

HEALTHY AND AFFORDABLE HOUSING

We support healthy and affordable housing for all as a foundation for healthy, vibrant communities and inclusive growth.

HOSPITALS AND HEALTH SYSTEMS ARE SUPPORTING AFFORDABLE HOUSING

Bon Secours Baltimore Health System, the flagship of the nine-hospital Bon Secours Health System, a \$3.3 billion not-for-profit Catholic health system, takes a direct role in developing affordable housing. In West Baltimore, in response to a community engagement process, Bon Secours Baltimore helped build more than 800 units of affordable housing using Low-Income Housing Tax Credits and worked with residents to convert more than 640 vacant lots into green spaces, in partnership with Enterprise Community Partners. In Richmond, Virginia, Bon Secours has partnered with and helped fund the Maggie Walker Community Land Trust.

Dignity Health, the fifth largest health system in the nation (serving California, Arizona and Nevada), operates a \$140 million loan fund which supports economic development in low income communities served by the health system. Housing-related developments, such as for permanent, supportive, transitional, and respite housing projects, are among its largest investments. In 2016, Dignity Health's Community Investment Program issued a \$3.1 million predevelopment loan to construct a transit-oriented complex in central Los Angeles with 50 permanent and 450 transitional housing units for individuals and families, addressing a major social determinant of health for more than 500 persons experiencing homelessness. Since the inception of the program, Dignity Health has made over \$250 million in loans to support health equity throughout the U.S.

See a full list of HAN member housing activities on pages 3-6.

KEY FEDERAL PROGRAMS & PROPOSALS

PROGRAMS

Low-Income Housing Tax Credits support private investment in the production and preservation of affordable rental housing. Since 1986, Low-Income Housing Tax Credits have been used to finance nearly 3 million affordable housing units.

HOME Investment Partnerships, managed by HUD, provide funding to state and local governments to build, buy, and rehabilitate affordable housing for rent or homeownership, and provide rental assistance to low-income people.

POPOSALS

HUD-PASS (Partnerships Accelerating Supportive Services) creates a competitive joint HUD-HHS program that pairs HUD housing vouchers with HHS services through SAMHSA's Cooperative Agreements to Benefit Homeless Individuals (CABHI) competitive grant programs targeted to families who experience homelessness and have multiple barriers (e.g., child with disability requiring full-time caregiver, parent with mental illness, etc.)

HUD-HIRO (Housing Innovation, Investment and Reform Opportunities) creates a HUD program, modeled after the Department of Transportation's TIGER grants, that provides competitive grants to local communities which reward innovative thinking and collaborative, cross-sector projects to combat homelessness and affordable housing challenges.

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ACCESS TO AFFORDABLE HOUSING IMPROVES HEALTH OUTCOMES

Stable, affordable and healthy housing is essential to community health and well-being. **According to the American Hospital Association**, a substantial body of research demonstrates that providing a clean, safe place to live, regular nutritious meals, or more job opportunities have a profound and positive effect on health.

A study by the Robert Wood Johnson Foundation shows that community members who cannot afford healthy housing are more likely to encounter environmental toxins like lead paint, poor indoor air quality from factors like mold, inadequate heating or cooling—all clearly linked to specific health disorders like asthma or nervous system damage. Meanwhile, the stress associated with precarious or inadequate access to housing leaves these community members that much more vulnerable to poor health.

Leading health industry stakeholders continue to shine a light on the connection between homelessness and poor health outcomes. **Studies show** that homeless children are more vulnerable to mental health problems, developmental delays, poor cognitive outcomes, and depression than children who are stably housed.

INVESTING IN HOUSING MAKES GOOD HEALTH SENSE

Unstable housing among families with children will **cost the U.S. \$111 billion** in avoidable health and education expenditures over the next ten years.

Hospitals and provider organizations can reduce spending substantially when they connect people to services that address social determinants of health, such as secure housing, medical transportation, healthy food programs and utility and financial assistance. One study found an additional **10 percent reduction in healthcare costs – equating to more than \$2,400 in annual savings per person** – for people who were successfully connected.

Another study shows that the provision of affordable housing **decreased Medicaid expenditures by 12 percent**. At the same time, **use of outpatient primary care increased by 20 percent and emergency department use declined by 18 percent**.

Medical respite programs, which provide temporary medical care and a safe place to recuperate for homeless persons who don't need to be admitted to a hospital, reduced Emergency Department visits by 45% and readmissions by 35% for a **savings of \$1.81 for every dollar spent**.

New York City's Montefiore Health System has achieved a **300% return on investment** for homeless patients by investing in housing, a move that has cut down on emergency room visits and unnecessary hospitalizations.

HOW HEALTHCARE ANCHOR NETWORK MEMBERS ARE SUPPORTING AFFORDABLE HOUSING IN THE COMMUNITIES THEY SERVE

Advent Health Orlando, formerly known as Florida Hospital, donated \$6 million over three years (2015–2018) to address homelessness in Central Florida to help chronically homeless individuals, including veterans, who need permanent housing and help from social workers, health care and mental-health providers to stay off the streets. The funds were placed into a “homeless impact fund” established and managed by the nonprofit Central Florida Foundation.

In 2017 a nonprofit donated the Wayne Densch Center for the homeless to AdventHealth Orlando who, in turn, leased the property to Ability Housing for \$1 per year. With funding from Orange County, Ability is redeveloping the center to provide permanent housing for individuals and families. The foremost goal for the renovated Wayne Densch Center is to provide permanent supportive housing for families, but some units may be designated as transitional care units for homeless patients discharged from Florida Hospital.

Baystate Medical Center announced in 2017 that it is making a \$500,000 investment in Revitalize CDC and HAP Housing in Springfield to support their efforts to improve community health through improved housing and community development activities. The three-year investment marks the largest CITC investment ever made by a health care institution and represents a groundbreaking milestone in the growing convergence between the community development and public health fields.

- Revitalize CDC will receive \$250,000 to support a three-year effort to improve housing conditions for children with asthma and to make home improvements that allow seniors to safely remain in their home. The project will leverage Revitalize CDC’s remarkable volunteer network, enabling these home improvements to be done with high quality and low cost.
- The investments are part of Baystate’s Better Together grant program. Baystate is able to utilize the CITC even though it is a not-for-profit without any tax liability because the CITC is refundable. Therefore, Baystate has already announced that it will use their \$250,000 CITC “refund” to support additional community health programming in the coming years.

In **Bon Secours Mercy Health System**, a not-for-profit Catholic health system, many markets are working with community members to assure the availability of quality, affordable housing. In West Baltimore, in response to a

community engagement process, Bon Secours Baltimore helped build more than 800 units of affordable housing using Low Income Housing Tax Credits and worked with residents to convert more than 640 vacant lots into green spaces, in partnership with Enterprise Community Partners. The Baltimore market is also working with the Cincinnati market to leverage lessons learned to create an affordable housing strategy that is tailored to the community’s needs.

In Richmond, Virginia, the System has partnered with and helped fund the Maggie Walker Community Land Trust; in March 2018, Richmond City Council voted to designate the land trust as the City’s land bank, making it the first combined CLT/land bank in the nation. Bon Secours Greenville partnered to create the Sterling Land Trust with residents and community groups to ensure long term housing affordability, vibrancy and to maintain the historic legacy of this South Carolina community.

Boston Medical Center is building creative housing partnerships utilizing multiple funding mechanisms and strategies:

Through Determination of Need, BMC has designated \$6.5 million over five years to support a wide range of affordable housing initiatives. The initiative includes:

- An interest-free loan for a healthy, affordable grocery store at an affordable housing development in Roxbury
- Investment in the Healthy Neighborhoods Equity Fund
- Support for on-site resident services in elderly and family housing developments
- Creation of a housing stabilization fund

Through philanthropic support, BMC has created Housing Prescriptions, a program that provides housing, legal, and social services and supports to patients, both adults and children, with complex medical issues and health-harming housing needs.

Through innovative partnerships, BMC is co-locating housing services within pediatric clinics as a strategy to remove barriers for families needing housing assistance.

Catholic Health Initiatives (CHI) has a foundational commitment to building healthier communities and recognizes accessibility to safe and affordable housing as an essential element of well-being. Since its founding over 23 years ago, CHI has lent over \$11 million to Community Development Financial Institutions (CDFIs) that provide lending to affordable housing developers. CHI is a member of Mercy Housing's Strategic Healthcare Partnership and has lent the organization \$5 million to support affordable housing initiatives. Currently, CHI has loans to both Partners for the Common Good (PCG) and Mercy Loan Fund totaling nearly \$2 million supporting their efforts in an affordable housing development that will preserve a portfolio of 268 residential units of affordable housing in Mississippi. CHI has provided \$300,000 to the Disability Opportunity Fund (DOF) and \$500,000 to the Rural Community Assistance Corporation, for the purposes of providing special needs housing and affordable housing in rural areas. In addition to providing loans, CHI has grant-funded nearly \$1 million in recent years to support a variety of housing initiatives related to homelessness, affordability, and support services.

Children's Hospital of Philadelphia provided a \$100,000 community benefit grant to the Philadelphia Housing Development Corporation (a nonprofit) to hire MWBE contractors to repair homes (e.g., leaky roofs, plumbing).

Dignity Health, the fifth largest health system in the nation, operates a \$140 million loan fund which supports economic development in low income communities served by the health system. Housing-related developments, such as for permanent, supportive, transitional, and respite housing projects, are among its largest investments. In 2016, Dignity Health's Community Investment Program issued a \$3.1 million predevelopment loan to construct a transit-oriented complex in central Los Angeles with 50 permanent and 450 transitional housing units for more than 500 persons experiencing homelessness. Since the inception of the program, Dignity Health has made over \$250 million in loans to support health equity throughout the U.S.

Gundersen Health System utilizes its real estate holdings to support the creation of affordable housing. Gundersen leveraged its assets to assist with community revitalization in the development of sixty-eight units of affordable housing (out of a total of eighty-five) at Gund Brewery Lofts. Within walking distance to Gundersen's La Crosse campus, Gund Lofts opened in 2007 in an area that the City of La Crosse is striving to redevelop. To enable development, Gundersen provided the land and the 58,000-square-foot historic Gund Brewery to a private developer, who executed construction using Low-Income Housing Tax Credits and Historic Tax Credits.

In addition, the health system partnered with the City of La Crosse on the Zahn site development, a mixed-use housing development where a vacant blighted building and underutilized city park once stood.

Kaiser Permanente: Serving more than 12.2 million members across eight states and the District of Columbia, Kaiser Permanente is committed to shaping the future of health care. In May 2018, Kaiser Permanente announced an impact investing commitment of up to \$200 million through its Thriving Communities Fund to address housing stability and homelessness. The organization's initial focus will be on preventing displacement or homelessness of lower- and middle-income households in rapidly changing communities; reducing homelessness by ensuring access to supportive housing; and making affordable homes healthier and more environmentally sound.

Kaiser Permanente has supported several state and local bond measures, including financial support of pro-housing campaign measures. In 2016, Kaiser Permanente invested in the development of Central City Concern (CCC), a development with more than 370 affordable housing units, built in conjunction with a health care facility. Since its founding in 1979, CCC has become the largest provider of supportive housing in Portland, OR, as well as a primary provider of physical and behavioral health services. The new housing units will be prioritized for high users of health care services who are medically or psychiatrically compromised and at the greatest risk for harm on the street.

Kaiser Permanente has also supported housing efforts in Denver, CO, providing support for a feasibility study which informed the creation of an \$8.6 million social impact bond. The bond funded a housing program for 250 of the city's most frequent users of the criminal justice system. Kaiser Permanente is also the single-largest corporate sponsor of Mayor's & CEOs for U.S. Housing Investment, a bi-partisan coalition that advocates for Federal investment in housing and aims to ignite a national conversation to remind the nation that housing is pro-family, pro-jobs, and pro-investment.

Providence St. Joseph Health: Currently, about one third of the \$10 million Providence St. Joseph Health has invested is in the form of low-interest loans to community development financial intermediaries. These loans enhance intermediaries' ability to address critical community needs, such as access to affordable housing. Providence St. Joseph Health has invested capital, often in the form of loans, in a number of community organizations, including:

- Mercy Housing, which offers affordable housing and supportive services to low-income families, seniors, and people with special needs.

- Illumination Foundation, which is working to break the cycle of homelessness in Orange County and Southern California.

In addition, Providence St. Joseph Health's Community Partnership Fund supports nonprofits that provide food, shelter, and care coordination to the most vulnerable in its communities. The shelter program funds mainly homeless shelters, with some funding also provided for transitional and supportive housing, rent and utility assistance. The Fund also provides funding through the Community Building Initiative, that includes some efforts on affordable housing.

About Providence's Supportive Housing Division:

- 15 Ministries
- WA, OR and CA
- 763 units
- 850 residents
- 247,485 total Housing Days (2016)
- \$2.038 million community benefit (2016)

Supportive housing is a term used to describe a successful, cost-effective combination of affordable housing and support services to help people live more stable and productive lives. Typically, once a person finds safe, affordable housing they become more socially involved in their community and their health stabilizes or improves. Providence offers supportive housing in the communities it serves.

- Their supportive housing program is designed for elderly or disabled individuals or families who qualify as very low-income.
- It's permanent. There is no limit to how long residents can rent an apartment, as long as they abide by the terms of the lease.
- Residents are supported. All members of household have easy, facilitated access to supportive services to help them stay housed.
- Service providers reach out to residents to help them take advantage of on-site and community-based supportive services. Residents do not have to utilize any of these services as part of their lease agreement, it's strictly voluntary.
- The caring staff keep an eye out for resident issues and address them before they become crises. The staff is here to encourage stability in residents' lives and to help them age in place.

- Everyone in the resident household has opportunities for social and community interaction and participation.

RWJBarnabas Health, the largest integrated health care system in New Jersey, is investing in and creating housing partnerships utilizing several funding sources and strategies:

- Healthy Housing in New Brunswick

Robert Wood Johnson University Hospital New Brunswick has partnered with Healthier Middlesex, Live Well New Brunswick, St. Peter's University Hospital and other local government partners in the New Brunswick Healthy Housing Collaborative to conduct in-home assessments, educate families and remediate homes with unsafe and unhealthy living conditions. The initiative is designed to ensure that residents in New Brunswick are living in safe homes that facilitate healthy living.

- Coming Home Middlesex

RWJBarnabas Health is participating in a social healthcare integration collaborative to address the health-related social needs of those identified as high-utilizers of the emergency department. The contribution is funding case managers who will connect these high-utilizers with person-centered health and social services, including mental health and substance use disorder treatment. As part of this initiative, the New Jersey Department of Community Affairs (DCA) is providing 25 tenant-based housing vouchers to help individuals in need to move into safe and stable housing.

- Healthy Homes Somerset

RWJUH Somerset is renovating two single-family homes to offer as transitional housing for qualified families who cannot afford housing and/or basic cost of living, and have a chronic or acute disease, such as diabetes or cancer, that causes financial hardship. Individuals who qualify must have a steady job or income. Homes are available for 18-24 months, and housing residents will work with a case manager who can connect program participants to community resources that offer support for basic needs such as employment, transportation, social services and permanent housing. This initiative is designed to help housing residents to manage their finances and health and become self-sufficient.

Trinity Health allocates investments to financial intermediaries, including community development financial institutions (CDFIs), loan funds and other investment managers, to support access to affordable housing and supportive housing. At present, more than 40 percent, or \$15.4 million, of Trinity Health's deployed loan portfolio supports the creation of affordable and supportive housing, including loans of nearly \$5 million with Mercy Loan Fund (Mercy Housing). An additional \$7 million is committed to future housing initiatives that will launch in the next two years. Some examples of Trinity Health's recent affordable housing investments include:

- An investment of \$3.5 million in Bethlehem Haven, a Pittsburgh-based social services nonprofit, to construct a 38-unit affordable housing development in Pittsburgh, PA to serve individuals who are formerly homeless, at risk of homelessness, and/or have a disability.
- A \$1 million investment in Cinnaire, a CDFI serving the Midwest and Delaware, to finance the acquisition and renovation of vacant and blighted properties in distressed neighborhoods in Wilmington, DE.
- A loan of \$1 million to support the construction of Patriot Village II in Trenton, NJ – a 72-unit affordable housing development that is targeted to serve families and individuals making 60% of area median income.