

HOUSING AS HOUSING

I. History

Rise of deinstitutionalization leads to increase in community facilities

II. Residential Continuum

Linking of housing and support

III. Facility-based Approach

- Faulty model
- Caused bottlenecks
- Immediate obsolescence
- Neighborhood impact/segregation

IV. People with Disabilities

- Low-income (less than 50-60% of area median income)
- First-time home buyers
- Desire stable housing
- Don't need facilities
- Need and want support
- Can own housing and not lose benefits

V. Separation of Housing and Services

- People who run services shouldn't own housing

- ☐ Income
- ☐ Something to do during the day
- ☐ Community support
- ☐ Relationships with others
- ☐ A place to call home

"People Need A Place To Live"

- * Align values & philosophy toward people (integration versus segregation)
 - * Educate self on financing options to achieve integration
 - * Strategize the manipulation of people of influence and resources
 - * Communitize "specialized" resources
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Guiding Principles in Housing

"Regular" Housing:

- * Builds fiscal stability
- * Costs less
- * Creates long term residence
- * Is easier to obtain
- * Offers increased integration opportunities
- * Should be owned by someone invested in people who live here

Pre-Construction Acquisition

Multiple Listings (Realtors)

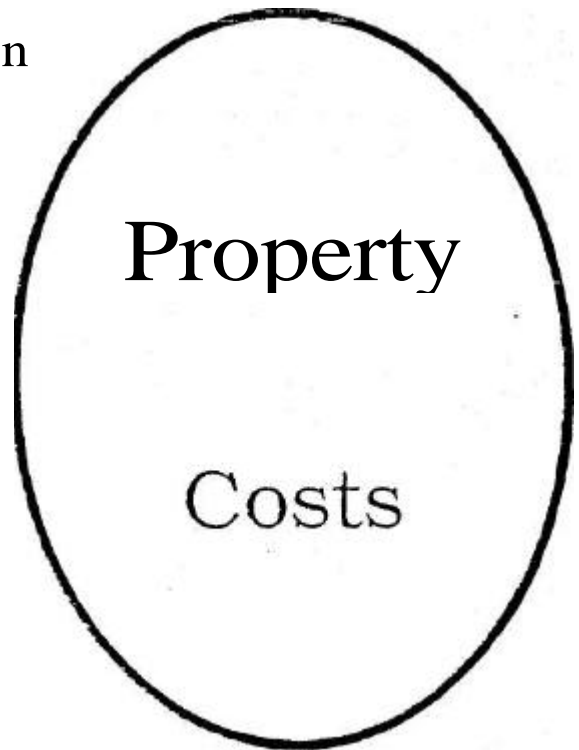
Distress Sales Bank

Foreclosures VA/FHA

Foreclosures State Property

Development Creative

Purchase and Sales



Sources of Low Interest Capital

- * State Housing & Mortgage Finance Agency
- * Federal Programs (HUD, FmHA, CDBG, etc.)
- * State DMH/MR
- * Bonding
- * Community Trusts (including land trusts)
- * Municipalities
- * Life Insurance Companies
- * Foundations
- * Social, Ethical Investors
- * Social Organizations
- * Community Loan Funds
- * Family Trusts
- * Community Reinvestment Banks
- * Non-Profit Corporations

Community Reinvestment Act of 1978

Requires banks to "reinvest" profits back into their home communities. Non-profits have strength when banks have not met their obligations.

State DMH/MR

Federal (Sec. 8)

Federal (FmHA)

Municipal Subsidies

SSI/State Subsidies

Family (Supplemental)

Trust Income

Rental Income

County Subsidies

Subsidies

Monthly Budget

Cost of Property	Cost of Money	Subsidies
Pre-Construction Acquisition	State Housing Finance	State DMH/MR
Multiple Listings (Realtors)	Federal Programs (HUD)	Federal (Sec.8)
Distress Sales	State DMH/MR	Federal (FmHA)
Bank Foreclosures	Bonding	Municipal Subs.
VA/FHA Foreclosures	Community Trusts	SSI/State Subs.
State Property Developed	Municipalities	Family (Suppl.)
Creative Purchase and Sales Agreements	Life Insurance Comp.	Trust Income
	Foundations	Rental Income
	Social, Ethical Investors	County Subsidies
	Social Organizations	
	Community Loan Funds	
	Family Trusts	
	Community Reinvestment Banks	
	Non-Profit Organizations	

CMA Individualized Environmental Evaluation Scale (CMAIEES)

1. Is the house a good value?
2. Could you get your money out of it?
3. Is this a home or a facility?
4. Is it a nice place to live?
5. Do people want to live there?
6. Would your kids be safe in the neighborhood?
7. Are there more opportunities to meet "real" people or fabricated ones?
8. Would you live there?

Factors affecting the cost of living environments

- o The cost of property
- o The cost of money o

Subsidies

- o Availability of support services (regardless of where an individual lives)

ONE PERSON HOUSEHOLD INCOME

\$12,000	Median	100%
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\$9,600	Moderate	80%
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\$6,000	Low	
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\$3,600	Very Low	
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0	Very, Very Low	0
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Ownership Alternatives

L State

II. Agency/Corporation

III Investor

IV. Citizen, Parent, Friend,
Other

* Direct Ownership

* Participatory
Ownership

V. Combination

Participatory State Capital Options

- * state owned residences
- * use of state owned land
- * direct state capital appropriations
- * operational funding (through contracts)
- * medicaid rate setting
- * capital bonding programs

Creative State Options

- * low interest loan programs (HFA's)
- * creative use of tax credits (set asides)
- * mortgage guarantees
- * rent subsidies
- * leasing support (commitments or co-signs)
- * "loan fund" financing options
- * technical assistance
- * insurance or trust programs

Non-Pro fit Housing Development Corporation

Functions

- ☐ Real estate developer
- ☐ Property management
- ☐ Receives donated property
- ☐ Secures mortgages
- ☐ Develops, manages housing cooperatives
- ☐ Serves as general partner in limited partnerships (syndicates tax credits)
- ☐ Co-signs mortgages for people in need of assistance

Non-Profit Housing Development Corporation

Functions (cont.)

- ☐ Serves as trustee for property and manages trust property
- ☐ Co-signs leases for people in need of assistance
- ☐ Markets the housing needs of people in the community
- ☐ Develops bonding programs
- ☐ Works with local developers **to** secure future development set asides
- ☐ Does not provide support services

Non-Profit Housing Development Corporation

Membership

- * One third by people personally impacted by the housing developed (they live there!)
- * One third by people who are C likely to impact the services to people who live there (support agencies, advocates, etc.)
- * One third by people who could impact the development of the housing (community leaders)

The good points **about** home **ownership are:**

- you will have control over your home for as long as you want to stay

- you will have somewhat stable housing costs (versus rent which can be raised by the landlord). Just remember that taxes, insurance, heating and lights may go up each year regardless of whether you rent or own.

- you may benefit from an increase in the value of the

- property over time, and you will be able to choose whom you wish to live, since you

- own the house

The most important bad points about home

- ownership **are;** you will need to spend more money for things like

- property taxes, some utilities and insurance, (When you rent these are covered by the landlord)

- you will be responsible for all maintenance and repairs on the house and if you are not able to do them, you will need to hire someone to help (like snow removal, lawn mowing, painting, etc.)

- you will need to plan and save for major replacement costs like heating systems, roofs, appliance replacements, carpeting, etc.

- you will need to be creative about financing, including ways to come up with the money to buy a house (down

- payments) and ways to finance the property and you won't be able to move when you want because you will need to keep paying the mortgage, taxes, insurance, etc., until you sell the property to someone else.

IMPACT OF INTEREST RATES ON AFFORD ABILITY

Loan amount - \$55,000
30 yr amortization

Ami,	Rate	P & I
55,000	9%	442.54
55,000	8%	403.57
55,000	7%	365.92
55,000	6%	329.75
55,000	5%	295.25
55,000.	4%	262.58
55,000	3%	231.88
55,000	2%	203.29
55,000	1%	176.90

Community Resource Associates

736 Crab Thicket Lane
Des Peres, Missouri 63131-2119
(314)821-3316
(314)821-2418 (FAX)

April 22, 1994

Ms. Mary Perkins
West Hennepin Community Services
1001 Highway 7

Hopkins, MN 55305

Re: Housing Seminar

Dear Mary:

Thank you very much for your interest in the housing seminar. Per your request, I am enclosing the following information:

- A copy of the two day agenda
- Sample housing information handed out at the seminar
- List of references
- Information about my firm, Community Resource Associates.

My standard fee for a two day seminar is \$2,500 plus expenses with a 10% (\$250) discount offered if I am paid at the time of presentation. This fee includes a review of the state's housing plan prior to my arrival, all pre-conference planning and preparation time, presentation at the seminar itself and unlimited phone consultation.

If you are interested in sponsoring a seminar or would like additional information, please do not hesitate to contact me. Thank you for your consideration.

Sincerely,

COMMUNITY RESOURCE ASSOCIATES



Derrick F. Dufresne
President

/ccd
enclosure

COMMUNITY RESOURCE ASSOCIATES

PRESENTS

MY OWN PLACE: CONSUMER OWNERSHIP AND RENTAL STRATEGIES FOR PEOPLE WITH DISABILITIES

with

Derrick Dufresne

Day One

9:00-9:15 **Welcome and Introductions**

9:15-10:30 **Effective Strategies for Community Integration**

- Community organization and planning
- Myths and mystiques about people with disabilities
- Exploring present "models" of service development
- The concept of "management/development by values"
- Policy implications and fiscal realities

10:30-10:45 **Break**

10:45-11:15 **The Development of Relationships - A Fundamental Ingredient to Life in the Community**

- Decision making about relationships
- Building relationships that last
- Ongoing role of the service system
- Critical issues about choosing housemates
- Relationship circles

11:15-12:00 **The Rules of Purchasing Property**

- Guiding principles of integrated housing
- CMA's "environmental evaluation scale"
- "Regular" versus "specialized" housing
- Effective purchase and sales agreements
- Manipulating property, financing and subsidies

12:00-1:30 **Lunch** (on your own) 1:30-2:15

Who Should Own Property?

- Ownership arrangements and options
- "Control" issues with leases or ownership
- Creative financing options
- State assistance options
- The role of non-profit housing development corporations

- 2:15-3:00 **Private Investor Financed Residences**
- Analyzing private investor financing Low income
 - housing tax credits - an overview Understanding the
 - benefits/consequences to the investor Creative
 - opportunities

3:00-3:15 **Break**

3:15-4:45 **Consumer Ownership of Real Estate**

- "Ownership" alternatives
- "Participatory" opportunities
- Futures planning - a home of my own?
- Estates and trusts - protecting assets
- Separation of services from where you live
- Housing cooperatives as an effective alternative

4:45-5:00 **Questions/Discussion/Adjourn**

Day Two

9:00-10:30 **Effectively Utilizing Federal, State and Local Housing Resources**

- CHAS - What is it?
- HOME/HOPE Programs: What are they?
- Farmers Home Administration/Single Family Ownership Program
- HUD regional and local offices: To whom do I talk?
- State housing development agency: What it does
- Community Development Block Grants - getting to know your local community

10:30-10:45 **Break**

10:45-12:00 **Acquiring Low Cost Quality Housing**

- VA and HUD repossessions - great bargains, underutilized opportunities
- The RTC - can it assist?
- Social investing/win-win propositions
- Realtors - differences between buyer and seller brokers
- Lease/lease options/rent credits - how to negotiate

12:00-1:30 **Lunch**

1:30-3:00 **Subsidies/Rental Options**

- Section 8 vouchers and certificates
- Getting on the waiting list
- Getting priority status - what are the federal guidelines?
- Independent group residences
- What questions to ask the local housing authority
- Negotiation rental levels/knowing what landlords want - how to get a landlord to take Section 8

3:00-3:15 **Break**

3:15-4:30

Estate Planning

- Supplemental (Tidrow) trusts - do I need one?
- Trust ownership of real estate
- Can my child own real estate if he/she receives Medicaid?
- Effective estate planning strategies
- Second to die insurance policies

4:30-5:00

Questions/Discussion/Adjourn

Community Resource Associates

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COMMUNITY RESOURCE ASSOCIATES

Community Resource Associates ("CRA") is a training and management consultation firm that was founded in 1982. Its mission focuses on provision of consultation, support and housing development that fosters the full inclusion of individuals with disabilities into the mainstream of community life.

Community Resource Associates, based in St. Louis, has developed expertise in the following areas:

1. Training and consultation. Derrick F. Dufresne, President of CRA, has provided training and consultation over the past five years in more than forty states and has addressed over 15,000 individuals. He has conducted seminars; provided consultation; presented at training events, conferences and given keynote speeches on a variety of topics, including, but not limited to:

Management by Values;

Changing the System one person at a time;

Visioning - developing futures plans for individuals with disabilities; Organizational Change - downsizing and closing large

residential facilities; Developing Functional Skills for individuals with disabilities in

the community; Keeping an eye on the Prize - the importance of mission in

achieving a goal; No Place Like Home - the development of housing subsidies and

other financing strategies to develop housing for people with disabilities;

Choice -a matter of wants, not needs; Slaying the Developmental Dragon - the business has changed

in services for people with disabilities. Developing Affordable Housing/Creative Financing Strategies

These seminars typically last one to three days.

2. **Planning for organizational change.** CRA provides consultation and training to boards, agencies, and others interested in organizational change. This has included:

- the downsizing and closing of large residential facilities;
- the conversion of a facility-based model to a support model, and
- strategic and long range planning.

Dufresne also facilitates board retreats that focus on mission and specific targetable outcomes that an agency wishes to achieve.

3. **Housing and financing strategies.** Over the past ten years, Derrick Dufresne has developed a number of different community residences for people with disabilities. CRA has assisted in:

- arranging financing for apartments, single family homes, duplexes, etc.;
- securing rental subsidies such as Section 8 vouchers and certificates;
- securing development subsidies such as the low income housing credit, community development block grants and other funding mechanisms that make regular housing in the community affordable and accessible for people with disabilities.

He has worked with agencies across the country in maximizing community resources to make housing affordable for people with disabilities. He is a licensed real estate broker in Missouri.

4. **Individual consultation and support for families and people with disabilities.** CRA provides individual consultation and support for families of people with disabilities and individuals with disabilities themselves. This includes developing individual futures plans for people with disabilities as well as demonstrating how an individual can make a difference in a system one person at a time.

5. Supported Living: From Philosophy to Implementation. This presentation focuses on the promise and the pitfalls of moving from a facility model to a support model. Topics covered include:

- person-centered planning
- separating housing and supports
- building community and personal supports
- nontraditional funding strategies
- rethinking staffing patterns