INTEGRATING HOUSING AND SOCIAL SERVICES:
Local Initiative versus Federal Mandate (A)

Steve Holt, director of the Housing Authority of Snohomish County (HASCO) shook his head in dismay. “They can’t be serious,” he muttered to no one in particular. “They don’t have the authority to do this!” The group murmur escalated as it traveled across the crowded room. Other public housing authority directors were also reacting in surprise to the speaker’s announcement.

It was the fall of 1991 and Holt was attending a conference in Washington, D.C. for the nation’s 3,000 public housing authorities. From its billing as a conference on housing management strategies, Holt had no warning of this announcement from the Department of Housing and Urban Development (HUD) representative. After seven years of flexibility to initiate and operate projects such as Snohomish County’s Project Self-Sufficiency (PSS), public housing authorities were being told by HUD to cease operating such programs in favor of a new standardized federally mandated project. PSS was a program for low-income families, over 95% headed by women, combining housing with job training, education and other supportive social services, with the ultimate goal of moving people out of poverty.

The new nationwide mandated program, “Family Self-Sufficiency,” was the latest manifestation of what had begun in 1984 as a limited demonstration project in seventy-eight sites throughout the nation. As one of the original demonstration sites, Snohomish County’s Project Self-Sufficiency had a national reputation for bringing people out of poverty and placing them on the road to economic stability. One of the keys to its success was that families were selected to participate based on specific criteria including indications of initiative and motivation. The new federal program required that families be served on a more objective base such as “first-come-first-served”. Holt believed this new federal requirement would severely limit the program’s success and reduce the number of families who could be served over time because of a decrease in “graduation” rates.

In the seven years of PPS’s operation, numerous agencies -- public and nonprofit -- had joined together to assist families on their journey to self-sufficiency through a
combination of coordinated services: federal housing subsidies, job training, child care, transportation, health care and counseling. Over 350 families had graduated from the program and 400 were currently enrolled. The PSS families represented one quarter of those served by HASCO’s housing programs. PSS was a program of which the partner agencies, county government and the regional HUD office serving Snohomish County were very proud.

Now, fumed Holt, some high-level official in HUD’s Washington, D.C. central office had an idea to “improve” upon the local program efforts. Over the last few years, President Reagan and the Republican members of congress had made the “self-sufficiency” concept a politically prominent feature of many federal “poverty” program’s budget and statutory authorization debates. At the same time decision making within HUD and its ten regional offices had been increasingly centralized. The hallmark of PSS, local flexibility, would be replaced by a mandated structure. Holt knew that most of the participating agencies would resent the message that HUD in Washington, D.C. knew the best way to operate local programs. Unfortunately, he would have to personally carry that message to dozens of people with whom HASCO had carefully fostered highly effective cooperative working relationships over the last seven years. He worried about damage to HASCO’s reputation and the demoralizing effect on staff, participants and local funding agencies.

Holt tried to listen to the remainder of the HUD representative’s speech, but became increasingly side-tracked as he thought about the implications of this unexpected announcement. What were his options for dealing with the new federal mandate?

The Start of Snohomish County’s Demonstration Project

When Holt initially read about the Project Self-Sufficiency Demonstration in 1984, it wasn’t the first time he had thought about creating a program to integrate housing assistance with other social services. He had introduced the idea the previous year during a retreat with HASCO’s five-member governing Board. The purpose of the retreat was to develop a mission statement and establish long-range goals for the rapidly expanding agency. The Board was concerned about the growing trend of long-term dependency upon publicly subsidized housing. HASCO had less than two thousand housing units available, and the waiting list of low-income families needing housing seemed to be increasing exponentially each year, paralleling the rapid growth of the Western Washington county. HASCO’s waiting list for housing with rental assistance stood at 3,500 families and the wait could last anywhere from two to five years. Promoting turn-over in housing through improving the economic status of families helped increase the number of families and individuals HASCO could serve.

One method of getting people “up and out” of subsidized housing more quickly, Holt argued, was to offer residents a range of services geared toward job training, education and employment. HASCO had three choices: it could provide services directly, hire a case manager who would serve as a point of referral for housing residents to various
community services, or promote a cooperative effort with no direct housing authority financial support.

The Board pondered alternatives, weighing the pros and cons. They liked the idea of helping people attain economic independence, but were concerned that HASCO not be looked upon as a provider of services that were not housing related. They argued strenuously that principal resources should be targeted toward acquiring, building, rehabilitating, maintaining and managing housing. However, in making more affordable housing available, the Board members recognized HASCO’s responsibility to support residents’ efforts to become independent of public assistance. The mission statement developed by the Board specified it was HASCO’s duty to ensure that existing social support services in the community were accessible to housing authority residents and to advocate for additional services (See Attachment 1). The Board liked the case management model, if Holt could find a way to fund a case management system without financial support from HASCO’s traditional revenue sources, the Board would support the program.

A Case of Divine Intervention

Although the housing authority couldn’t use its own resources for social services, the Board’s new policy did allow HASCO to incorporate a self-sufficiency component into the regular housing rental program. The question was how to go about securing commitments of existing services from social service providers in the area.

“A short time after the Board retreat, the NOFA [Notice of Funding Availability] for Project Self-Sufficiency showed up in my in-box,” said Holt. “I was looking through the May 31, 1984 Federal Register when the words ‘self-sufficiency’ caught my eye. HUD was requesting proposals from interested local governments to develop and implement programs to help unemployed and under-employed low-income single-parents become ‘economically self-sufficient.’ The plan called for cooperative efforts from the public and private sectors. It was perfect because it wouldn’t require the Housing Authority to act alone in providing services, and because services were linked to additional new Section 8 housing certificates from HUD, there was a real incentive for social service providers to get involved. The risk to HASCO was low because the new certificates would eliminate any need to change existing housing authority operations. If the demonstration project did not work the new certificates would be added to HASCO’s existing program resources. As soon as I was done reading the NOFA, I passed it on to Pete Grodt, the Director of HASCO’s Rental Programs, for his reaction.”

Grodt responded positively to the idea of the program, estimating that HASCO could request at least fifty units of Section 8 housing certificates for use in the program (See Attachment 2 for a description of the Section 8 housing program). The challenge would be the time constraint. They had less than two months to put a plan together. HASCO not only had to prove that there was a need for the program in the community, but that it
could marshal the resources from the public, private and nonprofit sectors to provide services and funding for the ongoing operation of the program.

**Soliciting Support and Commitment of Resources**

Holt and Grodt discussed a strategy for introducing the plan to human service providers in the county. Their first priority was to introduce the idea of Project Self-Sufficiency to the Human Service Coalition, a private consortium of health and human service providers, local elected officials, private citizens, civic, service, labor and business organizations and low-income groups. The Coalition gathered every month for an informal breakfast meeting, during which local service initiatives were considered, social service needs identified and emerging trends in the human services field discussed.

Grodt asked to be placed on the agenda of the Coalition’s next breakfast meeting in early June. Armed with multiple copies of the NOFA, Grodt presented the idea of creating a program of comprehensive services for low-income families. He cited recent statistics of growing demand for assisted housing, particularly among single women with children. He talked about the significant decreases in federal funding for human services under the Reagan administration and remarked on the general appeal of the PSS program approach to both conservatives and liberals.

Grodt described his vision for how the program would work. Low-income families would be referred to the program from a variety of service agencies, such as HASCO, nonprofit groups such as the Snohomish County Refugee Forum, the Volunteers of America or local community colleges. If chosen as a participant, a case manager from Project Self-Sufficiency would assist the participant in assessing his or her needs, setting goals and developing a strategy for achieving those goals -- for example, earning a GED or college diploma, obtaining vocational training or receiving personal counseling.

The Coalition members listened politely and showed mild interest, but were still uncommitted. It wasn’t until Grodt mentioned the availability of the additional allocation of Section 8 housing certificates that the faces of the Coalition members lit up. Families would be given information and referrals to organizations and agencies participating in the project, including HASCO, where they would receive their highly-coveted Section 8 housing certificate without having to wait the traditional two to five years on the general waiting list of 3500. The certificates allowed families to receive rent subsidies based on income in privately owned rental units.

“We’re not asking you to provide additional or new services.” Grodt said. “We’re simply asking that PSS participants receive priority for your existing services. In return, we’ll make sure housing certificates are set aside for the individuals you refer to the program who are accepted as Project Self-Sufficiency participants. It’s a win-win situation,” he continued. “Some of our clients get supportive social services, and some of your clients get housing.”
The seed was planted. The housing component was a major selling feature in the proposal. Service providers recognized that housing assistance had a stabilizing effect on the families they were trying desperately to serve which increased their chances of success.

“Housing is a crucial part of a family’s most basic support and survival system,” said Laura Hedges, Assistant Director of the Women’s Center at Everett Community College. “At the Women’s Center, we found that when basic needs such as stable housing, food and clothing are being addressed, low-income families are more likely to pursue training and education to gain the skills that can lead a family out of poverty.”

Grodt now had several promises of letters of support for the demonstration project application from organizations ranging from the United Way and the Volunteers of America to the Private Industry Council and Everett Community College, he could move on. The second phase of the strategy was finding an appropriate community agency to manage the program on a day-to-day basis and provide case management services.

The Marriage between HASCO, the County, and Everett Housing Authority

Soon after the breakfast meeting with the Human Services Coalition, Holt and Grodt set up an appointment with the Snohomish County Human Services Department’s Director, Frank Betz, and the Director of the Community Services Division, Janice Ormsby. Holt and Grodt needed useful advice on how to shape a program with multiple points of service without assuming overall administrative responsibility. Moreover, they hoped Human Services would commit to coordinating the project. They were well aware of the budget constraints facing smaller nonprofits, and with no administrative funding from HUD for PSS, nonprofits were unlikely to volunteer the necessary central administrative structure.

The Human Services Department was relatively new, having been created four years ago when the County underwent a major reorganization. Its Community Services Division had taken over the Community Action Program (CAP) Agency initiated during the War on Poverty in the late 1960s. CAP agencies studied the causes and effects of poverty and proposed ways to create, coordinate and deliver services to assist low-income people out of poverty permanently. CAP agencies across the nation now administered the federal Community Services Block Grant (CSBG). Tension flowed between the new Human Services Department and nonprofit service providers, who were concerned that the department would hoard the federal pass-through dollars or parcel them out so meagerly as to be useless.

During the meeting, Holt and Grodt laid out the core elements of the program, explaining that while HASCO could be a partner in the program, they didn’t have the capacity to administer it. They had neither the authorization from the Housing Authority Board nor the know-how to be social service case managers. The project’s administrative function was to serve as a liaison among the partner agencies providing services, as well as provide
case management services. This would include conducting needs assessments, referring clients to agencies and monitoring participant progress. Betz and Ormsby agreed that the missions of Project Self-Sufficiency, the County Human Services Department and the CAP were directly linked. By the end of the meeting, Ormsby agreed to run the program out of the Community Services Division, using their own resources (likely CSBG funds) to hire a program coordinator.

“The Human Services Department made a logical, albeit risky, move in taking on the coordination of this program,” said Holt. “Human Services was trying to establish a departmental identity and mission, and they were looking for concrete ways to expand and legitimize their role in the human services community. By agreeing to target a fairly large chunk of CSBG funds to Project Self-Sufficiency, they risked criticism from nonprofit organizations that might resent their control over money that was typically earmarked for nonprofit use. In fact, when the County took over the CAP, the County Executive, Willis Tucker, and the County Council had made a promise to local nonprofits that the County wouldn’t hold onto CSBG dollars.”

A week after the meeting with Betz and Ormsby, Pete Grodt received a phone call from Bud Alkire, Director of Rental Programs at the Everett Housing Authority (EHA). As the county’s largest city, Everett had its own public housing authority. Alkire had heard that HASCO was trying to drum up support for the Project Self-Sufficiency Program and wondered if there might be a way to combine forces. A proposal encompassing both housing authorities would enable the applicants to request a larger housing allocation. Pleased with the addition of another project partner, Grodt readily agreed to EHA’s participation.

**Soliciting Assistance from the Political Sphere**

“We had a lot of bottom-up planning to do before we ran our PSS proposal by elected officials,” Holt stated. “At the beginning, when we were just trying to pull together a viable plan for the PSS program, it was more important to forge relationships with the human services community, to involve them in shaping the program framework and to have them assume partial ownership of the program. The political factor became important once we knew we could count on the participation of some key service providers and had a solid proposal in mind.”

In late June, Janice Ormsby, Director of Community Services, asked the County Executive, Willis Tucker, to serve as the project’s main applicant. Despite his reluctance to institute new programs during a recessionary period, Tucker was impressed with the premise of Project Self-Sufficiency and agreed to serve as the applicant. He liked the non-partisan nature of the program. Few people could argue with a program whose goal was to help low-income families become economically independent, and it appealed to both the liberals who called for extensive services for the poor and the conservatives who wanted the public assistance rolls reduced.
The application was submitted to the Department of Housing and Urban Development in Washington, D.C. on July 19, 1984. Two months later, Tucker received a personal award letter from HUD Secretary, Samuel Pierce. Snohomish County was one of seventy-eight sites in the nation and one of five in Washington State. Snohomish County was awarded one-hundred Section 8 certificates. This was an allocation worth approximately $337,000.

**Putting the Program In Motion**

One of the requirements of the project was to create an advisory task force representing the public housing authorities responsible for operating the Section 8 housing component, public and private nonprofit service providers, educational or training facilities and the low-income population to be served. Grodt, Alkire and Ormsby had generated a list of representatives from several groups representing the diverse social, civic, business and educational interests in the community. In September, Willis Tucker issued formal invitations to the agencies and individuals targeted to serve on the PSS Task Force, twenty one organizations accepted appointments to the Task Force.

In late October, the full Task Force had its first meeting and began to establish guidelines for the program’s operation, as well as a master timeline for implementation. They had less than eight weeks to submit their official “Action Plan” to HUD Central Offices. The Action Plan would outline the operational structure of the project, outcome objectives, anticipated services and a participant selection process. The Task Force was also responsible for hiring the program coordinator to manage daily administration and case management services for participants. To ensure that participants would receive the comprehensive, coordinated services they needed to achieve self-sufficiency, the task force sought commitments of participation from several nonprofit agencies. As this was a completely voluntary commitment with no social service dollars attached, informal cooperation agreements were sought with agencies covering the range of education, job training, child care, counseling and health services.

“The coordination of social services, case management and housing among agencies in this project was unprecedented. This effort was a true reciprocal arrangement,” stated a participant, Colleen Clark of the Volunteers of America (VOA). “For example, the VOA agreed to assist PSS clients with child care assistance, and in turn, I’ve referred several of the very low-income people I serve in VOA’s Child Care Assistance Program to PSS. These are people with so much potential, but who haven’t been able to move forward because they’re concentrating on just barely surviving. The combination of housing assistance, support groups and education, in particular, enable low-income families to make progress beyond basic survival.”

By January 1985, commitments of participation had been obtained from eleven agencies, including HASCO and EHA (See Attachment 3). When the Action Plan was submitted to HUD in January, the Task Force began the hiring process for the program coordinator. A woman named Carol Williams was hired. The Task Force was impressed with
Williams, who had an M.A. in Applied Behavioral Science, and who also had extensive case management and program management expertise at both the federal and state levels.

Williams looked at Project Self-Sufficiency as both a tool for low-income families, especially families headed by women, and an educational resource for the community at-large. She also saw that the program could be structured to become more than just another service referral program. She envisioned Project Self-Sufficiency as a personal development program, where in addition to the core needs of job training, education, and child care, participants would receive assistance in other areas identified as needs, including household or financial management, parenting or addiction. Support groups of participants and one-on-one attention by counselors would supplement core services, forming a comprehensive strategy for attaining self-sufficiency.

Less than five months after Williams was hired, the first round of participants was selected for the program. Participants were chosen from a list of applicants referred to the program by the member agencies of the Human Services Coalition, the housing authorities and the Human Services Department. Two hundred applications were received and ninety-two applicants selected for the first year.

**Selecting Participants Who are Motivated**

“One of the hallmarks of our program is our participant selection process,” stated Carol Williams. “The Task Force decided to interview applicants for the program twice, first by myself and then by representatives of the Task Force. It took us about two months in the spring to complete all the interviews. In these interviews, we looked for indications that the applicants had the motivation to attain long-range goals. This meant probing for past actions that demonstrated motivation and looking for evidence of planning for the future. If people aren’t motivated to get the education or training they need to move off public assistance and become self-sufficient, the program can’t work to its full potential.”

The use of motivation as a criteria for selection was not universal among the original seventy-eight PSS demonstration sites. An evaluation report completed by HUD in 1988 found that a significant percentage of participants enrolled in the programs without motivation-based selection criteria were primarily interested in getting more services, particularly housing assistance, but lacked commitment to changing their lives in order to become self-sufficient. Statistics from the demonstration project showed that approximately 40% of the project participants were estimated to have either found jobs paying living wages, were enrolled in education programs, or had successfully completed training programs. Snohomish County’s PSS program estimated that 60% of its participants made the same strides.

“Some people may call our selection process ‘creaming the crop,’ but I call it realistic,” added Alkire. “If we’d had double the amount of money to run the program, we could have considered taking on the ‘hard-to-serve’ or unmotivated population. But the truth is
our resources were limited and with our level of funding, we had to rely on the desire of the participants to succeed to carry them through.”

The Case Management Strategy

In the weeks following the selection process, each participant met with Williams to plan the next two years in Project Self-Sufficiency. An individualized action plan was developed jointly between the counselor and the participant, detailing the specific needs of the client, outlining goals related to education, employment or personal goals such as weight loss, and proposing realistic timelines for completion of goals.

Most of the participants were single mothers with young children. If they were to go to community college or attend a job training program, they would need child care during the time they were in class. If the client was an AFDC participant, she was potentially eligible for child-care through a state or national welfare program. If not, the Volunteers of America, a nonprofit multi-service agency, was called upon for child care assistance. Often, assistance came in the form of a voucher or was arranged on a sliding-scale basis. Williams also helped participants fill out application forms for public assistance, financial aid or job training programs or serve as a reference. Participants were largely responsible for making contact with the service provider. Occasionally, Williams would preface a participant’s visit to the agency with a phone call, or attend appointments with the participant to act as a personal advocate.

Participants were required to attend support groups before they were referred to one of the housing authorities for a Section 8 certificate. Williams wanted to make sure that the participants knew that Project Self-Sufficiency was not solely a housing program. Participants would be expected to follow through on their individualized action plans and keep their counselor apprised of changes in the family situation. Participants were warned that inaction could lead to their being dropped from the program.

Results from the first year of service were impressive. Of the ninety-one participants, only one had dropped out of the program, thirty-four were receiving some form of vocational training, twelve were in school to receive their GED, another twelve were attending college and five had become employed. Of the remaining thirty-six, several had moved out of the area and several others simply had not made active strides toward accomplishing their goals.

The Deborah Osterman Story

One of the program’s brightest stars was Deborah Osterman. Osterman was twenty years old when she found out she was pregnant. After three years of an abusive marriage, she left her husband, moved in with her parents and got a job as a hair stylist, earning $600 per month. She started abusing alcohol and drugs. When she was in jeopardy of losing custody of her daughter, because of her drug use, Osterman committed herself to an in-patient drug rehabilitation program. As a consequence, she lost her job when her
employer was not willing to give her time off. When Osterman applied for Project Self-Sufficiency after seeing an advertisement in the local newspaper, she was sure she wouldn’t be accepted. “I had no self-esteem, whatsoever” she stated, “even though I’d made it through drug rehab so I could keep my daughter.” The counselors and task force members interviewing Osterman, however, saw a different picture: a single parent who had the motivation to succeed, as demonstrated by Osterman’s desire to change her life for the welfare of her daughter. What she lacked were resources and skills.

After acceptance into Project Self-Sufficiency, Osterman sat down with one of the PSS counselors to plan her first year. “Deep in my heart, I always wanted to be a counselor,” she said. “PSS helped me apply for financial aid at the college, introduced me to the Women’s Center at the college, referred me to the Everett Housing Authority for my Section 8 certificate and put me in contact with the state Family Independence Program for welfare assistance and child care.” After four years, she graduated from Seattle University with a degree in psychology and a certificate in addiction studies. Soon after, she was hired as the admissions director of an alcohol and drug recovery program at a local hospital, enabling her to end her reliance on public assistance.

“The support groups were absolutely essential for my development in PSS,” said Osterman. “I attended them religiously. After the first year, I even began to mentor other women in the program. Even though I was on welfare, I knew I could make it. I had an end goal, a plan and the motivation to get there.”

Celebrating Participant Successes

After the first year of the program’s operation, Williams initiated the PSS Annual Recognition Ceremony, which celebrated the accomplishments of those who were “graduating” from the program. It also served as an orientation for the group of new participants who had just been selected. Awards sponsored by local community organizations were given for outstanding accomplishments. Graduates were chosen to speak of the experiences leading up to and including the two years of participation in the program.

“The Annual Recognition Ceremony served several purposes,” stated Williams, “not the least of them being the impact that graduating participant’s stories had on the elected officials, board members, HUD representatives from the Regional Office and new PSS participants. There is nothing more moving and inspirational than a formerly drug-dependent single mom who was on welfare for years describe her new lease on life because of the housing, education and child care assistance she received through PSS. It made a very effective sales pitch all on its own.”

“I attend the Annual Recognition Ceremony every chance I’m able,” stated Harold Saether, Director of Public Housing Management at HUD’s Regional Office in nearby Seattle. “It’s rare that a program with so few federal resources can sustain itself like the Project Self-Sufficiency Program in Snohomish County. I feel it’s the Regional Office’s
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responsibility to support the housing authorities involved in successful programs like this.”

Saether had been so impressed with PSS that he had encouraged his staff to get involved in the program. As a result, each December holiday season, the staff of the Regional Office sponsored several PSS families by donating gifts for the participants and their children.

Williams explained further how many of the PSS graduates were involved in a PSS alumni group. The “SS Alums,” as they were called, not only had representatives on the Task Force, but had also formed their own post-program support group and helped to raise funds for the program. To keep all the participants informed of PSS activities, such as meetings and the Annual Recognition Ceremony, Williams put together a quarterly newsletter. In addition to the inspiring messages from Williams, plus tips for conserving energy, saving money or being better parents, one section was devoted to the successes of current and past participants.

Jumping a Major Financial Hurdle

In 1986, the two-year federal demonstration project came to an end. HUD would continue to allocate Snohomish County PSS Program’s accumulated one-hundred-fifty housing certificates to the Housing Authorities but new annual increments would cease. With the end of additional annual increments of Section 8 housing, expanding support to program participants became a problem. The elimination of new housing certificates might negatively impact the partnerships with the service providers. As an alternative, Holt proposed each Housing Authority set aside a certain number of its regular Section 8 certificates specifically for the program. HASCO had 1600 regular certificates in its base program. This would mean a significant departure from HASCO’s practice of serving its long waiting list of potential clients on a “first-come-first-served” basis.

Fortunately, HUD had authorized a new rule, the “local occupancy preference” option which enabled public housing authorities to set aside a maximum of 10% of their total Section 8 units for a specific population according to an identified local need. This preference allowed families on the waiting list for Section 8 housing to move to the front of the list and be selected for housing assistance out of chronological order. Using this rule, the housing authorities could continue to annually add housing certificates to PSS after the federal demonstration project ended.

Both the HUD Central Office in Washington, D.C. and the Regional Office in Seattle encouraged the continuation of the local PSS programs, specifying in “technical assistance” letters how public housing authorities were to go about using the “local occupancy preference” rule. The Boards of both Housing Authorities readily agreed to the set-asides. To solidify PSS’s housing component, Williams recommended that a formal cooperation agreement be drawn between the County Human Services
Department and the two Housing Authorities, detailing the responsibilities of the three primary partners (See Attachment 4).

Satisfied that the matter of housing assistance was no longer a concern, attention turned to funding. Patricia Snyder, hired as the Human Services Department Director soon after Snohomish was awarded the demonstration project in 1984, was anxious to find another source of funding the program to free up the CSBG money that would otherwise go to the many nonprofit service providers of the community. In February 1987, Snyder approached the County Executive about placing Project Self-Sufficiency in the County’s general budget for the following fiscal year. Snyder also talked with Council member, Liz McLaughlin, a long-time advocate of human services on the County Council.

Tucker and McLaughlin readily agreed that PSS had demonstrated its value to the community and warranted consideration by the Council. In the following budget cycle, Tucker placed $75,000 in the recommended budget for PSS. The Council approved the entire amount without issue. In subsequent years, the County continued to bolster the program with general revenue, while Williams sought support from community organizations and businesses (See Attachment 5). By 1990 PSS had expanded its clients to nearly 400 families, over 95% headed by women. The local commitment in resources had grown independently with each year’s graduation ceremony. The Housing Authorities were pleased that they had been able to use the new 1986 federal rule to continue selection of motivated families.

**The Family Self-Sufficiency Dilemma**

In 1991, the Snohomish County Project Self-Sufficiency Program was honored with national achievement awards for excellence in service delivery from the National Association of Counties and a HUD Sustained Performance Award. As the case management responsibilities grew over the years, the Human Services Department hired three additional counselors/case managers, enabling Williams to serve more of an educational and advocacy role. Even the Washington State Department of Social and Health Services had begun contracting with the PSS staff to provide pre-employment training and life-skills training to low-income families on state welfare assistance.

In the wake of this shocking announcement from HUD signaling the end of Project Self-Sufficiency, Holt reflected on the accomplishments of Snohomish County’s PSS, and grew increasingly worried. The original idea of the demonstration project had been to imbue the program with maximum flexibility. Snohomish County had taken advantage of that flexibility to create a comprehensive personal development program for low-income families, taking into account all areas of need.

HUD’s new Family Self-Sufficiency FSS program was aimed at getting any new low-income housing authority residents employed and off all forms of public assistance. The FSS rule specifically required that the participants seek and maintain suitable employment for one entire year, as well as become independent of income assistance before
completing the program. Participants must be selected from the existing Housing Authority waiting list using “objective criteria.” To enforce these provisions, a contract of participation would be executed between the participant and the Housing Authority, clearly spelling out the expectations of the participant. In addition, Holt had other concerns about the new program.

The new program did not offer funds for case management or coordination positions, nor did it increase the number of Section 8 certificates HASCO received. Project Self-Sufficiency relied upon Williams and the three counselors. As the program grew and counselors were hired to handle the increased workload, Williams had shifted her attention to facilitating ties between the program and the community. She spoke at civic clubs, arranged fund-raisers and spear-headed the development of the alumni group. The FSS program requirements did not allow for this level of program development. Instead, FSS concentrated not on the high level of involvement of the counselor and the participant, but on the basic service referral function of the program.

The FSS program also mandated a minimum program size equal to the number of Section 8 certificates available for reallocation by the housing authority, plus any new allocation in the Fall of 1991. This was a total of 122 families to be served under FSS. By contrast, each of the three PSS counselors had a caseload of approximately 50 to 60 participants. HASCO could decide to not apply for additional Section 8 certificates in order to limit the size of the program, but that would violate HASCO’s primary mission: to increase the housing inventory for low-income families. Since the FSS program required that all certificates that became available through client turnover become FSS participants, the program’s aim was to enroll all Section 8 participants over a five to eight year period.

Holt knew that to do away with the “local preference” authority, ironically still allowed under federal regulations, meant that partner service agencies would no longer be able to direct their clientele to housing, thus losing an important “carrot” to other agencies to earmark their assistance to families selected for the cooperative efforts under PSS. Holt feared the reaction of the Human Services Department and the service providers when they heard that housing was no longer an incentive for participation.

Perhaps the most frustrating and perplexing component of Family Self-Sufficiency was the prohibition against use of “motivation” to select participants. Rather, participants were to be selected according to “objective criteria,” using the length of time in assisted housing, the date which a family applied for housing or a random lottery. The PSS demonstration project had encouraged the use of motivation as the key component in participant selection. A motivation-based selection process served two purposes. It encouraged selection of participants whose primary goal was to become self-sufficient over the long run and who viewed housing as a means to that end, thus screening out those who were interested solely in obtaining housing. It was also a pragmatic use of limited program resources, especially money and the coordinator’s time.

“We’ve been realistic about the time and resources we have to offer,” stated Kay Hollenbeck, one of the PSS counselors. “Even motivated participants require a significant
amount of one-on-one time with the counselors. They have so many barriers to overcome: low self-esteem, emotional baggage from past failed relationships, poverty. But each participant has the motivation to move beyond their limitations. The hard-to-serve population is a different story. PSS has been working with a few public housing residents in addition to our regular clientele. We’ve noticed a significant difference between the two populations. Many of our public housing participants are still abusing alcohol or drugs or are in abusive relationships. They need to get help for those kinds of problems before they can move meaningfully toward self-sufficiency.”

**Aligning HASCO’s Goals with the New Mandate**

On the plane ride home from the conference in Washington, D.C., Holt thought about HASCO’s options. Before he made any decisions, he felt he needed to evaluate specifically in what ways the new Family Self-Sufficiency program would affect Project Self-Sufficiency. Many questions came to mind. He was concerned about the probable response from the organizations who funded or voluntarily participated in the program. Would HASCO be sacrificing too much in effectiveness and quality if they fully complied with HUD’s federal mandate? How could PSS’s effectiveness in meeting the Housing Authorities’ goals continue or further improve given the new HUD mandates? What were the risks of non-compliance?
Attachment 1
Housing Authority of Snohomish County
Mission Statement

The mission of the Housing Authority of Snohomish County is to provide decent, safe and affordable housing for all persons in need of such assistance. The housing should create an environment which enables residents to live with dignity, and support them in their efforts to achieve self-sufficiency to the fullest of their capabilities.

Definitions

**To provide housing** means planning, promoting, developing, building, acquiring, managing, renting, selling, financing, maintaining and rehabilitating properties, whether owned by the Housing Authority or not, for the benefit of low and moderate income persons. In carrying out these activities the Housing Authority will strive for fiscally responsible and sound businesslike management of resources. These activities may be undertaken by the Housing Authority itself, or in cooperation with private for profit, non-profit, or other governmental entities, under the powers and limits provided by the Washington State Housing Authorities Law and federal regulations.

**All persons in need of assistance** means individuals and households with low or moderate incomes (e.g. 80% of the median income level for Snohomish County) and whose shelter costs unduly impact the ability to provide for other basic human needs.

**To live with dignity** means that the physical environment and resident services provided by the Housing Authority acknowledges the essential worth of each individual. This environment protects the privacy of the individual, reinforces development of life skills, and minimizes the public institutional nature of the housing and services provided.

**Long Range Goals**

1. Ensure that existing social support services in the community are fully accessible to Housing Authority residents and advocate for additional services that are not available.
2. Serve as the umbrella housing organization in Snohomish County to investigate, identify and communicate low and moderate income housing needs and solutions to decision makers, the public and media.
3. Ensure that the Housing Authority’s current inventory of housing resources is operated in a physically and fiscally sound manner.
4. Expand inventory of housing resources operated by the Housing Authority to meet identified needs.
Attachment 2
Section 8 Housing Certificates

AVAILABILITY -- A Section 8 certificate is a form of housing assistance that is:
- funded entirely by the Federal Government through the Department of Housing and Urban Development
- administered at the local level by Public Housing Authorities (PHAs)
- targeted to low income households (households at 50-80% of regional median income) and very low income households (households at 30-50% of regional median income)
- generally allocated to communities in specified numbers based on relative need
- not an entitlement program (i.e. not provided to all eligible households)

USE -- Section 8 housing certificates allow recipients to:
- rent units (typically, but not always, apartments from private sector landlords) when rent (including utilities) does not exceed the locally-based Fair Market Rent (FMR) standards
- only rent units meeting specified quality criteria (PHA personnel inspect all Section 8 units to ensure that housing quality standards of safety, decency and affordability are being met)
- pay only 30% of their net income for housing (the difference between this and the rent is paid by the PHA using federal Section 8 subsidy funds)

SPECIAL PROGRAMS
Section 8 housing certificates are often used by HUD to target housing assistance to particular populations of low-income individuals, such as single parents, the elderly, or the disabled. When special allocations of Section 8 certificates are made available to PHAs for specific target populations, they are released in the Federal Register, the federal government’s daily report of new programs and departmental/regulatory changes, through a Notice of Funding Availability (NOFA). PHAs compete for allocations based on need, past performance in administering Section 8 housing and other criteria related to the particular program for which Section 8 certificates are being used.

WAITING LISTS
Households eligible for Section 8 housing assistance are placed on waiting lists. As PHAs obtain additional allocations from HUD, people are taken off the waiting lists based in chronological order, with those waiting the longest receiving housing first. They meet with PHA rental officers, who determine income eligibility, level of rental assistance and tenant rent contribution, and outline tenant and PHA responsibilities. A contract is then signed between the PHA and the tenant, which clearly specifies the conditions of tenancy.
## Attachment 3
Agencies Agreeing to Serve PSS Clients

<table>
<thead>
<tr>
<th>Agency</th>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child and Family Services</td>
<td>Promote self-sufficiency by accessing child care services which are a prerequisite to vocational training or employment for low-income residents by a combination of subsidy, resource development and delivery system modification.</td>
</tr>
<tr>
<td>Community Health and Referral Center</td>
<td>Screen and refer eligible low-income patients to participating health care providers in Snohomish County, who donate all or a portion of their services.</td>
</tr>
<tr>
<td>Everett Community College - Women’s Program</td>
<td>Educate, counsel and provide information and referrals for women; advocate and teach survival skills and life skills.</td>
</tr>
<tr>
<td>Everett Housing Authority &amp; Housing Authority of Snohomish County *</td>
<td>Provide housing to eligible, low-income individuals through a variety of low-income housing programs, including Section 8 housing certificates.</td>
</tr>
<tr>
<td>Private Industry Council</td>
<td>Provide employment and training activities to low-income clients, through joint authority with Snohomish County government, who administers the federal Job Training Partnership Act.</td>
</tr>
<tr>
<td>Refugee Forum of Snohomish County</td>
<td>Provide English as a Second Language training, vocational training, employment services and advocacy counseling to eligible refugees.</td>
</tr>
<tr>
<td>Stop Abuse</td>
<td>Operate a shelter facility and maintains a 24 hour crisis line in order to provide emergency shelter, food clothing, advocacy and counseling to victims of family violence.</td>
</tr>
<tr>
<td>Volunteers of America</td>
<td>Provide support and guidance to clients in immediate crises; follow up with life and parenting skills training, long-range planning, counseling and educational/vocational skills to break the revolving door of welfare assistance.</td>
</tr>
<tr>
<td>World for Women</td>
<td>Provide emergency housing and support services geared toward promoting self-sufficiency for single women and women with children, including counseling, advocacy and survival skills training.</td>
</tr>
</tbody>
</table>

* Both housing authorities have a formal cooperation agreement with the Snohomish County Human Services Department to provide Section 8 housing certificates for PSS clientele.
Attachment 4
Coordination Agreement for Project Self-Sufficiency

Whereas, there are increasing numbers of single parents with minor children receiving public assistance that wish to pursue training and education programs to assist them in becoming self-sufficient; and

Whereas, a key element in assisting these families in attaining the skills necessary to become self-sufficient is the provision of decent, safe and affordable housing; and

Whereas, the Housing Authority of Snohomish County (HASCO) desires to set-aside Section 8 Existing Housing to provide assistance to said families; and

Whereas, the identification of Self-Sufficiency candidates is most effectively coordinated through Project Self-Sufficiency and the Self-Sufficiency Task Force; and

Whereas, the Snohomish County Human Services Department is responsible for the implementation and ongoing administration of Project Self-Sufficiency; and

Whereas, HASCO and the Snohomish County Human Services Department through Project Self-Sufficiency desire to work cooperatively in the provision of housing and support services for families wishing to become self-sufficient in Snohomish County;

Now, therefore, in consideration of the mutual covenants and promises hereinafter set forth, the parties agree as follows:

1. Definitions

   a) Self-Sufficiency Family means a Section 8 eligible household as defined in HASCO’s “Statement of policies, Section 8 Housing Assistance Payments Program” that includes a single parent, living independently with sole or primary responsibility for the care and maintenance of a dependent, minor child or children and has been screened and selected to participate in Project Self-Sufficiency.

   b) Project Self-Sufficiency means a comprehensive social services program administered by the Snohomish County Human Services Department that assists highly motivated low-income single parents in attaining skills needed to provide economic self-sufficiency for their families.

   c) Support Services means ongoing career and personal counseling, help with decision making/goal setting/and action planning, information and referral, assistance in accessing training and education programs, job preparation, peer support groups, networking, advocacy and mentoring to each participant as needed during the course of family participation in the project.
Attachment 4 (Cont.)
Coordination Agreement for Project Self-Sufficiency

2. Duties of Project Self-Sufficiency  PSS agrees to:

a) Select and refer clients who are chosen to participate in PSS as defined above.
b) Provide orientation to PSS participants concerning the role of assisted housing in the project and their responsibilities as participants in the housing component.
c) Provide HASCO with a liaison(s) for program contact and coordination.
d) Include a representative chosen by HASCO as a member of the Self-Sufficiency Task Force.
e) Continue to provide support services as defined above to project participants.

3. Duties of HASCO  HASCO agrees to:

a) Provide ongoing Section 8 Existing Housing support to PSS participants to the extent such Section 8 funds are available as determined by HASCO. Additional assistance shall be provided to new project participants by HASCO, in consultation with PSS, and based on factors such as project termination of previous participants, additional Section 8 assistance received by HASCO, and demand for project services. A determination of new assistance levels shall be made at least annually.
b) Carry out the processing of applications received from clients referred by PSS and, if the client is determined eligible for participation and has a preference within the meaning of the federal preference system, to provide housing assistance in accordance with Section 8 Housing Assistance Payment Program.
c) Notify PSS of any changes in participating clients family circumstances known to HASCO, such as reported increases in income, family size, landlord complaints or moves.
d) Should no families be referred by PSS, HASCO reserves the right to provide the housing assistance to households on its regular Section 8 Waiting List.

-- excepted from HASCO’s Coordination Agreement with Project Self-Sufficiency. A coordination agreement was also undertaken with the Everett Housing Authority.
**Attachment 5**
Snohomish County Human Services Department
Project Self-Sufficiency Budget

<table>
<thead>
<tr>
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<td></td>
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<td>491,787</td>
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<tr>
<td><strong>CSBG</strong>(^2)</td>
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<td>79,087</td>
<td>16,732</td>
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<td>9,250</td>
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<tr>
<td><strong>Donations</strong></td>
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<td>9,577</td>
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<td><strong>Housing Authorities</strong></td>
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<td></td>
<td></td>
<td>10,000</td>
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<tr>
<td><strong>TOTAL</strong></td>
<td>54,001</td>
<td>79,087</td>
<td>97,626</td>
<td>90,222</td>
<td>101,102</td>
<td>123,460</td>
<td>146,012</td>
<td>691,510</td>
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<tr>
<td><strong>Section 8 Certificates</strong>(^3)</td>
<td>337,404</td>
<td>178,800</td>
<td>151,708</td>
<td>117,126</td>
<td>175,548</td>
<td>160,636</td>
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<td>1,335,848</td>
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<tr>
<td><strong>GRAND TOTAL in $</strong></td>
<td>391,405</td>
<td>257,887</td>
<td>249,334</td>
<td>207,348</td>
<td>276,650</td>
<td>284,096</td>
<td>360,638</td>
<td>2,027,358</td>
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</tbody>
</table>

Notices:

1. Funding from Snohomish County is from general county revenue.
2. Community Services Block Grant - administered by the Community Services Division of the Human Services Department.
3. The value of Section 8 certificates is determined assuming annual Fair Market Rents (FMR) on a standard two bedroom unit. FMRs based on rents in the Seattle Primary Statistical Metropolitan Area, which includes Snohomish County and Everett.