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Housing and Services for Homeless and At-Risk People

Newport's Experiment

Mary Ellen Hombs
David A. Mehl

Large and small communities alike have diverse groups of people in need of housing and services: mental health patients, single homeless adults, individuals with substance-abuse problems, the elderly, the mentally retarded, the unemployed, and people with low or fixed incomes. Even with unlimited resources to create necessary solutions, most communities would subscribe to the conventional wisdom of segregating people according to their major needs and managing the resulting environment with a combination of behavioral regulation and casework. In Newport, Rhode Island, an ambitious nonprofit housing organization decided to break those rules and provide a continuum of secure housing choices and support services under one roof.

A few blocks from Newport's mansions and among the expensive residences of its historic district is the home of 150 local citizens without the means to live in this New England city. Fifty Washington Square is a private low-income housing facility that houses people with low-paying service jobs in the city's hospitality industry alongside dually diagnosed homeless people. Since the project's inception in 1988, the nonprofit owners have opened their doors to mental health patients, single homeless adults, individuals with substance-abuse problems, the elderly, the mentally retarded, and the unemployed, as well as citizens whose only dilemma is their inability to afford housing in Newport.

In other communities, these groups would compete for resources and at best be offered segregated facilities and services. Few would consider that the policy of mixing people with such diverse housing needs presents anything more helpful than an expedient solution, and is possibly a recipe for disaster. Newport's unique project has been in operation for three years, with significant costs incurred. Has this social experiment succeeded in its basic mission of providing decent, affordable housing for a variety of people or failed to do more than concentrate diverse problems under one roof?

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Homelessness and Housing

These are particularly relevant questions for urban communities, given the lack of affordable housing for growing numbers of people. The homeless have become more obvious and their numbers have grown yearly during the last decade; the chief cause has been the lack of affordable housing. Yet often the public debate has focused on the flaws in the emergency and long-term services offered to the most troubled and the most visible: the mentally ill, the addicted, and those who suffer with both, the dually diagnosed. Such a debate overlooks the fact that the homeless are not only those who have trouble keeping housing — owing to mental illness or other problems — but also those who have trouble even getting housing because they can't afford it. Relatively low-paying jobs in the rapidly-growing service sector contrast sharply with high housing costs. Newport's seasonal tourist industry is an excellent example of a local economy that depends on such labor but is hard pressed to provide housing for its workers. The average hotel or restaurant worker would have to pay over 50 percent of his or her income to live in a small apartment — if she or he was lucky enough to work forty hours per week.¹ Affordability in Newport is even more of a problem for a single person with mental health problems who receives a monthly SSI payment of \$471.

In turn, those who have trouble getting housing and those who have trouble keeping it live side by side with the third and largest group, those at risk of homelessness, including both the unemployed and the employed, the elderly on low fixed incomes, the medically uninsured, people with AIDS, and others. In Newport, as in any other city, many people fitting these descriptions are already in the ranks of the homeless, and those at risk may cross over and join them in the space of one or two pay periods. Surveys of those seeking emergency shelter have found that up to 45 percent of the applicants are employed but have lost their housing.²

Newport mirrors the national dimensions of the problem of homelessness. According to the U.S. Conference of Mayors' 1991 annual survey of homelessness in twenty-eight cities, twenty-six of those cited a lack of affordable housing as a primary cause of homelessness,³ and the cities experienced an average increase of 13 percent in requests for emergency shelter.⁴ More than 70 percent of the cities had to turn away families seeking shelter.⁵ An average of 40 percent of those seeking shelter had substance-abuse problems,⁶ and 29 percent had mental health problems.⁷ Half of those seeking aid were single men.⁸

How have communities addressed these problems? Clearly, communities require a continuum of shelter options and long-term support, not just emergency shelter. Large communities have often addressed this problem piecemeal, by creating specialized facilities for discrete populations. In small communities, however, the local population offers up a relatively small number of individuals, many of whom may have only a single need, such as access to an affordable unit or mental health support services. Siting and funding may make it impossible for small communities to create single-use facilities.

The Newport Response

In 1987, Newport faced just such a question after the local YMCA was put up for sale. Nationally, the loss of Y facilities as housing resources has meant some version of

what it did in Newport. In a community of thirty thousand, one hundred people faced the loss of their low-cost housing. Confronted with the prospect of so many soon-to-be-homeless individuals, two Newport nonprofit organizations created a new entity, Fifty Washington Square, Ltd., to maintain one of Newport's only affordable housing resources for single people. Moreover, the parent organizations — Church Community Housing Corporation and Community Development Training Institute — decided that preserving this housing wasn't enough. The partners had one provocative premise which shaped their effort: that in a single building they could provide housing for low-income individuals regardless of the problems they faced, ranging from mental illness to substance abuse to inadequate income. They could help both homeless and housed people get affordable housing and provide necessary services for all these people to maintain permanent housing in the building.

They then sought examples of similar projects in other communities but found none. The problems associated with successfully mixing such widely disparate populations within the same building were obvious. Most of the existing programs they came across were based on segregating discrete populations and applying specific solutions. There was no precedent and much advice against deliberately creating a social fabric as unevenly woven as their proposed project. Nevertheless, they forged ahead with their unorthodox plan.

In 1988, they purchased and started the renovation of the five-story, 58,000-square-foot YMCA building originally built in 1911. The project was financed through the kind of marrying of private, federal, state, local, and foundation funds that became more common during the last decade as communities scrambled to make up for the dire shortage of federal funds. Rather than duplicating existing community social services, the project involved service providers, either by referral or by attracting them to the building. For example, by housing thirty individuals with mental health disabilities, Fifty Washington Square was able to receive both capital housing funds from the state mental health agency and direct residential support services within the building.

A year and a half later, the facility included twenty-three beds of emergency shelter for single adults and families and transitional housing for twenty people in the McKinney Cooperative Shelter and 108 units of subsidized permanent housing, including 70 single-room-occupancy (SRO) units, 15 efficiencies, and 23 one-bedroom apartments. The rent on the permanent units is set at 30 percent of income; the income limit for SROs, which share kitchen and bathroom facilities, is \$13,850. Commercial space on the ground floor and basement levels houses Rhode Island Legal Services, Newport County Mental Health Center, and the James L. Maher Center for mental retardation, as well as the two nonprofit sponsors. Fifty Washington Square brought in the Mental Health Center to run the shelter and hired a management company to operate the entire facility. The owners also insisted that the project's director have shelter experience.

The Housing Continuum

At the core of the Fifty Washington Square housing program is the premise that applicants could move directly into either emergency shelter or the transitional housing program or sign a lease for permanent housing, depending on their ability to maintain their housing and live harmoniously with others. Consistent with the

goal of helping people get and maintain permanent housing in the building, individuals can also move within this continuum of three housing opportunities in either direction based on their own actions and problems.

Bill was a good example of the housing program's ability to help someone maintain housing that he would have lost in almost any other circumstance. Bill was an active and belligerent alcoholic when he moved into the emergency shelter. After he had made a commitment to addressing his substance-abuse problems, he applied for and was accepted into the transitional housing program, where he established a record of stability and sobriety. He then applied for and was accepted into permanent housing. After doing well for nearly a year he had a relapse. His alcohol-related behavior once again became so intolerable that, faced with eviction from his permanent housing, he left voluntarily. Unlike any other landlord in the city, Fifty Washington Square was ready to offer him a chance to return to the transitional housing program, which he accepted. He subsequently reestablished his sobriety and again signed a lease for a single permanent unit. In the course of the eighteen months of this sequence of events, Bill kept permanent housing for ten months and utilized the McKinney Shelter during the balance of the period.

While the theory of a housing continuum was being borne out, the project was experiencing other critical problems, including high turnover rates in portions of the permanent housing and a high vacancy rate leading to subsidy and operating losses. The annual turnover in the single rooms was more than 65 percent. Permanent residents with leases included approximately 35 percent with mental health problems, 20 percent with short-term disabilities who were on public assistance, 30 percent with substance-abuse problems, 10 percent elderly, and 40 percent employed in low-paying service industry jobs. The emergency shelter included approximately 50 percent transient homeless and 50 percent individuals with chronic mental health or substance-abuse problems.

The Social Matrix

Despite these initial problems, the project was witnessing positive dynamics which suggested that broader goals were being achieved. Residents were reacting to their neighbors in the building in a way that greatly enhanced the effectiveness of the project. Their experience and understanding of their own housing dilemmas almost always led to empathy for others. Their acceptance of others and often markedly different life circumstances were forming a social fabric that strengthened the sense of community in the building.

Where the building's owners had first perceived random social relationships within the building, they now saw a complicated but identifiable dynamic within the residents' interrelationships. There was in fact a matrix of social interactions that was playing a dominant role in forming the building's personality. This matrix consists of two components: the segments of the housing programs, which are primarily defined by administrative rules, and the range of residents' personal circumstances, primarily identified by behavior, which have presented obstacles to acquiring or keeping housing in the past. The matrix of different but frequently shared problems within all three housing programs in the building develops a complicated social fabric that could easily create

formidable obstacles for the simple management of the building, let alone meeting some of the more ambitious goals of the project.

For example, all three of the housing programs — emergency shelter, transitional, and permanent housing — include residents with mental health problems. Not only do residents sometimes have more than one issue at work in their lives, but no group of residents with a similar problem is neatly confined to one category of housing. Thus, building management and mental health case workers alike must relate to people with similar problems in different living situations within the building.

Similarly, residents establish relationships that cross over housing program borders which impose different rules for different residents within the same building. The clarity that comes from distinct categories is missing, presenting an ambiguity to which both residents and staff have to react.

Parallel situations existed for other elements in this matrix: substance abusers, elderly, those with no or inadequate income, and so on, represented within all three housing programs. This overlay of types of housing and people was an intimidating mix for the building management. Fashioning rules and services for meeting the facilities' goals looked difficult at the start.

The Social Fabric

The opportunities for miscommunication, confusion, and perhaps, chaos seemed significant. However, they rarely materialized. Management had initially thought it would probably play the largest role in determining the building's environment. Slowly it became apparent that the dynamics of the matrix were contributing as much, if not more, to the positive atmosphere. The building's air is remarkable for its friendliness and informality. Compared to many conventional apartment buildings, it encourages an unusual amount of positive interaction among the residents. They participate readily in light social conversation, even with those they do not know well. There is a sense of pride in the environment, one indicator of which is the extremely low incidence of vandalism.

Two major factors contributed to the success of this social fabric. First, despite the broad differences in many residents' lives, their common dilemma in finding affordable housing created an empathy that greatly enhanced the self-identity of the building. Fundamental to this was the residents' understanding that a lack of tolerance for others could lead to their loss of housing in the building or even to homelessness. Residents' intolerance of others' behavior was in certain respects no different from what one would find anywhere else, but any resident's negative reaction to the specific problems of others was frequently overridden by the common understanding of homelessness.

Roberta is the most disruptive and delusional women's shelter resident. Because the women's shelter is in the heart of the permanent residences, Roberta has occasion for frequent contact with many of the building's 110 permanent housing residents. Her pattern of verbal provocation of others led to numerous confrontations with John, an otherwise calm leaseholder in a single room. In a conversation one night in the second floor TV lounge, John led a contingent of residents who were adamant that Roberta should be denied housing in the building because of her behavior. The most striking part of the conversation occurred when it was pointed out that the consequences of such an action would result in Roberta becoming homeless. John,

who had been the most vociferous in espousing her removal, at that point said simply, "I didn't know that. That changes things." John abandoned his previous position, and the entire nature of the conversation changed.

Second, personal relationships also tied the housing programs together. As residents left emergency shelter and moved into transitional housing, they maintained friendships with other emergency residents. Those friendships frequently became the pathways for others to progress within the building.

Red, a man in his fifties who has been homeless much of his life, moved into the emergency shelter seven months ago. After a three-month stay, he signed a lease for a single room. Joe, who became friends with Red while they were both in the shelter, began to visit him upstairs regularly. Red has indicated to management that he hopes Joe, who currently has a drinking problem, will eventually be able to move upstairs.

Similar relationships existed between people in the other housing programs and served to communicate the project's goals and enhance their fulfillment in ways that management could never hope to achieve. Their empathy and the personal relationships that exist within this matrix turn out to be the strongest parts of the social fabric; diversity has not been a source of chaos in the building.

Breaking Rules

How did management respond to these developments? They looked for ways to build on the positive aspects of the residents' relationships. Management decided that although the differences among the three housing programs were real, the benefits from interaction among the residents were significant and so strong that management would not retreat from its commitment to house and support such a wide variety of individuals. In fact, management took additional steps to minimize the divisions between residents on a personal level.

Cautiously at first, then more boldly, they actively worked to achieve the most porous administrative delineations possible among the programs. When the project started, residents with mental health disabilities were segregated on the third floor. They are now randomly housed throughout the building's permanent units. Nor are the residents segregated according to gender on the building's floors. The women's and family shelter is located in the heart of the permanent housing portion of the building and shares kitchen facilities, lounges, and entrances with permanent leaseholders.

Although 70 of the 108 leased units are single rooms and structured like a rooming house, they are operated like any other apartment building. Permanent residents have all the rights and protections of Rhode Island tenant law; they have their own keys to the building and come and go as they please. They may have visitors at any hour of the day; there is no discrimination toward homeless residents visiting their friends in permanent housing. Management also became less risk adverse in screening applicants for its residential programs. At one time or another, all these steps seemed to be risky, but all have proved to be integral and important parts of the program.

In addition, management has evolved a hiring program for residents; currently seven of the nine staff members are residents of the building. The staff includes four people who operate the front office twenty hours per day, seven days a week. Their

duties, which vary, include collecting rent, processing the subsidy paperwork, responding to residents' questions or problems, providing building security, and handling emergencies. The building also has a maintenance staff of four people. The director handles overall management and performs resident support functions for the 112 permanent residents. The shelter is administered by the local mental health agency, and its staff includes one and a half case managers. In addition, management has created a floater crew of residents who, while not employees, are used on a rotating weekly basis to staff the front office. These residents are trained by management and perform many of the management duties of permanent staff.

Measures of Progress

Management's earlier concerns about housing disparate populations and their impact on more traditional measures of performance — turnover, occupancy level, rent collection — were likewise assuaged. Occupancy reached capacity levels eighteen months into the project, and turnover now remains at three to four units per month, which reflects national rates for single-room occupancies. Perhaps most surprising, rent collection has not been negatively impacted either by turnover or by preconceived notions of what role bad debt might play in the building's operations. Most residents are not in a position to offer monthly rent payments or payment by check; therefore management must accept weekly payments, frequently in cash. In addition, continuing informal negotiations take place to accommodate rent arrears; security deposits may also be paid in installments. At any one time, the project has \$2,000 to \$3,000 in rent arrears. Although such flexibility in rent collection practices requires considerable management time, it is a crucial part of the building's success in meeting its goal of helping people keep their housing. However, this flexibility does not translate into losses for the project. Last year, the more than \$140,000 in tenant rent collections resulted in only \$116 in bad debt from tenants who moved out of the building.

With a strong social fabric in place, management has sought to start programs in the building that would allow occasions for greater resident interaction with a minimal amount of staff involvement. A writers' group meets regularly and publishes both a literary magazine and a building newsletter. A Residents' Building Committee that meets monthly to make recommendations for building improvements has an annual budget of over \$1,000 to spend as it sees fit on such improvements. Alcoholics Anonymous and Narcotics Anonymous meet regularly in the building. A literacy volunteer program comes to the building weekly, and a veterans counseling program provides semimonthly services on site. A new employment assistance program has started.

At the same time, the project does not provide an environment to meet everyone's needs. For example, there is no residential substance-abuse recovery program at Fifty Washington Square, nor is there a permanent housing component for people with limited independent living skills. Further, given the transitions necessary for some residents as they move into the building and along the continuum, it was a realistic step for the owners to decide to physically separate the men's shelter from the rest of the building.

Newport's experience with integrated housing programs for low-income individuals suggests that this seemingly chaotic social mix is far from a disadvantage but rather is a source of much of the project's strength. Indeed, an argument could be made that the

success of the project is increased by the diversity of its residents, in contrast to the risk incurred with a discrete population. The degree to which the building duplicates the outside world is an asset for its residents as they move through the continuum.

Fifty Washington Square shows that *how* services are delivered is as important as *what* is delivered. If management had accepted conventional notions of people and their problems being one and the same, they would not have been prepared to operate the building on the same premise that commercial housing projects do: that people are judged by their behavior and not by other categories or labels they bring with them. Instead, management defined for itself and the residents two very explicit rules and adhered to those as priorities: rent must be paid on time, and residents must behave in a way that is respectful of others in the building. The success of the project and the large variety of people it serves suggests that the owners' original vision and management's frequent leaps of faith can be translated into similar successes for projects offering single or multiple services in small or large communities. ♪

Notes

1. One-bedroom apartments in Newport rent for an average of \$400 to \$500 per month, and average monthly income for a full-time worker at \$5.00 per hour is \$860. The federal government considers housing to be affordable if it consumes no more than 30 percent of a household's income, meaning that a Newport worker would ideally pay no more than \$261 in rent. National trends indicate that 56 percent of poor renters, or 10 million people, pay more than half their income for housing, creating a pressure called shelter poverty. See generally, Center on Budget and Policy Priorities and Low Income Housing Information Service, *A Place to Call Home: The Housing Crisis for the Poor Continues* (Washington, D.C.: December 1991).
2. U.S. Conference of Mayors, *A Status Report on Hunger and Homelessness in America's Cities: 1991* (Washington, D.C.: U.S. Conference of Mayors, 1991), 62.
3. *Ibid.*, 35.
4. *Ibid.*, 25.
5. *Ibid.*
6. *Ibid.*, 62.
7. *Ibid.*
8. *Ibid.*