



# Motel Conversion Model

Developing Permanent Supportive  
Housing through Public-Private  
Partnership

# Permanent Supportive Housing

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- Permanent supportive housing is a combination of housing and supportive case management services intended as a cost-effective way to help vulnerable households with disabilities and barriers live more stable and productive lives. Too often low income individuals suffering from complex challenges and diverse disabilities have serious barriers to obtaining and sustaining stable housing.
- Permanent Supportive Housing provides supportive services which could include: life skills training, job training, community support services, case management, educational programs and healthcare services.
- Supportive services and housing are designed together to build independent living, develop tenancy skills, and connect people with community-based health care, treatment and other needed community services .

# The Proposal

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- In collaboration with American Round Table and Step-Up the City of Winston-Salem will convert 100 motel rooms into permanent supportive housing. Similar projects are underway in Asheville, Greensboro and High Point.
- City of Winston Salem will provide funding for supportive services that will be provided to residents of the permanent supportive housing units.
- The funding request is for a 3-year commitment: \$2,258,234 for 100 units.



# Target Population:

Chronically homeless  
disabled individuals with  
incomes at or below 30%  
area median income  
(AMI)

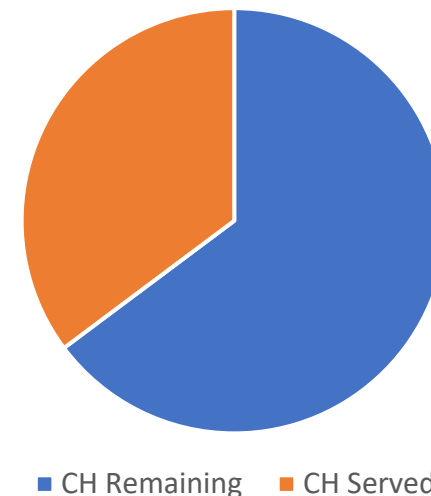
Individuals with disability  
include those who have  
physical, developmental,  
intellectual or sensory  
impairments.

# Our Local Need

- There have been 800+ households with a disabled family member served by the CoC this HUD year. Services can include street outreach engagement, rapid rehousing, emergency shelter, diversion, or prevention assistance.



- Currently there are approximately 284 chronically homeless households in the City of Winston-Salem. With 100 new units added to our inventory, about half of the chronically homeless population can be housed.



# Supportive Services & Operations

- Step Up is the service provider for the permanent supportive housing resulting from the hotel/motel conversion. Step Up places case managers, on site, at a ratio of one full time staff for each 20 tenants. The case managers' complete focus is working with the tenants on a day-by-day basis as well as coordinating services with other local providers.
- Step Up provides case coordination, service linkage, socialization classes, therapy, training on activities of daily living (cooking, cleaning, shopping, budgeting classes) as well as linkage to health, mental health, substance abuse and other community services.
- Step Up has a 97% retention rate for tenants and is fluent in working with the most chronically homeless individuals.
- Step Up also provides on-site, live-in property managers who not only carry out typical functions like maintenance and rent collection. These functions are funded through Step Up's operating budget.

# Key Components of the Homekey Model

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This model has several key components;

- Acquiring and converting hotels/motels to permanent supportive housing (PSH)
- Using private capital for acquisition and construction
- Using government resources to supply rent subsidy (vouchers) and supportive services
- Creating housing that is delivered faster and less expensively

# Why Motels?

Motels make excellent assets that easily convert into studio apartments with many benefits.

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By dropping a kitchenette into the unit along with a refresh of the interior, the motel unit converts easily, quickly and inexpensively into a studio apartment

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There are typically no relocation issues since motels do not have tenants

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Motels are typically located in commercial districts which reduce neighborhood resistance and the project often targets “nuisance” motels

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The project looks to locate motels that have easy access to amenities and public transportation

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Motel conversions are much less time-consuming (can happen within a year) than ground up construction.

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The Model is less expensive; The City’s contribution will be averaged at \$7,500 per unit/tenant for 100 units.

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