



COLLABORATIVE
SOLUTIONS

PERMANENT HOUSING CASE STUDY



Title: Avalon Housing, Chelsea, Michigan, Affordable and Supportive Housing units for homeless individuals with special needs

Property Name: Sharon Ann Apartments

Basic Description: Rehabilitation Project; 17 apartment units with five set-aside units for supportive housing

Developer: Avalon Housing

Property Management: Avalon Housing

Service Provider: Faith in Action

Tenant Profile: Low-income individuals living with severe and persistent mental illness

Service Approach: Services are provided by both Avalon Housing and Faith in Action. Avalon acts as the lead provider and Faith in Action complements the services that Avalon provides. Avalon provides case management services, 24/7 crisis response, assistance with basic needs, in-home primary care and transportation services. Services are offered on- and offsite. Faith in Action provides complimentary services including facilitating access to benefits, clothing, household supplies and furniture vocational assistance, emergency food pantry and advocacy. In addition, the property includes a large service space and community room.

Project Background:

Faith in Action, a faith-based organization serving the communities of Chelsea and Dexter, Michigan, provides critical supportive services to low-income communities and became the leading advocate to increase affordable and supportive housing units in the City of Chelsea. The City of Chelsea is located approximately 15 miles west of Ann Arbor, 60 miles west of Detroit and has an approximate population of 5,000 residents. Faith in Action saw a need for supportive and affordable housing from data captured in their Housing Needs Assessment – an assessment utilized by the organization when providing services to their clients. The needs assessment, coupled with Point-in-Time Count data and other Continuum of Care (CoC) data, was used to substantiate the gap and need for affordable and supportive housing in Chelsea.

As a supportive service provider, Faith in Action offers services to its clients both on- and offsite. It learned that a building where several of its clients were living had an owner that wanted to sell the property. Not wanting to see clients displaced by a new owner, Faith in Action committed to purchasing the property. While they sought to purchase the property, Faith in Action also recognized their lack of skill and capacity to serve as the lead developer for a rehabilitation project. As a result, Faith in Action approached a very successful local developer – Avalon – to serve as the lead for the project.

Key Features and Impact:

- Site is within ½ mile of downtown Chelsea – near banks, schools, and other community amenities
- Within four months of opening, units reached full occupancy
- Avalon Housing clients have an overall housing stability rate of 93%

FINANCING INFORMATION

Development Budget

Funding Source	Amount Received
Low-Income Housing Tax Credit	\$1,974,415
Federal Home Loan Bank	\$500,000
Deferred Developer Fee	\$452
Permanent Loans	\$67,000
Total	\$2,541,867

Operations Budget

Funding Source	Number of Vouchers
Project-based Vouchers	17

DEVELOPER PROFILE

Avalon Housing located in Ann Arbor, MI was founded in 1992 as a spin off from the City of Ann Arbor's emergency shelter. Avalon is a non-profit whose sole mission is focused on providing a long-term solution to homelessness by building healthy, safe and inclusive supportive housing communities. At the time of pre-development (2015) Avalon Housing was providing housing to 650 individuals living within their 265 units in 21 projects which ranged from duplexes to multi-family development. As of 2018, Avalon owns and manages 288 rental units in over 20 properties encompassing 750 people. Avalon Housing is viewed as leaders in both statewide and national supportive housing initiatives. Its property management, maintenance, services and housing development staff are well trained, follow PSH best practices including Housing First, and actively work to learn more and continue their training and education.

PROJECT PICTURE



The development of each case study featured was made possible by the U. S. Department of Housing and Urban Development's Rural Capacity Building Program.

"Connecting Communities at the Intersection of Housing & Health"

Collaborative Solutions, Inc.

P.O. Box 130159

Birmingham, AL 35213

(205) 939-0411

www.collaborative-solutions.net