

April 1, 2009



# Supportive Housing Property Management

## Business Practices and Resident Employment

Prepared by: **VIVA Consulting**

Commissioned by: **Corporation for Supportive Housing  
Enterprise Community Partners  
REDF**

# Contents

I.	STUDY BACKGROUND AND METHODOLOGY .....	1
II.	PARTICIPATING ORGANIZATIONS.....	2
III.	REPRESENTATIVE SUPPORTIVE HOUSING PROPERTIES.....	3
	Financial Structure and Performance .....	4
	Site Staffing.....	7
	Policies and Procedures .....	9
	Functional Centralization / Decentralization.....	9
	Employee Orientation and Training .....	11
	Retention and Tenure.....	14
V.	RELATIONSHIP BETWEEN PROPERTY MANAGEMENT AND RESIDENT SERVICES .....	16
VI.	EMPLOYING RESIDENTS OF SUPPORTIVE HOUSING .....	19
	APPENDIX A: Centralization and Decentralization of Property Management Functions.....	22
	APPENDIX B: Salaries, Experience and Education .....	24

In the fall of 2008, REDF, the Corporation for Supportive Housing and the Enterprise Community Partners engaged VIVA Consulting to conduct a study on best practices in the management of supportive housing. VIVA conducted a survey and a series of interviews with providers from across the country to ask about a range of business practices and recommendations, including staffing, hiring and retention, and the relationship between property management and resident services. An area of special focus was the creation of job opportunities for supportive housing residents in property management. This report presents the findings from the survey and interviews.

## I. STUDY BACKGROUND AND METHODOLOGY

Supportive housing combines rental housing with supportive services for vulnerable populations, such as formerly homeless individuals. The management of supportive housing combines the usual range of challenges involved in managing affordable rental property – tight operating budgets and a demanding regulatory environment – with the challenges of providing social services. The study’s sponsors sought to learn how providers around the country have met these challenges successfully. Some providers have used the property management business as an opportunity to create job opportunities for supportive housing residents. The sponsors wished in particular to explore this practice, and to learn about different firms’ experiences with these efforts.

Representatives from REDF, CSH and ECP, along with the two other members of the study advisory board, compiled a list of reputable supportive housing managers from around the country. The list included 32 groups, including both nonprofit and for-profit property managers. These groups were from

many parts of the country, with concentrations on both coasts (particularly in New York City and the San Francisco Bay Area), and in the Upper Midwest (particularly Minnesota). With the exception of one group in Virginia, there were no firms in the South.

With the support of the sponsors, VIVA contacted all 32 recommended management firms and solicited their participation in the survey. Fifteen groups initiated the survey, but two of these respondents terminated the survey shortly after completing only the initial contextual questions. Of the remaining 13 respondents, one organization chose to preserve anonymity and provided no identifying information. VIVA was able to conduct follow-up telephone interviews with the other 12 groups. The results presented in this report will be based survey data from the 13 complete surveys and interviews with staff from 12 of the 13 groups.

Survey respondents were asked to provide a mix of contextual information (details about their firms’ size, range of activities, location, and structure), and a range of details about their business practices. Respondents were also asked to provide information about a representative supportive housing

property in their portfolio, including financial data. Finally, respondents were asked to report on what they considered to be best practices in different aspects of their supportive housing operations. Participants' self-reported best practices are identified throughout the discussion of survey results below.

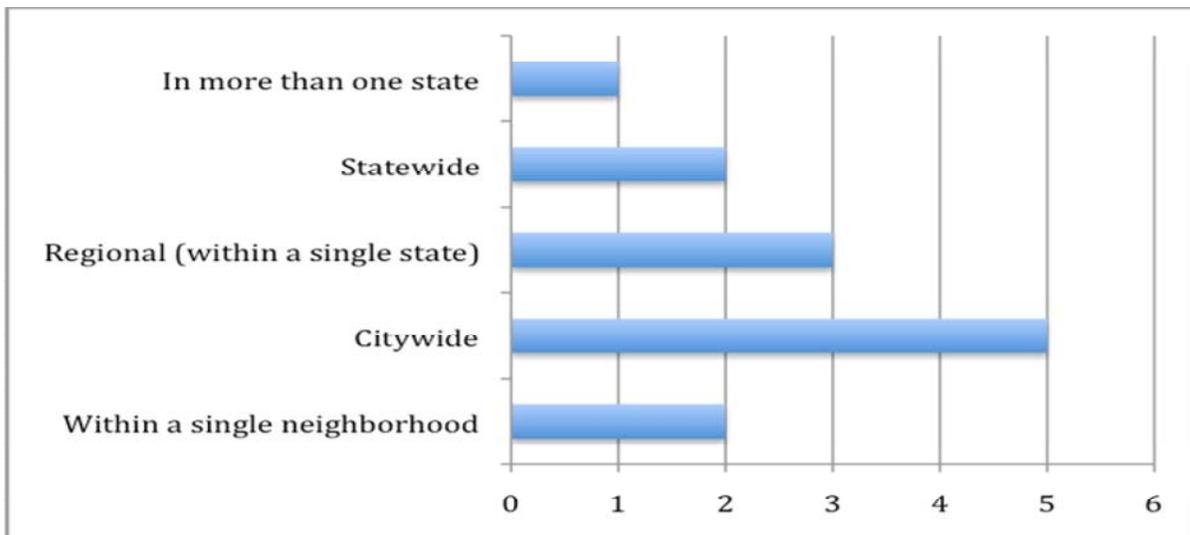
## II. PARTICIPATING ORGANIZATIONS

The respondents ranged widely in size, managing total housing portfolios as small as 95 units and as large as 25,500 units; the median portfolio included 16 properties with roughly 1,200 units. Two firms (15%) are private, for-profit property managers; the rest are nonprofits. The geographic distribution of the respondents is broadly reflective of the distribution of those solicited: the greatest concentration of firms is on the Coasts, with several respondents from the Upper Midwest.

- Taken as a group, the 13 respondents manage a total of 36,900 housing units of all kinds.

- The respondent pool manages a total of 186 supportive housing properties, with a total of 11,420 units.
- 93% of these supportive housing properties (173 of the 186 total) are self-managed by their owners.
- With the exception of one very large firm, the respondent organizations manage between 2 and 22 supportive housing properties. The median group manages 7 supportive properties with a total of 450 supportive housing units.
- Fewer than a third of the groups (4 of 14, or 29%) manage both supportive housing and other kinds of housing. The rest have exclusively supportive housing portfolios.

The following table shows the geographic range of the organizations surveyed. Five of the groups in the sample operate properties citywide; but almost half cover a broader geographic area than a single city. Two, on the other hand, are confined to a single neighborhood:

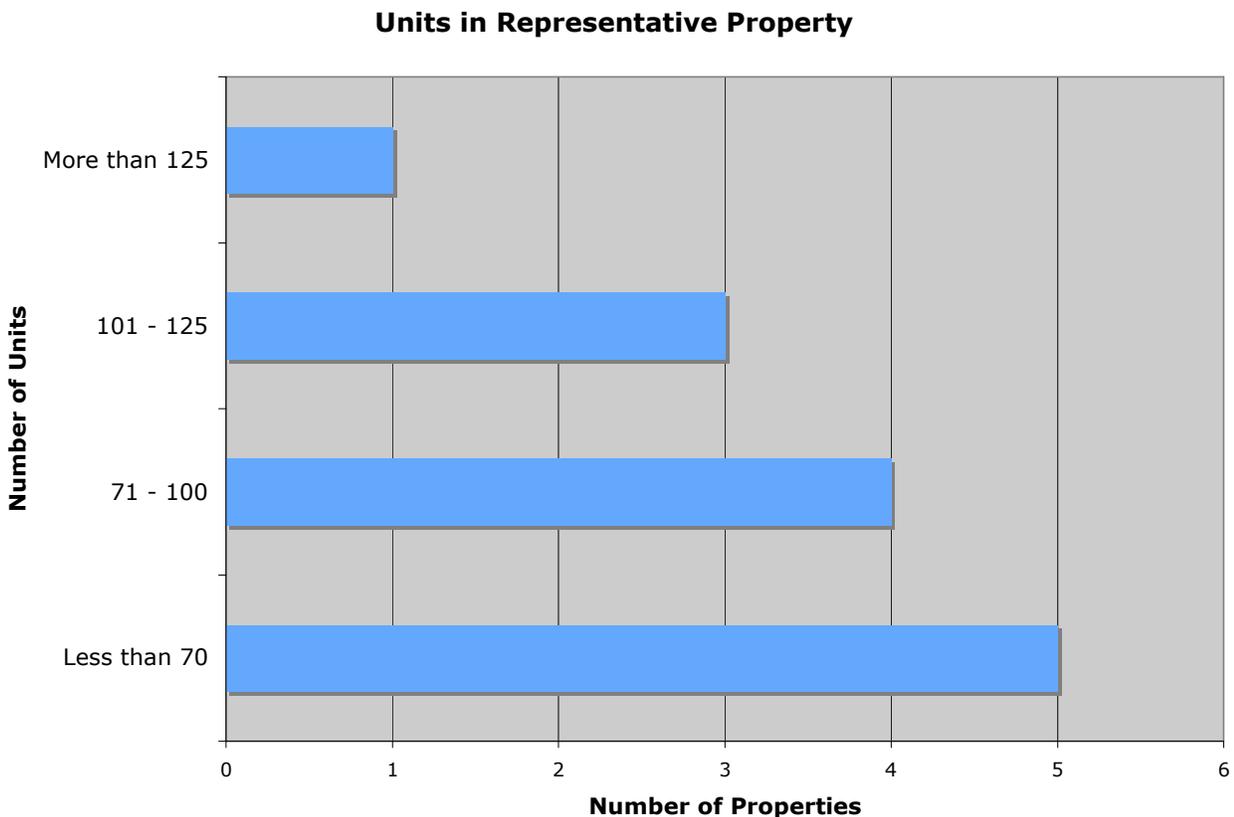


It was the original intent of the survey to include property management firms. One group, however, turns out to use third-party management for a supportive housing portfolio of which they are the owners and active asset managers. (Because of their deep engagement with the housing and familiarity with asset management issues, their data is nonetheless included in this analysis.) Ten of the 13 groups (77%) participate in housing development activities. Six groups identify themselves as social service providers as well as property managers.

### III. REPRESENTATIVE SUPPORTIVE HOUSING PROPERTIES

Respondents were asked to provide detailed information on a typical supportive housing property in their portfolio.

As the following table shows, the majority of the properties (eight of 13) have 70 units or more, with seven of the 13 properties including between 70 and 125 units:



All but one of the properties are in urban environments, with 2/3 describing the neighborhoods as “transitional” and the remaining 1/3 describing the neighborhood as “stabilized.”

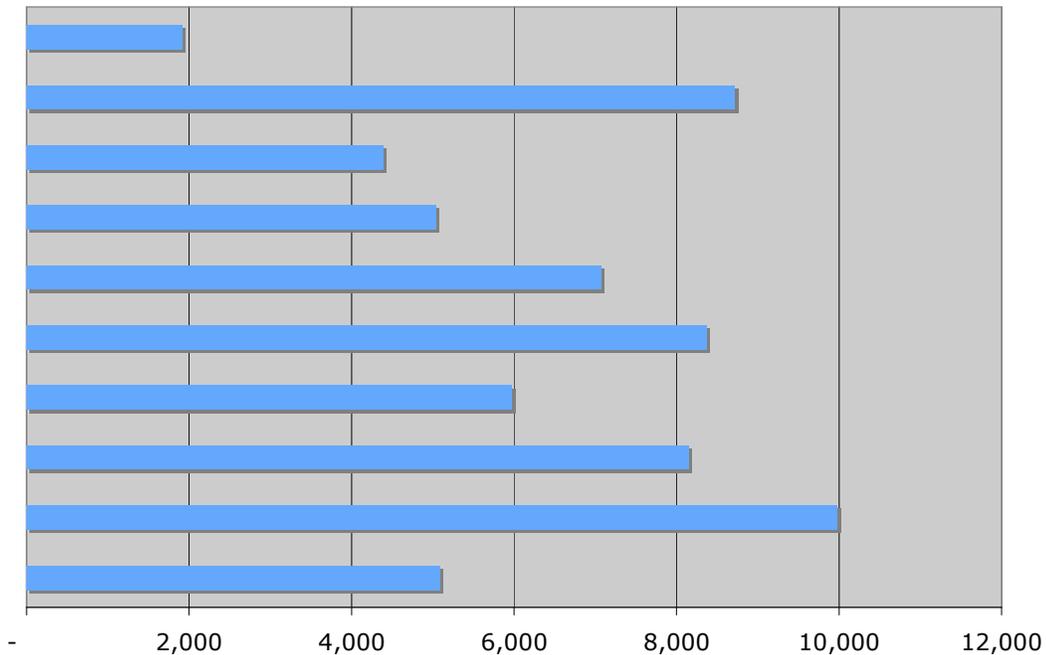
## Financial Structure and Performance

Supportive housing is typically characterized by relatively high operating costs; at the same time, supportive housing residents typically have extremely low incomes, and thus very limited ability to contribute to rent. Financially stable supportive housing properties need financing mechanisms to compensate. Most of the properties in this study have such financing mechanisms in place. Eleven of the 13 properties in the sample (85%) report

that that they do earn sufficient revenues to remain current in operating obligations, reserve deposits and debt service. The discussion below provides evidence that these properties succeed financially because they have operating subsidies and financial obligations appropriate to the unique demands of supportive housing.

Operating costs vary dramatically across different regions of the country, as we can see from the per-unit operating costs of the 13 properties in the study. The following chart shows per-unit operating expenses at the sample properties ranging from \$4,000 per unit per year all the way up to \$10,000 per unit per year:<sup>1</sup>

**2007 Operating Expenses/Unit**



<sup>1</sup> Note that the per-unit operating costs of less than \$2,000 for the top property on the chart may reflect data from less than a full year of operations in 2007.

While it is difficult to evaluate these costs absent additional information about markets and property characteristics, there is evidence that supportive housing costs tend to be higher than average. Bay Area LISC publishes an annual study of operating costs of affordable housing in the San Francisco Bay area. The 2007 survey, which included 75 affordable housing properties of all types inside the city of San Francisco itself, showed an average operating cost of \$7,108 per unit. By contrast, the three San Francisco supportive housing properties in this sample had 2007 operating costs of \$8,370 to \$9,980 per unit.

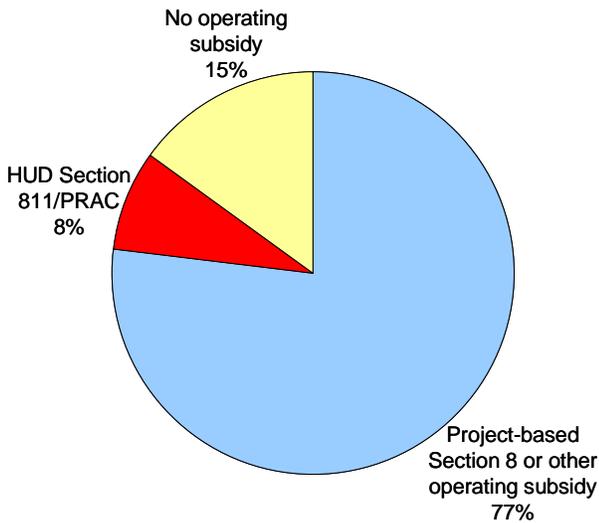
Financing of supportive housing can include several strategies to mitigate

high expenses and low tenant rents. Primary among these strategies are:

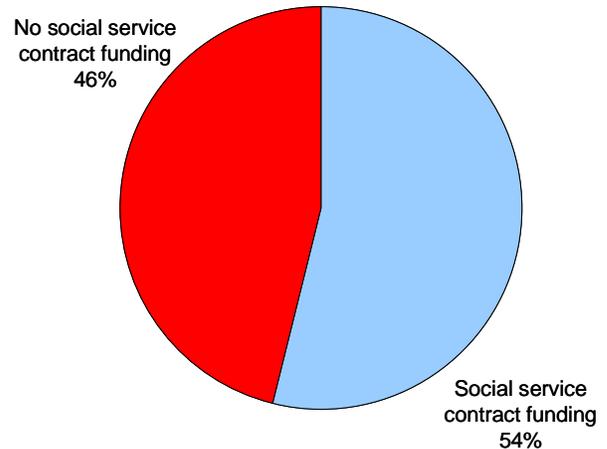
- Rent subsidies from Section 8 and other sources;
- Supportive service funding from sources other than rents; and
- A capital structure that minimizes or eliminates must-pay mortgage debt.

The majority of the properties in this sample include all of these strategies. As shown in the following charts, 85% of the properties have operating subsidies (mostly Section 8), and over half also have social service funding from a third-party source (as opposed to funding services from property operating budgets alone):

**Operating Subsidies**



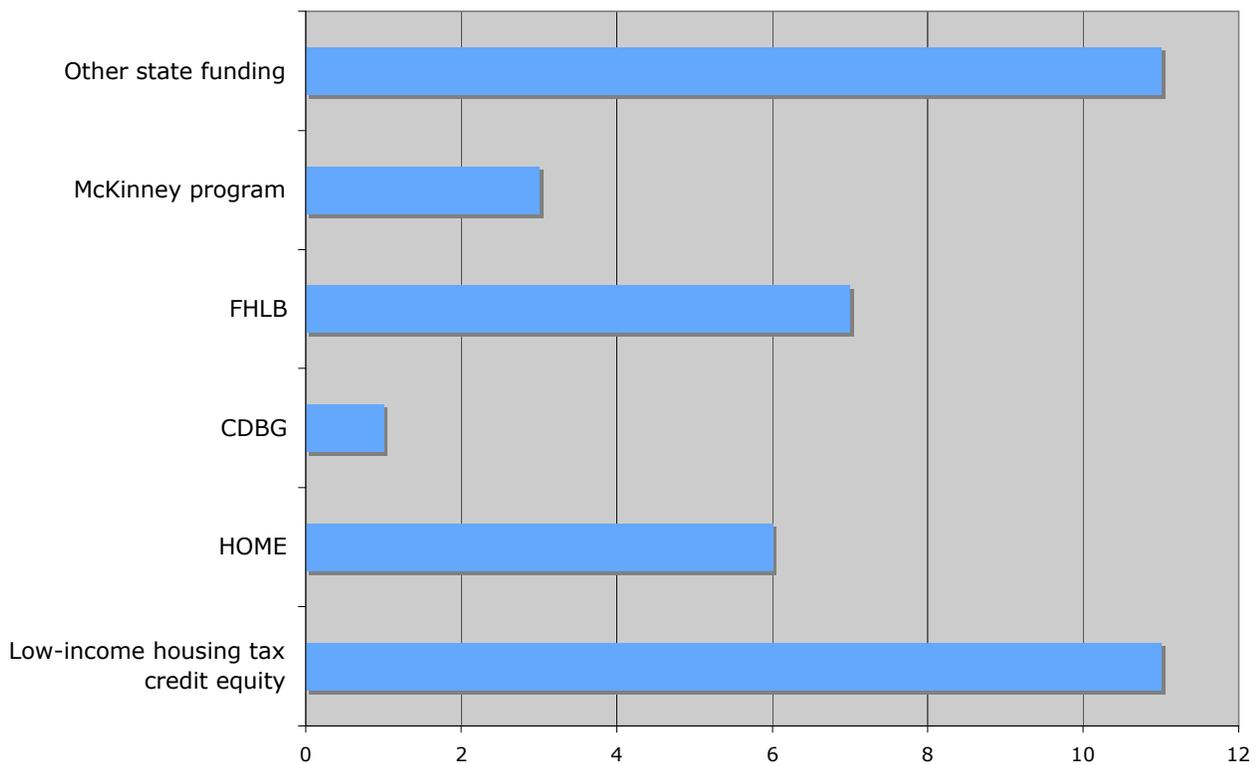
**Social Service Funding**



Only four of the 13 properties (31%) had mortgage financing as part of the financial structure. Consequently, the properties included abundant use of other sources of affordable housing finance:

This table shows that the properties relied on a wide range of development financing sources, including a mix of state and federal subsidies and private equity.

**Sources of Financing**



It is worthy of note that 11 of the 13 properties (85%) used low-income housing tax credit financing. LIHTC equity has been the predominant source of financing for affordable housing for the past several decades, particularly for affordable properties of scale, and particularly for those properties needing to minimize must-pay debt. On the other hand, this source of financing brings the most stringent compliance requirements, contributing to the overall cost of managing supportive housing. Finally, it is important to mention that as of this writing (January, 2009), the tax credit equity market has contracted sharply, particularly for properties of any social or structural complexity, like the supportive housing properties in this sample. Unless and until the LIHTC market loosens up again, or unless the federal government creates alternative programs to provide construction capital, it may be impossible to create new supportive housing in the near term.

Only two of the respondents report that their representative properties do not earn sufficient revenue to cover costs. Neither case is surprising based on these properties' profiles. One of the two developments is small (39 units) and relatively old (11 years). It receives operating subsidy but no social service contract funding, and it carries first mortgage debt. All of these are ingredients for financial stress for this type of property: insufficient scale, insufficient funding, and debt obligations for a property that really can't carry the burden. The second non-performing project has sufficient scale (104 units), but it is located in a very high-cost environment, and it receives 811/PRAC funding, which typically provides operating subsidies at a lower level than Section 8.

## Site Staffing

Most of the representative properties – 11 out of 13, or 85% – include some form of front desk coverage, either through front desk staff, or, in one case, through security staff. With a median number of 4.0 front desk staff or security full-time equivalent employees (FTEs) per property, this job category represented the largest number of employees per site. The need for front desk coverage is perhaps the biggest driver in the cost of supportive housing properties. Moreover, front desk staffing does not vary greatly with the size of the development. In this sample, a 52-unit development uses the same number of front desk employees – 4.5 – as properties with over 100 units. However, the 52-unit development costs twice as much per unit for front desk staffing. Scale is critical in the economic viability of supportive housing properties – many operators report that to make a supportive housing building work, they need to have enough units to cover the front desk coverage costs. One respondent observed that properties need 75 units to support 24-hour desk clerks.

One of the two developments that does not employ front-desk coverage is the single rural property in the sample. This fact is consistent with anecdotal evidence from other industry participants – while rural and suburban supportive housing properties can get by without front desk or security coverage, the overwhelming majority of urban supportive housing properties find this coverage indispensable.

Some organizations prefer front desk/security coverage to be contracted with third-party providers while others employ desk clerks on their property

management staffs. Those who use contracted services mention their rapid response time and ability to de-escalate resident confrontations and promote resident and staff safety. One group explained, "We tried hiring for the desk clerk position, but had unsatisfactory results including high turnover." Plus, this group could identify a reliable, effective local contractor with whom a long-term relationship has been established. As might be expected, the organizations that use these contracted services are organizations that do not make it a practice to hire residents. Staffing patterns for other positions varied more widely. The following chart shows the number of full-time equivalent employees per development for each job category, as well as the number of units per full-time equivalent employee in each job category. With the exception of the desk clerk/security role, this chart shows an enormous range across the respondent pool in the number of staff members in each position assigned to supportive housing developments, showing very different approaches to property management staffing:

This apparently wide range of staffing practices across positions reflects diverse approaches to job definitions and to collaborations with other providers:

- Some firms highly centralize certain administrative functions that are generally assigned to site-based property managers. For example, the organization that shows a rate of 260 units per property manager has centralized tenant selection across three large properties that are in geographic proximity to each other, using one application and intake process for the three sites. As another example, the company that most actively seeks to employ residents in the widest range of positions has outsourced the typical property manager functions of tenant selection and initial income certification. Another organization has desk clerks perform some administrative functions, such as rent collections, making it possible for the parent organization to share a single property manager between several developments. The on-site property manager/assistant PM role is much thinner in these organizations.

	FTEs per development			Units per FTE		
	Median	Minimum	Maximum	Median	Minimum	Maximum
Property Manager and Assistant PMs	1.5	.15	3	52	37	260
Compliance Specialist	.05	0	.5	740	44	2,773
Desk Clerk + Security	4.0	0	11	23	12	45
Maintenance (supervisor + techs)	.6	0	3	108	44	223
Custodian	1.0	0	5	83	20	178
Resident services + case managers	1.0	0	5	24	10	350

- Another group centralizes the supervision of its property maintenance functions; that is, a highly skilled centrally-based maintenance supervisor oversees the maintenance crews at three nearby properties.
- Management companies vary in their use of in-house maintenance technicians versus outsourced specialized maintenance. Contractors performing maintenance functions would not be included in a staff count. Organizations vary, as well, in their distribution of tasks between the Maintenance and Custodial functions.
- One firm reports counting front desk staff as part of the resident services program for some of their properties, depending on the preferences of the funding source.
- While all of the properties in the study provide social services, not all of the organizations surveyed provide the social services themselves. Many arrange for services to be provided by partners or subcontractors. Further, social service programming may or may not be carried within the project's operating budget. In many locations, social service staffing and costs are managerially and financially separate from the property management budget and functions.

## IV. PROPERTY MANAGEMENT BUSINESS PRACTICES

### Policies and Procedures

All of the organizations surveyed are deeply committed to helping their residents achieve stable tenancy. To that end, many respondents spoke of the importance of very clearly-defined and strictly enforced policies and procedures. These range from the routine property management standards of timely rent payment to addressing challenges specific to these populations, such as housekeeping, hoarding and cluttering.

The presence of desk clerk/security coverage is emblematic of the ubiquitous focus on creating a safe and stable building environment. Many groups spoke of strict, and strictly-enforced, rules about building entry and security.

### Functional Centralization / Decentralization

Respondents are mixed in their approach to centralizing or decentralizing property management tasks. A complete chart showing centralization and decentralization of the range of property management functions is included in Appendix A. In general, functions that involve interaction with residents are overwhelmingly assigned to the site level.

Many respondents identified their centralization or decentralization choices as best practices. Between organizations, however, these practices were often diametrically opposed. In the discussion that follows, we identify cases in which respondents identified their own strategies as particularly successful.

There is some evidence that supportive housing providers centralize certain administrative tasks to a greater extent than providers of affordable housing generally. The matrix below compares how selected functions are performed by conventional assisted housing managers ("Assisted Housing") and supportive housing managers ("Supportive Housing"). The Assisted Housing results are from a survey of assisted property managers in Northern California who participated in the 2006

Bay Area LISC study entitled *"Against All Odds: The Business of Managing Affordable Housing."* The Supportive Housing results are from the participants in the current study. There is some overlap in the survey respondents, since several groups participated in both studies. Further, the groups are not strictly comparable, since the assisted housing study was geographically specific and the supportive housing study is national. Still, the comparison is intriguing.

We see from this table that supportive housing organizations have a greater tendency to centralize certain functions that do not involve direct resident interaction. Centralizing these administrative functions allows site-based staff to focus more on resident interactions than on administration.

Function	Site-Based Assisted Housing	Site-Based Supportive Housing	Centralized Assisted Housing	Centralized Supportive Housing	Out-sourced Assisted Housing	Out-sourced Supportive Housing
Maintenance staff <sup>2</sup> supervision	64%	54%	36%	54%	0%	0%
AR: check receipt and data entry	47%	31%	53%	77%	7%	8%
AR: deposits	80%	46%	27%	69%	0%	8%
AR: Subsidy vouchering	67%	42%	53%	83%	0%	0%

---

<sup>2</sup> Please note that some organizations listed multiple ways of handling each function, presumably using different practices at different properties, so some rows total more than 100%.

A number of respondents to the supportive housing survey identify centralization as a best practice, freeing their site-based managers to focus on interactions with residents. One group that has centralized compliance and facility management staff writes, "These staff are experts in their fields so on-site property managers don't have to be." The organization in this sample that puts the greatest emphasis on hiring residents outsources many administrative functions. Site staff in this firm do not have significant administrative responsibilities; this choice facilitates hiring residents who may lack some of the relevant skills or experience. Another firm describes the role of supervisors as being key to bringing centralized expertise to the property level: this group spoke of the importance of having a supervisor remain closely involved in site-level operations.

Some organizations create teams to handle some aspect of project maintenance, and identify this centralized team-based approach as a best practice. One group uses a team of skilled maintenance technicians and painters to handle work at 11 properties. Several groups use a team of weekend custodians to deliver part-time custodial services to common areas such as laundry rooms, smoking rooms, lounges, common bathrooms.

By contrast, a number of organizations have chosen the opposite approach, actively pushing administrative responsibilities to the properties. By transferring these functions to site staff, organizations have found greater ownership of budgets and property performance outcomes at the site level. For example, one group names as a best practice the transfer of control over

leasing and certification to the site managers. Another firm has recently switched to having site managers perform data entry for both receivables and payables on site: they write that this move "has helped site managers to really 'own' their budgets."

Several functions are generally centralized in all organizations; centralized compliance, in particular, is noted as a best practice. Writes one respondent: "No tenant moves in until compliance approves the file; high standards for timely compliance reporting; good reputation for compliance among funders."

## Employee Orientation and Training

The supportive housing managers surveyed place a strong emphasis on the orientation and training of employees. Training offered in the first three months is largely on-the-job and internal, with greater focus on a combination of internal and external training thereafter.

If a position requires a special skill (such as tax credit compliance), certification in that skill may be a condition of employment.

The following tables show that there is a heavy emphasis on training within the responding companies, much of it formal, during the first three months of employment; while on-going training is overwhelmingly likely to be a mix of internal and external training. No respondents indicated that they required their employees to pay for any of their training.

## Training in the First Three Months of Employment

Position	On the job by supervisor only	Formal training within company	External training at employee's expense	External training arranged and paid for by company	Mix of internal and paid external training
Director/VP of property management	29%	43%	0%	0%	29%
Regional manager/portfolio supervisor	17%	50%	0%	0%	33%
Property/site manager	22%	44%	0%	0%	33%
Assistant property/site manager	38%	38%	0%	0%	25%
Director/supervisor of compliance	33%	33%	0%	0%	33%
Compliance specialist	0%	50%	0%	25%	25%
Desk clerk	50%	38%	0%	0%	13%
Security	33%	67%	0%	0%	0%
Maintenance supervisor	25%	50%	0%	0%	25%
Maintenance technician	44%	33%	0%	0%	22%
Custodian/grounds	43%	57%	0%	0%	0%
Director/VP of resident services	17%	33%	0%	17%	33%
Resident services coordinator	33%	50%	0%	0%	17%
Case manager	40%	60%	0%	0%	0%
Director of property management accounting	17%	33%	0%	0%	50%
Property management accountant	60%	40%	0%	0%	0%
Property management bookkeeper	25%	50%	0%	0%	25%
Director/VP of human resources	33%	33%	0%	0%	33%

## On-going Training

Position	Training provided on the job by supervisor only	Formal training provided within company	External training required at employee's expense	External training arranged and paid for by company	Mix of internal and paid external training
Director/VP of property management	0%	0%	0%	13%	88%
Regional manager/portfolio supervisor	0%	0%	0%	17%	83%
Property/site manager	0%	13%	0%	0%	88%
Assistant property/site manager	13%	13%	0%	0%	75%
Director/supervisor of compliance	0%	0%	0%	0%	100%
Compliance specialist	0%	0%	0%	0%	100%
Desk clerk	0%	25%	0%	0%	75%
Security	0%	33%	0%	0%	67%
Maintenance supervisor	0%	0%	0%	25%	75%
Maintenance technician	0%	38%	0%	0%	63%
Custodian/grounds	0%	57%	0%	0%	43%
Director/VP of resident services	0%	0%	0%	17%	83%
Resident services coordinator	0%	0%	0%	0%	100%
Case manager	0%	0%	0%	0%	100%
Director of property management accounting	0%	0%	0%	33%	67%
Property management accountant	0%	0%	0%	40%	60%
Property management bookkeeper	0%	0%	0%	0%	100%
Director/VP of human resources	0%	0%	0%	17%	83%

In addition to training in property management topics, supportive housing-specific training topics are likely to include:

- Harm reduction
- Mental health issues
- Substance abuse issues
- Role of services
- Customer service

Specific groups identified as offering external trainings included:

- National Apartment Association
- Department of Public Health
- Non-Profit Housing Association of Northern California
- Local Initiatives Support Corporation (LISC)
- Department of Housing and Urban Development (HUD)
- Red Cross
- State Housing Finance Agencies

### ***Best Practices in Employee Training***

Some groups develop annual performance plans with each employee that identify training objectives for the coming year. One organization even offers a training catalog that lists all available trainings so employees may obtain additional skills in areas of interest to facilitate promotion or career path change. Several respondents encourage attendance at annual (usually regional) conferences to stay current with industry trends.

Organizations pointed with pride to their training strategies as best practices. External trainings that are either required or encouraged include:

- Low income housing tax credit training (for property managers)
- Green maintenance practices

- Preventing harassment
- Fair housing
- Management best practices
- Understanding tenant populations
- CPR/First Aid
- Crisis prevention/de-escalation (CPI) techniques
- Motivational Interviewing (for case managers)

Internal training strategies identified as best practices include:

- All-staff workshops that are “participatory, fun and regularly held”
- Monthly staff newsletter
- Certified in-house staff who “train the trainers”
- Annual company conference where employees attend 3 - 4 workshops throughout the day
- Team building
- “Training is provided on a continuous basis”

### **Retention and Tenure**

Property management is a challenging profession and perhaps even more so in supportive housing. Not surprisingly, tenure is highest with the more highly skilled and paid positions and lowest with the more entry-level positions. The following table shows average tenure for employees in each position. The more senior positions – director/VP of property management, portfolio manager, maintenance supervisor, director of property management accounting – tend to have the longest tenure, with the most senior position (Director/VP) having the very longest tenure. Entry-level positions, on the other hand (desk clerk, custodian, and case manager) tend to be very short-lived.

Position	Less than one year	1–2 years	3 years	4–5 years	6–10 years	10+ years
Director/VP of property management	0%	0%	22%	11%	56%	11%
Regional manager/portfolio supervisor	0%	17%	17%	17%	33%	17%
Property/site manager	0%	11%	44%	33%	11%	0%
Assistant property/site manager	0%	57%	43%	0%	0%	0%
Director/supervisor of compliance	0%	20%	60%	0%	0%	20%
Compliance specialist	0%	20%	40%	40%	0%	0%
Desk clerk	0%	88%	0%	0%	13%	0%
Security	0%	33%	67%	0%	0%	0%
Maintenance supervisor	0%	22%	11%	44%	22%	0%
Maintenance technician	0%	11%	56%	22%	11%	0%
Custodian/grounds	0%	38%	25%	25%	13%	0%
Director/VP of resident services	0%	40%	0%	0%	40%	20%
Resident services coordinator	0%	20%	40%	40%	0%	0%
Case manager	0%	80%	20%	0%	0%	0%
Director of property management accounting	0%	25%	0%	75%	0%	0%
Property management accountant	0%	40%	0%	40%	20%	0%
Property management bookkeeper	0%	0%	33%	0%	33%	33%
Director/VP of human resources	0%	14%	29%	43%	14%	0%

### **Best Practices in Employee Retention and Tenure**

Respondents have developed a number of best practice strategies to retain valued employees. These include:

- Paying competitive or slightly above the market salaries
- Offering merit increases to strongest performers
- Providing above-market benefits
- Promoting from within
- Posting open positions on the company intranet

- Offering leadership team-building and other professional development
- Transferring staff among properties
- Creating individual employee development plans that include not only training but job advancement
- Recognizing employees regularly (quarterly and annual reward ceremonies)

Flexibility was a word used often to describe enhancing relations (and thereby tenure) with employees. Examples included:

- Access to executive leadership
- Special or part-time work schedules to accommodate family or a return to school
- Extended leaves to care for family members

Many organizations that hire residents view the desk clerk role as an entry-level position and encourage these resident employees to move on to more highly paid positions once they have secured some experience. The other most common resident employee position is custodial which tends to have a longer tenure than the desk clerk position.

Hiring right in the first place is another successful retention strategy. One organization puts a premium on finding staff with resident services rather than property management backgrounds to fill property management roles in supportive properties. The sentiments in the following quote were echoed by others: "We hire smart, committed people who are dedicated to the mission. We don't much care if they have any experience in property management. We have found that career property managers are often an awful fit in our organization. We try to build a team.

A chart showing salary levels and experience and education requirements is attached as Appendix B.

## V. RELATIONSHIP BETWEEN PROPERTY MANAGEMENT AND RESIDENT SERVICES

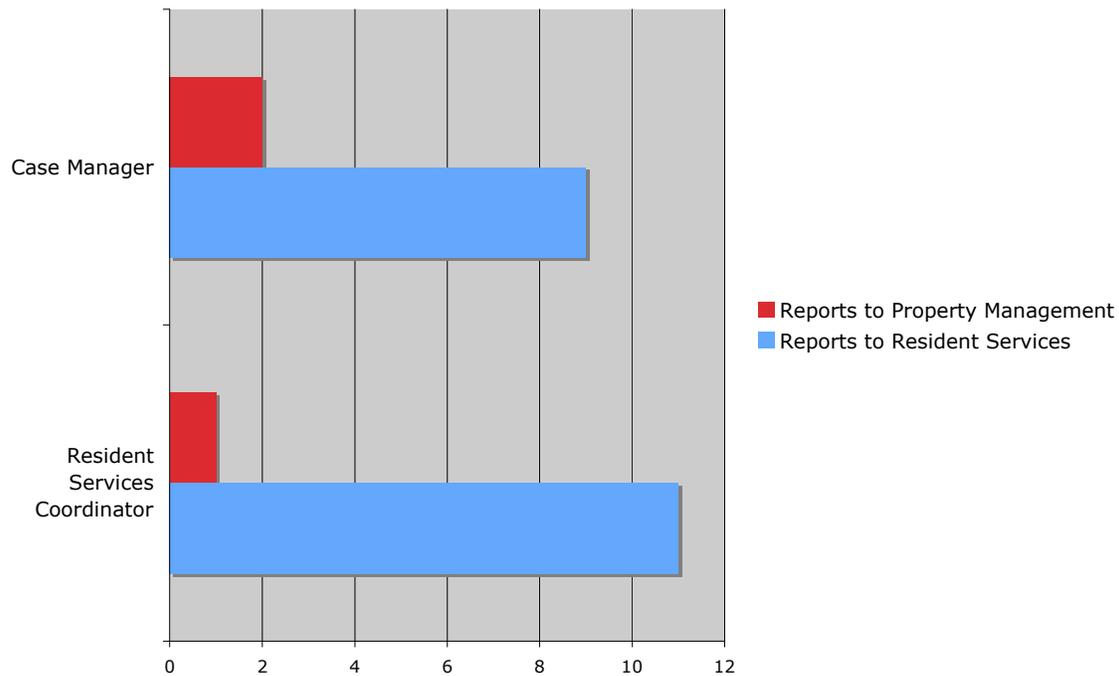
While organizations vary in who provides social services (in-house versus outsourced) and how they are funded, a number of common practices emerge from survey responses:

- In most cases (over 90%), resident services coordinators and case managers report to a Resident Services department or function, and not to property management.
- All 13 properties provide separate office and/or program space for resident services.
- All 13 properties report a clear separation of property management and resident services functions, which was memorialized in about half of the cases in a formal memorandum or agreement. No properties report any overlap or confusion between these two staff functions.

The following chart shows that it is quite rare for case managers or resident services coordinators to report to Property Management.

Survey participants repeatedly identified regular and effective communication between property management and resident services staff as a key to success in maximizing the relationship between these two disciplines. In this sample resident services staff include case managers, clinical coordinators and clinicians. Many mental health and medical services are provided by a third party.

### Services Staff Reporting and Supervision



Survey participants use a variety of strategies to maximize communication. The formats vary, but contain the following elements:

- Scheduled meetings between property management and resident services teams. These range from weekly, to bi-weekly to monthly and often involve all property management and services staff who interact routinely with residents. Many meetings have specific agenda items such as:
  - Tenant arrears
  - Lease violations
  - Tenant behavior issues
  - Staff training
  - Tenant event planning
  - Other building issues

One organization has a 'scripted' weekly meeting between the tenant services manager and the property manager that

includes a form that must be completed by the two managers and submitted to their respective supervisors.

- Daily informal communication
- A formal or informal Memorandum of Understanding (MOU) between the property management and resident services functions.
  - "It is very good for the relationship to be 'spelled out' somewhere, whether it is an MOU or some other document. Relationships between property management and resident services staff can be strained, so this helps."
- Separate offices for property management and resident services staff
  - One respondent remarked that the relationship between property management and resident services staff is much more effective when

the services are offered on-site, rather than at an off-site facility. All parties – property management, resident services and the residents – are more “invested” in positive outcomes when services are offered at the site and they interact with each other regularly.

One organization that uses third-party social service providers describes extensive efforts to build relationships with these providers. They strive for a constant “comfortable conflict” between the service and property management functions, maintaining a healthy balance between the two perspectives, to the ultimate benefit of both the properties and the residents.

### ***Best Practices in Property Management/Resident Services Interaction***

Whatever specific actions an organization pursues in implementing the basics of managing residential property, the survey participants underscored the themes of staff collaboration and clear, consistent implementation of policies and procedures as key in managing supportive housing.

Collaboration among property management and resident services staff is a part of the culture of the survey participants. They believe in it, they can talk about it and they work hard at it all the time. Specific strategies they have adopted include:

- Regular, frequent and often formal meetings among property management and resident services staff (see discussion of interrelationship of property

management and resident services staff)

- Formal agreements between the two functions of property management and resident services
- Joint accountability for property performance, including
  - Vacancy control
  - Minimizing resident turnover
  - Housing Quality Standards
  - Specific property performance standards
  - Performance reviews

One organization holds property management and resident services staff jointly accountable for managing resident turnover and for keeping vacancies “under control.” This joint accountability leads to more cooperation in keeping “difficult” residents housed and assures a focus on screening activities and guidelines for new residents. In another example, an organization requires property management and resident services staff to accompany the exterminator in monthly “walk alongs” to identify resident issues (e.g. hoarding and cluttering) early and institute measures to help institute effective measures to maintain housing quality standards.

Other best practices in the intersection of property management and resident services include:

- Creating a comprehensive data base that links a person from the moment s/he becomes an applicant until s/he moves out across an extensive number of measures including income, employment, recertification history, incident reports, unit condition (health hazard), work order history, rent payment, visitors,

“everything.” Tenants are then rated as 1 (problematic), 3 (borderline) or 5 (satisfactory) as a way of focusing on key property management issues, not social service measures. The property manager uses these measures to focus on the “1” tenants, meeting twice a month with the contracted service provider, to problem solve around the tenants with a “1.” The social service provider has a similar reporting system (e.g. a tenant who is ranked a 3 or 5 by property management may, in the view of the service provider, be suicidal and management would not necessarily know that from its ranking system).

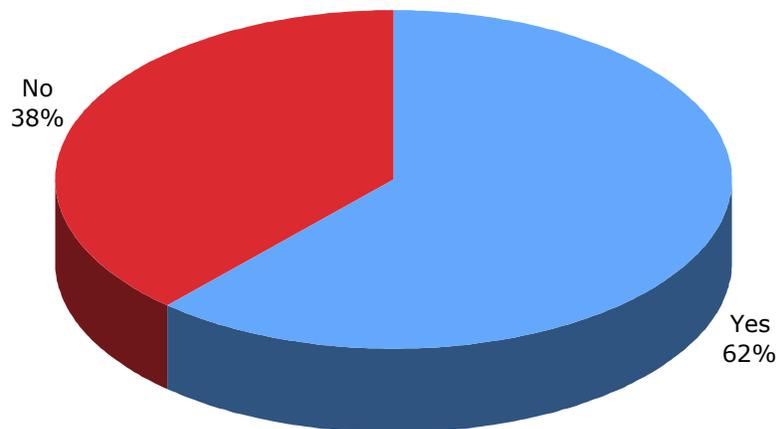
- Encouraging a very active tenant council supported by the organization’s community organizing staff (who do not work in the building)
- Creating on-site case management case loads ranging from 1:50 to 1:15 depending on the population

## VI. EMPLOYING RESIDENTS OF SUPPORTIVE HOUSING

Over half of survey respondents make it a practice to employ residents of supportive housing or other individuals with special needs in property management or resident services positions.

For some of these organizations, this is either a stated part of their mission or a part of their culture; one organization has a stated goal of having more than half of its staff be formerly homeless. Other organizations do not have structured outreach programs aimed at hiring residents, but make it a practice to advertise job openings at their properties, and are careful not to discriminate against residents for any position for which they may be qualified.

**Hiring Residents for Property Management Positions**



It is interesting to note that those organizations that described affirmative efforts to hire residents (as opposed to simple non-discrimination policies) were all organizations that worked exclusively in the field of supportive housing (e.g., they did not manage or own affordable family properties, for example).

Several organizations, on the other hand, avoid hiring residents as a matter of policy. Reasons cited include the conflict between employer and landlord roles; lack of infrastructure or funding to train and supervise resident employees; or concern about the ability of resident employees to enforce rules and boundaries; or limited number of job offerings for which residents might be qualified. One organization identified not hiring residents as a best practice.

Residents of supportive housing are most commonly hired for desk clerk or custodial positions; a small number of organizations employ residents or former residents as peer counselors, a social service role. Residents are employed at seven of the 13 representative properties, all in the desk clerk or janitorial/custodial positions. A key to successfully employing residents of supportive housing is ongoing training and supervision as well as clear and enforced practices. Training topics that are covered, often internally, may include:

- Building rules
- Responding to emergencies
- Boundaries
- Maintenance and janitorial work
- Fair housing laws
- Leasing
- Budgeting
- Customer Service

- Hoarding/cluttering
- Bedbug abatement

One organization has a 12-week desk clerk training program open to the community. It recruits 75% of its desk clerks from this training program. Another organization has an active on-call program for desk clerk and janitorial positions. Most of these on-call staff are residents who are trained to substitute for janitors and desk clerks in buildings where they live. While this on-call program is not a formal employment training program, many of the organization's permanent staff have been hired from the ranks of the on-call residents who are already trained and have proven their ability.

Most organizations that employ residents or other individuals with special needs report that they have a strict practice of never employing a resident at the property where s/he lives (although there are exceptions, such as the on-call program noted above). Reasons for this practice include the challenge resident employees have of maintaining confidentiality and enforcing boundaries with their building neighbors if they work where they live. Organizations also voice concerns that a resident who works where s/he lives could have access to the files or apartments of their neighbors. One organization draws this boundary for the desk clerk role, but not for custodial positions. Their rationale is that desk clerks are called on to enforce rules and may have access to confidential information – a potential conflict for a resident working in his or her own building. On the other hand, custodial work would not involve rule enforcement or access to personal information.

Some organizations apply additional restrictions to resident employees:

- One organization does not permit on-call residents to respond to emergencies at properties where they live.
- Another does not permit employees to visit buildings they don't live in because of liability concerns. Resident employees may not date other residents, unless the relationship predates the employment. Exceptions are allowed, but rarely requested.

Some of the additional practices used to ensure the successful employment of residents include:

- All employees have IDs
- Very clear building entry policies
- Greater centralization of property management administrative functions; only rent collection, lease enforcement, work orders and tenant re-certifications are performed onsite. To support this greater level of administrative centralization, one organization pays its onsite managers about \$10,000 less than the market because their responsibilities are less than those of the typical property manager.
- Continuous support of resident employees coupled with open and clear communication
- Consistent enforcement of tenant rules with resident employees, as with all other residents. Said one respondent, "They're still a resident, even though they may be employed here....we still have a lease to follow, and we don't bend the rules for anybody."

Another respondent remarked: "There is no 'right way' to hire residents as employees." He observed that policies about hiring residents tend to shift and evolve over time.

## Appendix A.

### Centralization and Decentralization of Property Management Functions

The Assisted Housing results in this chart are from a survey of assisted property managers in California who participated in the 2006 Bay Area LISC study entitled *"Against All Odds: The Business of Managing Affordable Housing."* The Supportive Housing results are from the participants in the current study. There is some overlap in the survey respondents, since several groups participated in both studies. In addition, please note that some organizations listed multiple ways of handling each function, presumably using different practices at different properties, so some rows total more than 100%.

Function	Site-Based		Centralized		Out-sourced	
	Assisted Housing	Supportive Housing	Assisted Housing	Supportive Housing	Assisted Housing	Supportive Housing
Tenant Selection	87%	69%	20%	39%	0%	8%
Initial tenant certifications	87%	69%	40%	46%	0%	8%
Tenant recertifications	100%	85%	27%	23%	0%	0%
Property budget prep	33%	39%	87%	77%	0%	0%
Reporting to lenders/ investors	0%	15%	100%	85%	0%	0%
Reporting to owners	0%	17%	100%	83%	0%	0%
Compliance monitoring	0%	25%	100%	83%	0%	8%
Compliance training	7%	23%	100%	77%	0%	8%
Rent collection		100%		0%		0%
Lease enforcement		92%		15%		0%

Function	Site-Based		Centralized		Out-sourced	
	Assisted Housing	Supportive Housing	Assisted Housing	Supportive Housing	Assisted Housing	Supportive Housing
Receiving tenant requests	100%	100%	0%	0%	0%	0%
Issuing work orders	85%	92%	15%	15%	0%	0%
Maintenance staff supervision	64%	54%	<b>36%</b>	<b>54%</b>	0%	0%
Establishing preventive maintenance program	38%	46%	62%	85%	0%	0%
Capital projects: < \$15,000	15%	25%	85%	92%	0%	0%
Capital projects: > \$25,000	7%	17%	93%	100%	0%	0%
AP: data entry	27%	39%	73%	62%	7%	0%
AP: invoice approvals	33%	39%	87%	77%	0%	0%
AP: check processing	0%	8%	93%	92%	7%	8%
AR: check receipt and data entry	47%	31%	<b>53%</b>	<b>77%</b>	7%	8%
AR: deposits	<b>80%</b>	<b>46%</b>	<b>27%</b>	<b>69%</b>	<b>0%</b>	<b>8%</b>
AR: Subsidy vouchering	<b>67%</b>	<b>42%</b>	<b>53%</b>	<b>83%</b>	0%	0%

Note: The data on Tenant Selection and Initial Certifications in the Assisted Housing columns refer specifically to these functions as performed on an on-going basis, as contrasted with these functions as performed at initial lease-up (which were more centralized). This distinction was not made in the current survey on supportive housing practices.

## Appendix B

### Salaries, Experience and Education

Position	Salary Range	Years of Experience Required	Education Required
Director/VP of property management	More than \$65,000: 100%	3 - 5 years: 11% 5 - 10 years: 56% 10+ years: 33%	No requirement: 22% Some college: 11% College degree: 44% Graduate degree: 22%
Regional manager/portfolio supervisor	\$40K - \$50K: 29% \$50K - \$65K: 57% More than \$65K: 14%	3 - 5 years: 57% 5 - 10 years: 43%	No requirement: 14% Some college: 43% College degree: 43%
Property/site manager	\$30K - \$40K: 50% \$40K - \$50K: 30% \$50K - \$65K: 10% More than \$65K: 10%	1 - 2 years: 30% 3 - 5 years: 50% 5 - 10 years: 20%	No requirement: 20% Some college: 60% College degree: 20%
Assistant property/site manager	\$15K - \$20K: 14% \$20K - \$25K: 14% \$25K - \$30K: 29% \$30K - \$40K: 14% \$50K - \$65K: 14%	None required: 29% 1 - 2 years: 57% 3 - 5 years: 14%	No requirement: 29% High school diploma: 43% Some college: 14% College degree: 14%
Director/supervisor of compliance	\$40K - \$50K: 33% \$50K - \$65K: 50% \$65K+: 17%	3 - 5 years: 67% 5 - 10 years: 17% 10+ years: 17%	Some college: 17% College degree: 83%
Compliance specialist	\$25K - \$30K: 25% \$30K - \$40K: 50% \$40K - \$50K: 25%	1 - 2 years: 100%	No requirement: 25% Some college: 75%

Position	Salary Range	Years of Experience Required	Education Required
Desk clerk	\$10 - \$14.99/ hour: 56% \$15K - \$20K: 11% \$20K - \$25K: 22% \$25K - \$30K: 11%	None required: 78% 1 - 2 years: 22%	No requirement: 56% High school diploma: 44%
Security	\$10 - \$14.99/hour: 50% \$25K - \$30K: 50%	1 -2 years: 100%	No requirement: 50% High school diploma: 50%
Maintenance supervisor	\$30K - \$40K: 20% \$40K - \$50K: 50% \$50K - \$65K: 30%	1 - 2 years: 10% 3 - 5 years: 40% 5 - 10 years: 40%	No requirement: 30% High school diploma: 50% Some college: 20%
Maintenance technician	\$10 - \$14.99 / hour: 11% \$15 - \$19.99/hour: 22% \$25K - \$30K: 33% \$30K - \$40K: 33%	None required: 11% 1 - 2 years: 44% 3 - 5 years: 44%	No requirement: 56% High school diploma: 44%
Custodian/grounds	\$8 - \$9.99/hour: 10% \$10 - \$14.99/hour: 30% \$15K - \$20K: 10% \$20K - \$25K: 50%	None required: 40% 1 - 2 years: 50% 3 - 5 years: 10%	No requirement: 78% High school diploma: 22%
Director/VP of resident services	\$50K - \$65K: 33% \$65K+: 67%	3 - 5 years: 40% 5 - 10 years: 60%	No requirement: 17% Some college: 17% College degree: 33% Graduate degree: 33%
Resident services coordinator	\$10 - \$14.99/hour: 13% \$30K - \$40K: 38% \$40K - \$50K: 25% \$50K - \$65K: 13%	None required: 13% 1 - 2 years: 50% 3 - 5 years: 38%	No requirement: 13% High school diploma: 13% Some college: 25% College degree: 25% Graduate degree: 25%
Case manager	\$25K - \$30K: 40% \$30K - \$40K: 40% \$40K - \$50K: 20%	None required: 20% 1 - 2 years: 40% 3 - 5 years: 40%	No requirement: 20% Some college: 60% College degree: 20%

Position	Salary Range	Years of Experience Required	Education Required
Director of property management accounting	More than \$65K: 100%	5 – 10 years: 33% 10+ years: 67%	No requirement: 25% Some college: 25% College degree: 25% Graduate degree: 25%
Property management accountant	\$30K - \$40K: 75% \$40K - \$50K: 25%	1 – 2 years: 25% 3 – 5 years: 50% 5 – 10 years: 25%	No requirement: 20% High school diploma: 20% Some college: 20% College degree: 40%
Property management bookkeeper	\$25K - \$30K: 25% \$30K - \$40K: 75%	1 – 2 years: 50% 3 – 5 years: 50%	No requirement: 25% High school diploma: 25% Some college: 50%
Director/VP of human resources	\$40K - \$50K: 17% \$50K - \$65K: 17% More than \$65K: 67%	3 – 5 years: 33% 5 – 10 years: 67%	No requirement: 17% Some college: 17% College degree: 50% Graduate degree: 17%

Note: data includes only those respondents who have the positions listed