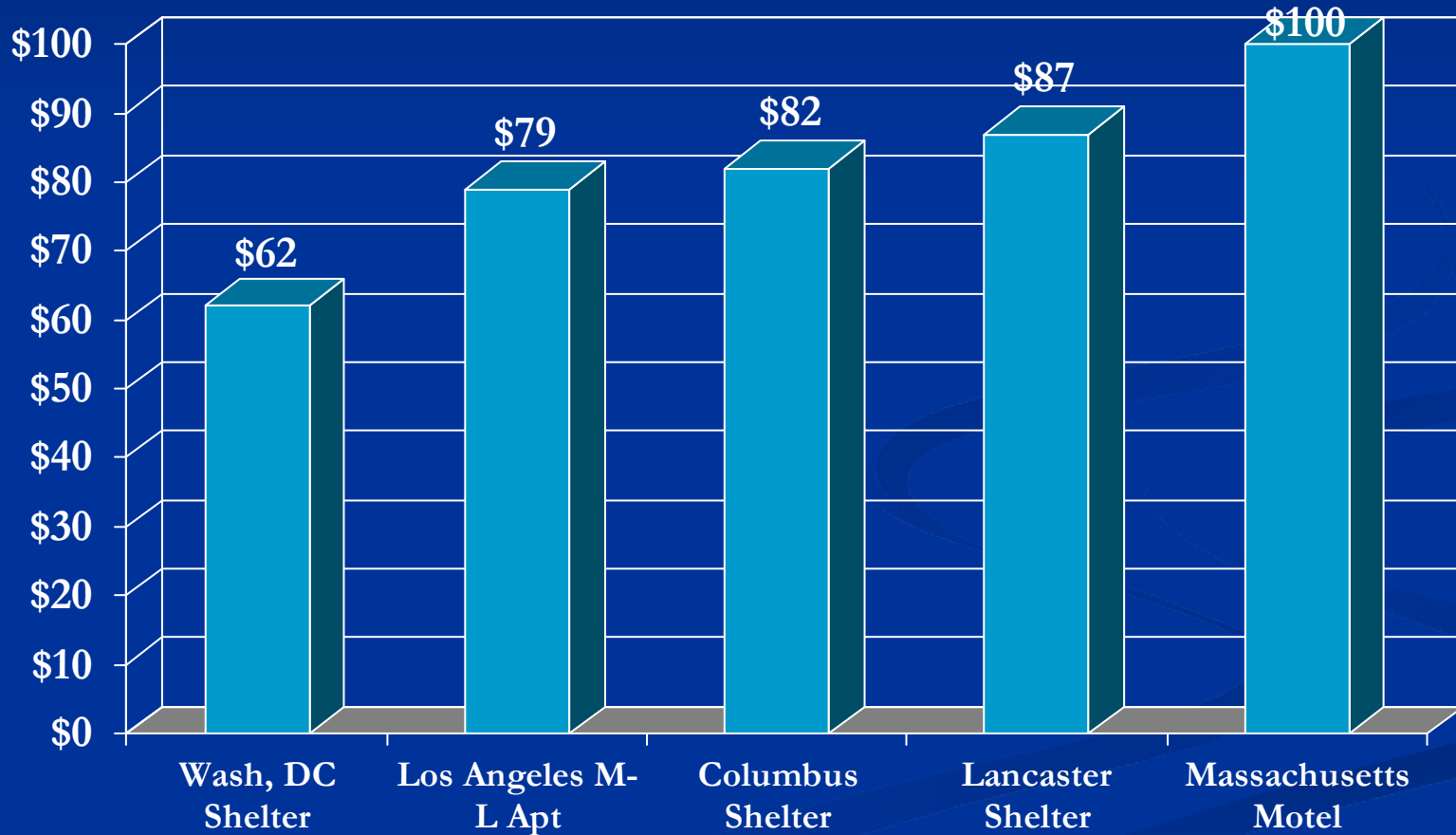
# Why Use Apartments as Shelter?

- **To expand system capacity and reduce the gap between program availability and family need**
- **To develop system capacity in areas without adequate or any infrastructure (e.g., rural areas)**
- **To serve families who are hard-to-place and those who are hard-to-serve**
- **Families might not avoid this type of program in the same way that they avoid traditional shelters**

- **Anti-stigma due to no patent program label or institutional feel – normalized living environment**
- **Conventional programs do not work for all families**
- **Master-leased apartments are an effective engagement tool**

- **Effective strategy to neutralize NIMBYism**
- **Begins the process of re-integrating families back into communities**
- **Facilitates the transition to independent living**
- **Economics: apartments may be cheaper, or at least comparable in cost to conventional options**

# Nightly Costs of Temporary Housing by Locality



# Conventional Shelter Costs As Compared to Fair Market Rents in Select Localities

	Shelter Per night	Shelter Per month	FMR 2-Bedroom (’07)	Percent Difference
Washington, DC (shelter)	\$62	\$1860	\$1286	31%
Columbus, OH (shelter)	\$82	\$2488	\$674	73%
Lancaster, PA (shelter)	\$87	\$2610	\$704	73%
Massachusetts (motel)	\$100	\$3000	\$1178	61%

Given the actual and/or potential benefits of this model, the key question becomes:

How do we fund and expand the model?

One Solution:

Reallocating Hotel  
Dollars to Master-  
Leased Apartments

# Beyond Shelter's Implementation of the 120 Day Program in SD 1

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- **10 apartments being master-leased**
- **Contracted rate of \$61.59 per family per night**
- **Linkages to Beyond Shelter's Housing First Program for Section 8 vouchers**
- **Initial success stories (transition-in-place family)**

# Expanding the Model: Funding Options

## Some Possibilities:

- SHP
- ESG
- FEMA
- CDBG
- Food & Beverage Tax
- General Funds
- TANF
- Housing Trust Funds
- Foundation Grants
- Federal NSP Funds  
(Neighborhood Stabilization Program)