SOME SAY THEY LIKE CHANGE, BUT MANY FEAR IT.
The status quo seems safer and comfortable. Change, on the other hand, requires risk-taking.

If CSH had not changed the conversation over twenty years ago, we would not know that supportive housing significantly reduces the number of people experiencing or at risk of chronic homelessness. 2013 saw CSH forge ahead into bold new policy areas, moving energetically to change the paradigm again to include multiple vulnerable populations in our supportive housing success stories.

With the generous support of the Conrad N. Hilton Foundation and the W.M. Keck Foundation, CSH partnered with Dr. Eric Rice, University of Southern California School of Social Work, to develop a tool that helps identify homeless transition age youth right for supportive housing. The great benefit of this triage tool is that it quickly recognizes the most vulnerable youth.

Later, you will read how one young woman, Denise, homeless and hopeless, found a new life in supportive housing thanks to timely identification.

HELPING OTHER VULNERABLE YOUTH WAS A FOCAL POINT IN 2013.
CSH increased investment in Keeping Families Together, a program designed to serve homeless families with children who are at risk of recurring involvement in the child welfare system. By providing essential supports to families facing separation, this program shows real promise in keeping or reuniting children with their parents in a safe, stable environment.

After the initial CSH pilot supported by the Robert Wood Johnson Foundation proved successful, the federal government promoted expansion of this model through the Child Welfare and Supportive Housing Resource Center, a joint partnership between CSH and the Center for the Study of Social Policy, offering technical assistance to five local providers bringing benefits to children in several communities.

In addition to federal resources, four private foundations – the Robert Wood Johnson Foundation, the Annie E. Casey Foundation, Casey Family Programs, and the Edna McConnell Clark Foundation – are backing our focus on sustaining families and keeping them together.

We are proud to include testimonials in this report from children experiencing a better childhood because of our work.
Affordable supportive housing that improves lives and lowers costs for public systems is a win-win. As we examine the needs of individuals and families, CSH continues to lead a five-year national initiative to create innovative solutions where supportive housing and healthcare intersect. We are addressing the growing problem of rising healthcare costs by demonstrating a supportive housing solution that pulls people with the most complex issues out of the revolving door of expensive crisis-health services.

Backed by the prestigious federal Social Innovation Fund award from the Corporation for National and Community Service, we are refining supportive housing linked to health services to lower costs and enhance care. As we move forward, it is clear that quality supportive housing is the key ingredient to improving healthcare and more lives.

One critical concern CSH has long recognized is that the absence of initial funding is often a barrier to investment in supportive housing. To tackle this, CSH intensified efforts to promote Social Impact Investment, a compelling new way for state and local governments to embrace supportive housing.

By pairing performance based contracts with up-front working capital provided by institutional and philanthropic investors, social impact investment is an option that aims for better results and a wiser use of dollars.

IN 2013, CSH CAPITALIZED ON THE RECOGNITION WE HAVE RECEIVED FOR OUR LEADERSHIP. We were humbled when selected for the New York Community Trust-New York Magazine Nonprofit Excellence Award. This following on the heels of the Wells Fargo Next Award for Opportunity Finance, which inaugurated our Supportive Housing Solutions Fund.

As a result of that generous gift and additional contributions from the Conrad N. Hilton and Robert Wood Johnson Foundations, and financial sector leaders Bank of America, Deutsche Bank, HSBC Bank and Morgan Stanley, CSH is helping many communities.

In this report is a description of veterans’ supportive housing in Gary, Indiana, the first project to benefit from our Supportive Housing Solutions Fund.

Change is not easy, but 2013 proved once again that with the commitment of an amazing staff, partners, funders and providers, CSH can broaden the conversation so that many more people will find their solutions in supportive housing.
At 19 years old, Denise found herself homeless. She did not see eye to eye with her parents so they kicked her out.

At first she appealed to others for a home and that worked for a while. Finding a place to live was only one of Denise’s problems. She had addiction issues, heavy marijuana and alcohol use. Right before leaving her parents, she suffered a miscarriage ending an unplanned pregnancy. She had been physically abused as a young child and was briefly in foster care.

Denise had no job, no money and little support. She was depressed.

Denise got her first break in a long time when she mentioned her plight to counselors at a homeless shelter who knew about a new triage tool that quickly identifies youth (18-25) at high risk of long-term homelessness. The tool was developed for CSH by Dr. Eric Rice of the University of Southern California, with the generous support of the Conrad N. Hilton Foundation and the W.M. Keck Foundation.

One of tool’s greatest benefits is its ability to quickly and easily identify the most vulnerable youth who would benefit in supportive housing. With only six non-invasive risk items to consider, the tool can save valuable time and lives by helping providers prioritize housing needs.

Any score of 4, 5 or 6 places the youth at high risk. Denise scored a 5.

Within days, she was accepted into a supportive housing program that concentrates on the needs of youth who have faced homelessness and other challenges.

Today Denise tells people how close she came to taking her own life when her parents disowned her. Wracked with self-loathing, she felt empty and hopeless. Her lowest point in life almost became her last.

Denise lives in a beautiful apartment now. She is pursuing her associate degree at the community college and works as a part-time receptionist for a local company. She feels a purpose. She sees a future.

She knows that without supportive housing, her new-found happiness would not have been possible. She is grateful and credits it for saving her life.

Fortunately for Denise and others, we now have a data-informed tool to help providers identify and prioritize homeless youth who need supportive housing.
Keeping Families Together is all about supportive housing helping children. Families involved with child welfare systems are kept whole because this model is the glue preventing separation, binding supportive housing stability with comprehensive services to meet the needs of every family member.

Too often families are torn apart and children needlessly sent to foster care because housing instability stresses the family unit. By creating a safe home and treating underlying issues, Keeping Families Together offers the better outcome – children and parents moving forward as one.

Our Keeping Families Together pilot achieved results that received favorable attention. So much so, the federal government established Partnerships to Demonstrate the Effectiveness of Supportive Housing for Families with Child Welfare Involvement to help five grantee communities implement Keeping Families Together supportive housing.

The HEART Alliance in Broward County, Florida, is one of the grantees. In 2013, CSH provided HEART with important guidance through the Child Welfare & Supportive Housing Resource Center, which we jointly operate with The Center for the Study of Social Policy.

HEART created supportive housing units by connecting housing subsidies from public housing authorities with community services that focus on strengthening families through parenting training and the promotion of economic self-sufficiency.

We are deeply indebted to the Robert Wood Johnson Foundation for its initial investment in Keeping Families Together as well as its continued support. They are joined by an impressive pair of foundations – the Annie E. Casey Foundation, Casey Family Programs and Edna McConnell Clark Foundation – in supporting the Resource Center.

Keeping Families Together is an effective policy response allowing children to remain with their parents in a home that fosters love and support, not division and separation.

changing the CONVERSATION

Linda, Arthur, Rebecca and Alexis are a family impacted by serious mental health issues, recurring homelessness and repeat involvement with the child welfare system. Prior to living in supportive housing, Linda and Arthur cycled between homeless periods and also lost parental rights to their first child, Rebecca. The couple stayed together and had another child, Alexis, who was removed by child welfare too.

Linda and Arthur could not satisfy the child welfare system until they secured a safe and stable home where they could be reunited with Alexis. Because the couple was placed in supportive housing, Alexis was returned to them. The family is doing well and lives in a nice apartment.

Alexis attends school with her peers, enjoying her childhood surrounded by her family.
The challenges and triumphs of living on our streets are summed up in the story of Marian, who began experiencing homelessness after separating from her husband. She faced other difficult hurdles such as substance abuse and deteriorating physical health.

Void of stable housing and lacking regular health care, Marian was a frequent visitor to hospital emergency rooms (ER). Even relatively minor health concerns found her there, an expensive venue when treating common ailments. But the hospital had become a refuge for Marian. While homeless, she feared the flu would grow quickly to pneumonia. The ER was high-cost prevention and protector.

That all changed when Marian was accepted into the CSH Social Innovation Fund, where a supportive housing apartment and access to health services became an integral part of her wraparound care.

Our Social Innovation Fund is an active, five-year national initiative to address the problem of rising healthcare costs by freeing people with complex medical and mental challenges from the revolving door of costly crisis-emergency interventions.

Through the Social Innovation Fund, CSH works with four sites throughout the country (San Francisco, Los Angeles, Connecticut, Washtenaw County, MI) to use supportive housing to build healthier communities, decreasing public system costs by increasing integration and collaboration. To date, close to 400 formerly homeless, high-cost utilizers of healthcare have been housed and cared for through CSH’s Social Innovation Fund.

Last October, CSH convened program participants in Hartford, Connecticut, to celebrate a successful first year, share best practices, milestones and challenges with the goal of building stronger, local partnerships and turning an eye towards sustainability. Residents were joined by their CSH Social Innovation Fund “patient navigators,” advocates responsible for identifying and connecting tenants with housing and health care services.

Marian was one of the success stories. Her patient navigator coordinated her check-ups and treatments, and ensured her care met her needs. Today, Marian doesn’t visit the ER for routine medical attention. She has preventative care, which is cheaper and much more effective in stabilizing her health.

What is clear from Marian’s experience is how our Social Innovation Fund relies on strong advocacy to ensure a higher level of care coordination. The Social Innovation Fund gives patient navigators the flexibility to say “YES, we can help,” rather than limiting the scope of what they can provide because it’s “not their job” or not funded in their budget.
CSH inaugurated the Supportive Housing Solutions Fund, the first ever national loan fund dedicated solely to supportive housing, with a July 2013 announcement of our investment in Northwest Indiana Veterans Village, supportive housing for veterans.

Located in Gary, Indiana, Veterans Village is symbolic of the Fund’s overall goals to reach underserved markets and infuse capital into supportive housing that meets the needs of a community’s most vulnerable people.

The developer, Broadway Area CDC, received a $414,000 predevelopment loan for Veterans Village to convert an abandoned eyesore into a beautiful new 44-unit residence for veterans at risk of homelessness.

CSH is committed to ending homelessness among veterans. No one who served our country should ever go without a safe, stable place to call home. That is why we are particularly proud of the assistance we offered through the Solutions Fund.

But, the Solutions Fund is not limited to creating housing for our veterans. It is structured to help build supportive housing units that serve many vulnerable populations.

The $45 million Solutions Fund is built on more than 20 years of CSH’s lending experience in finance packages that have worked to bring public, private and philanthropic investors together to develop supportive housing.

The Solutions Fund looks to make investments in high-need areas where financing is not readily available or easily attained by providers.

What makes the Solutions Fund so distinct is its current funding structure of having CSH and our partners absorb a good share of the risk so senior lenders can grant their very best terms.

The Solutions Fund started with an initial investment secured when CSH received the 2012 Wells Fargo NEXT Awards for Opportunity Finance. CSH then engaged its longtime partners and philanthropic leaders the Conrad N. Hilton Foundation and Robert Wood Johnson Foundation, as well as premier private sector investors, Bank of America, Deutsche Bank, HSBC Bank, and Morgan Stanley, to build the Solutions Fund into a model for the supportive housing industry.
**financials 2013**

### PUBLIC SUPPORT & REVENUE

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|                        |              |                        |              |
| Contract Services      | 7,294,904    |                        | 7,294,904    |
| Interest & Dividend Income | 643,685    |                        | 643,685      |
| Interest Income - Loans | 2,052,028    |                        | 2,052,028    |
| Fee Income - Loans     | 644,816      |                        | 644,816      |
| Other Income           | 577,893      |                        | 577,893      |
| **Sub-total**          | 13,990,645   | 10,360,047             | 24,350,692   |
| Net Assets Released From Restrictions | 10,555,737   | (10,555,737)           |              |
| **TOTAL PUBLIC SUPPORT & REVENUE** | **24,546,382** | (195,690)              | **24,350,692** |

### EXPENSES

|                      |              |                        |              |
| Program Expenses     | 19,284,955   |                        | 19,284,955   |
| Management & General | 3,757,874    |                        | 3,757,874    |
| Fundraising          | 1,061,542    |                        | 1,061,542    |
| **TOTAL EXPENSES**   | **24,104,371** |                      | **24,104,371** |

|                      |              |                        |              |
| Surplus from Operations | 442,011      | (196,690)              | 246,321      |
| Net realized and unrealized (losses) gains on investments* | (778,526) | (778,526)              |              |
| Change in Net Assets  | (536,515)    | (196,690)              | (332,205)    |
| Net Assets Beginning of the Year | 16,643,075  | 11,086,362             | 27,729,437   |
| **NET ASSETS END OF THE YEAR** | **16,306,560** | **10,890,672**         | **27,197,232** |

*CSH makes grants to advance supportive housing through special initiatives such as our Social Innovation Fund, Returning Home Ohio and capacity building in Los Angeles. In 2013, we provided over $4 million in grants.*
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Executive Director, King County Housing Authority

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Homeward 2020
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United States Department of Agriculture Rural Development
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* Investors in CSH loan pools