

# Building Sustainable Recovery Housing and Recovery Capital through Employment

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# Who Are We?



The Fletcher Group Rural Center Of Excellence is supported by a HRSA grant to promote evidence-based recovery housing and services.

# Our Recovery Ecosystem Experience



- 18 Recovery Kentucky residences
- Created through unprecedented multi-agency teamwork and a willingness to think outside the box
- “Community As Method” approach promotes active participation in peer-based group living
- Remarkably effective in returning substance use victims to the community as productive members of society

# Fletcher Group RCOE Services



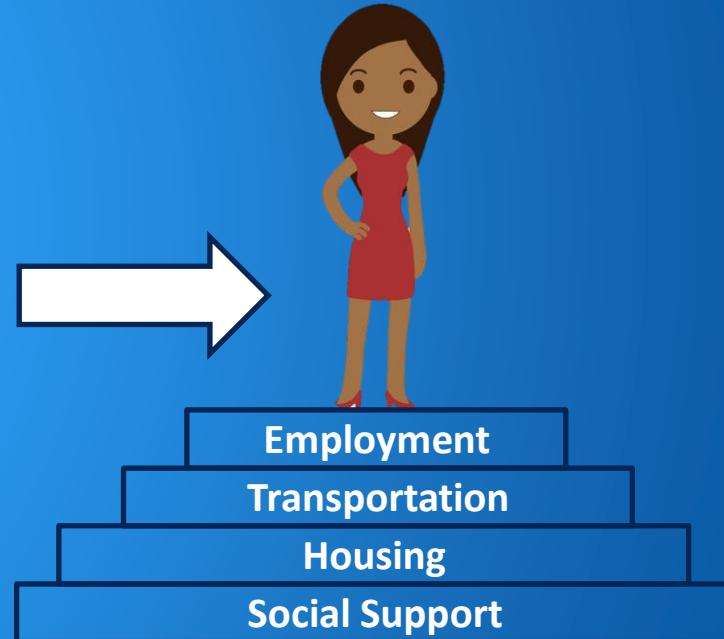
- 1) Over 1400 Technical Assistant Encounters Provided
- 2) Recovery Housing and Treatment Research
- 3) Over 64 Best or Evidence Based Practice Adopted by Clients

# A Recovery Ecosystem

## Full Continuum of Care

### Referral Sources:

- **Criminal Justice**
- **Treatment Providers**
- **Counselors**
- **Community Support Groups**
- **Self-directed**



Building Recovery Capital

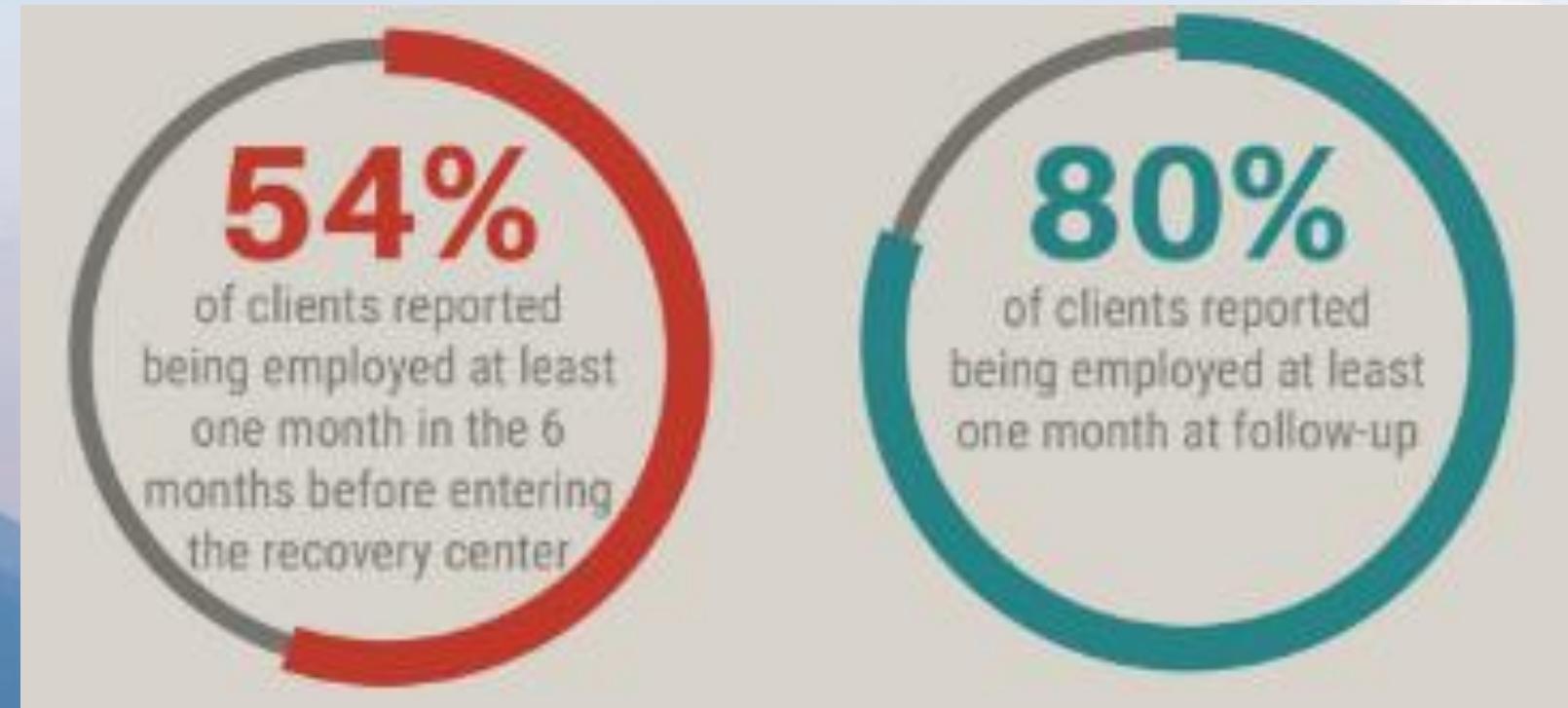
# ARC defines a Recovery Ecosystem as a linkage of:

- Public Health
- Recovery communities
- Peer support
- Healthcare
- Human services
- Faith-based communities
- Criminal justice
- Public safety
- Housing
- Transportation
- Education
- Employers

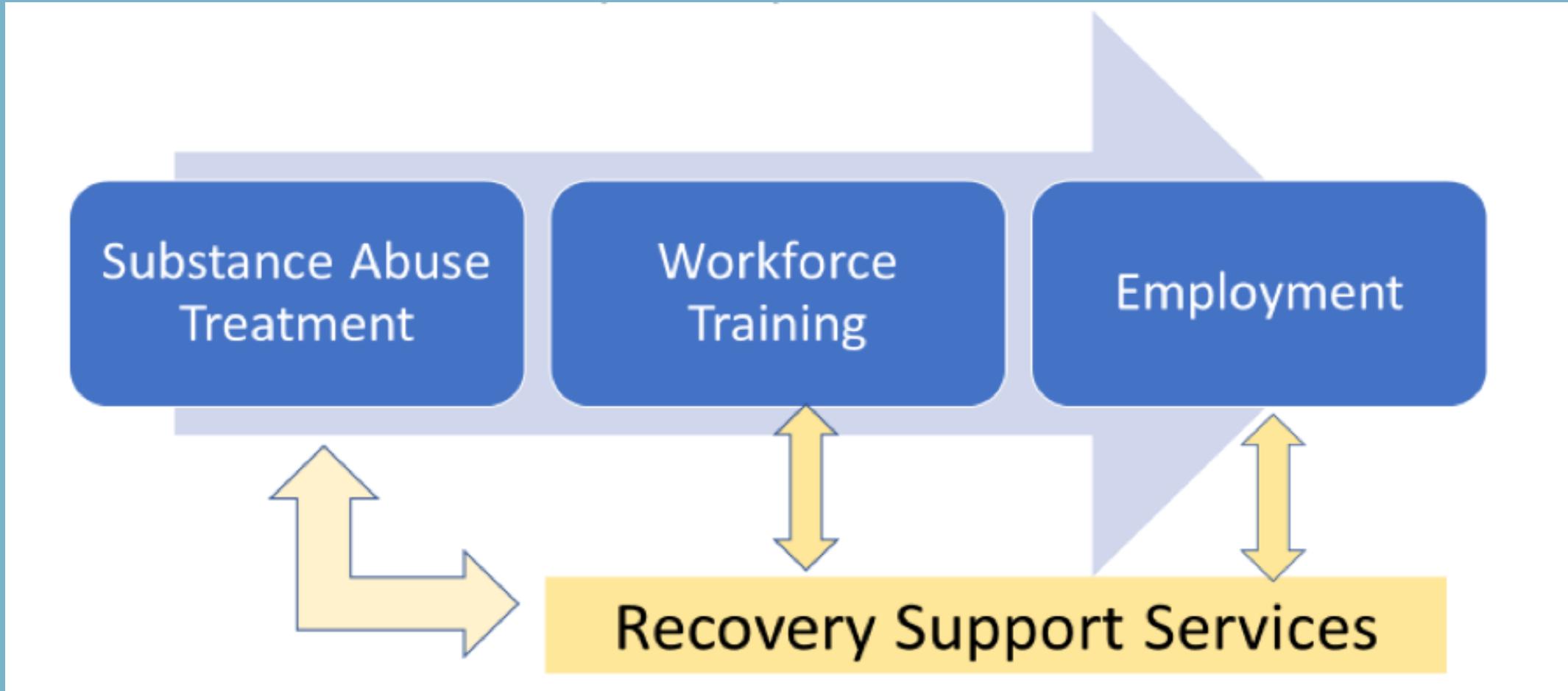


# MEANINGFUL EMPLOYMENT

*The Key To Lasting Abstinence and Recovery*



# The Road To Meaningful Employment

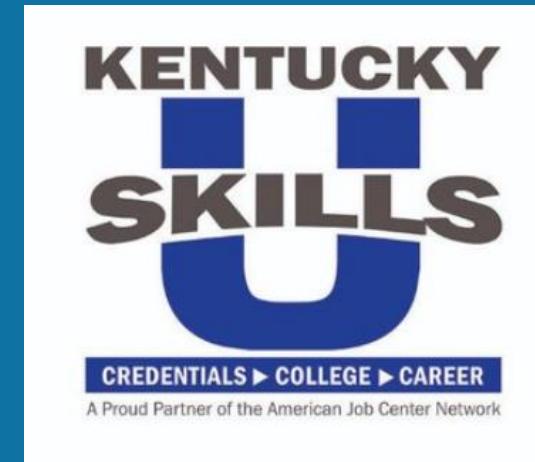


# RHOAR Partners



# Knowing The Need

- Facility staff, local KCTCS and SKILLS U staff, community partners and businesses form work groups at each location
- To predict interest and training needs, education and employment surveys are completed by each individual entering Phase 1 of the recovery program
- After Phase 1, they have the opportunity to pursue education and/or employment



# THE OPPORTUNITIES ARE ENDLESS

## **Some of Fletcher Group's Education and Employment Partnerships:**

- GED and employment readiness through KY Skills U
- Future Plans, USA
- The Training Center online Peer Support Certification
- SMARTS and Be Boss entrepreneurial training
- Thoroughbred Retirement Foundation Second Chance Program
- Taylor Made School of Horsemanship
- CDL, Lineman, and Construction certifications through KCTCS

# HOW WE MAKE IT HAPPEN

- Strong partnerships with other local grant holders
- Ongoing communication with our state Chamber of Commerce
- Our local career centers are like our family
- Funding through WIOA
- Utilizing navigators from local community colleges
- Accelerated Opportunity and Work Ready Scholarships
- Workforce Boards
- Business Associations

# Building Relationships is Key

- AppHarvest
- Triple G Construction
- Sekri
- Smithfield Foods
- Taylor Made Farms
- Pathways
- Fresh Start Health Centers
- Many, many more

# HOW THE MONEY WORKS

# Develop a Community Working Group

- Hospital Funds through ACA
- Fundraising and Foundations
- Economic Development
- Educational Funds
- Local Government Funds
  - Jails and Courts
  - Local Development Funds



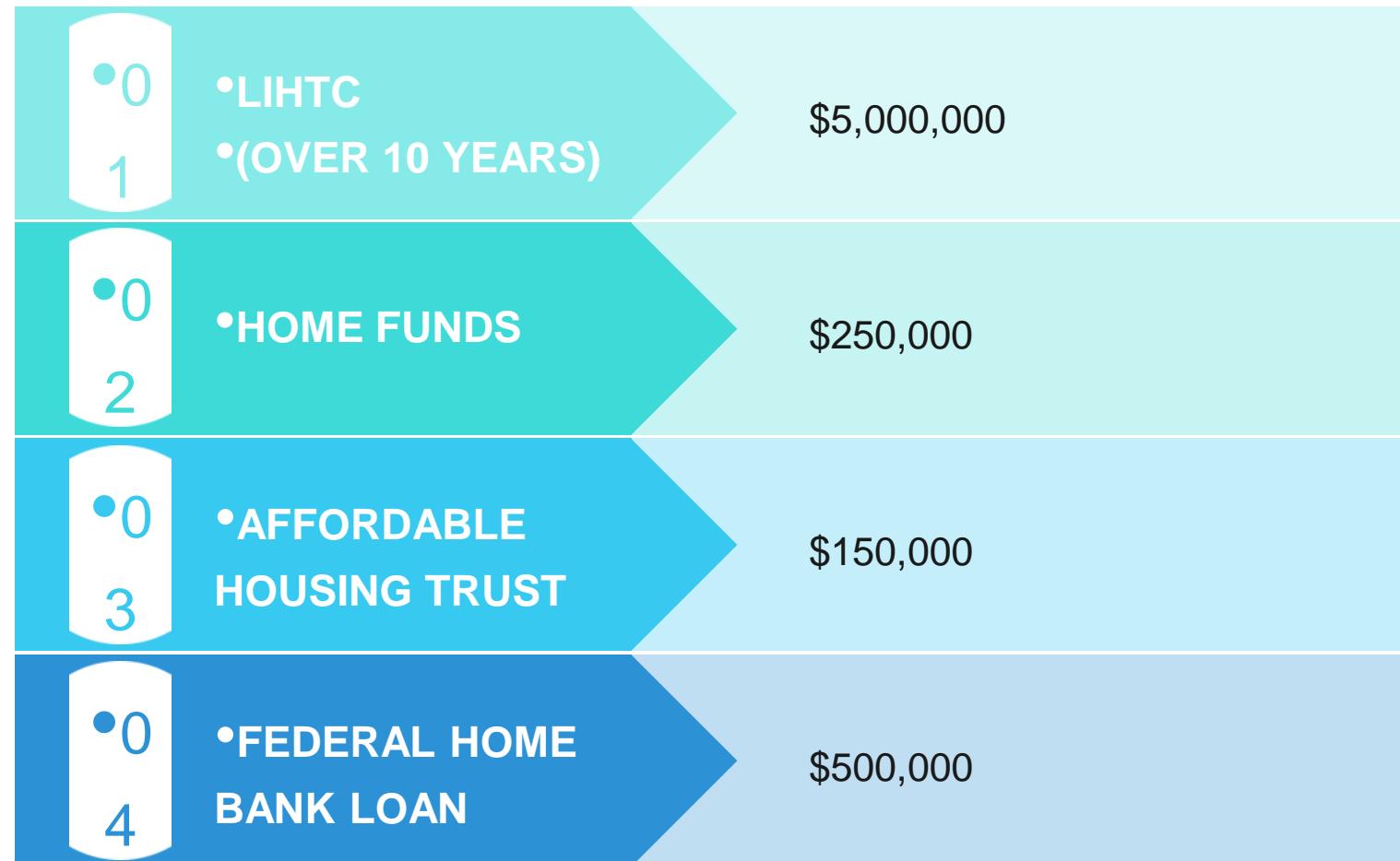
Regional Men's  
Recovery Center

Owensboro,  
Kentucky

**Construction Cost**  
**\$5.9 Million**

## How Debt-Free Construction Works

How **\$5.9 million** in construction costs were covered at the Regional Men's Recovery Center in Owensboro, Kentucky



## •WHAT'S A LIHTC?

- The Low-Income Housing Tax Credit is the key to debt-free construction.

•INVESTOR	•FEDERAL GOVERNMENT	•STATE HOUSING AUTHORITY	•DEVELOPER	•COMMUNITY
Investors who make a lot of money have to pay a lot of taxes (investors can include banks)	Wants to help low-income residents live in a decent home	Administers program by issuing annual tax credits for ten years to developers of worthy projects	Can cover most construction costs by passing annual tax credits to the investor	Win-win for the project, the residents, the investor, construction workers and the local economy

# Gap Funding

(to cover the gap between equity and the total project cost)

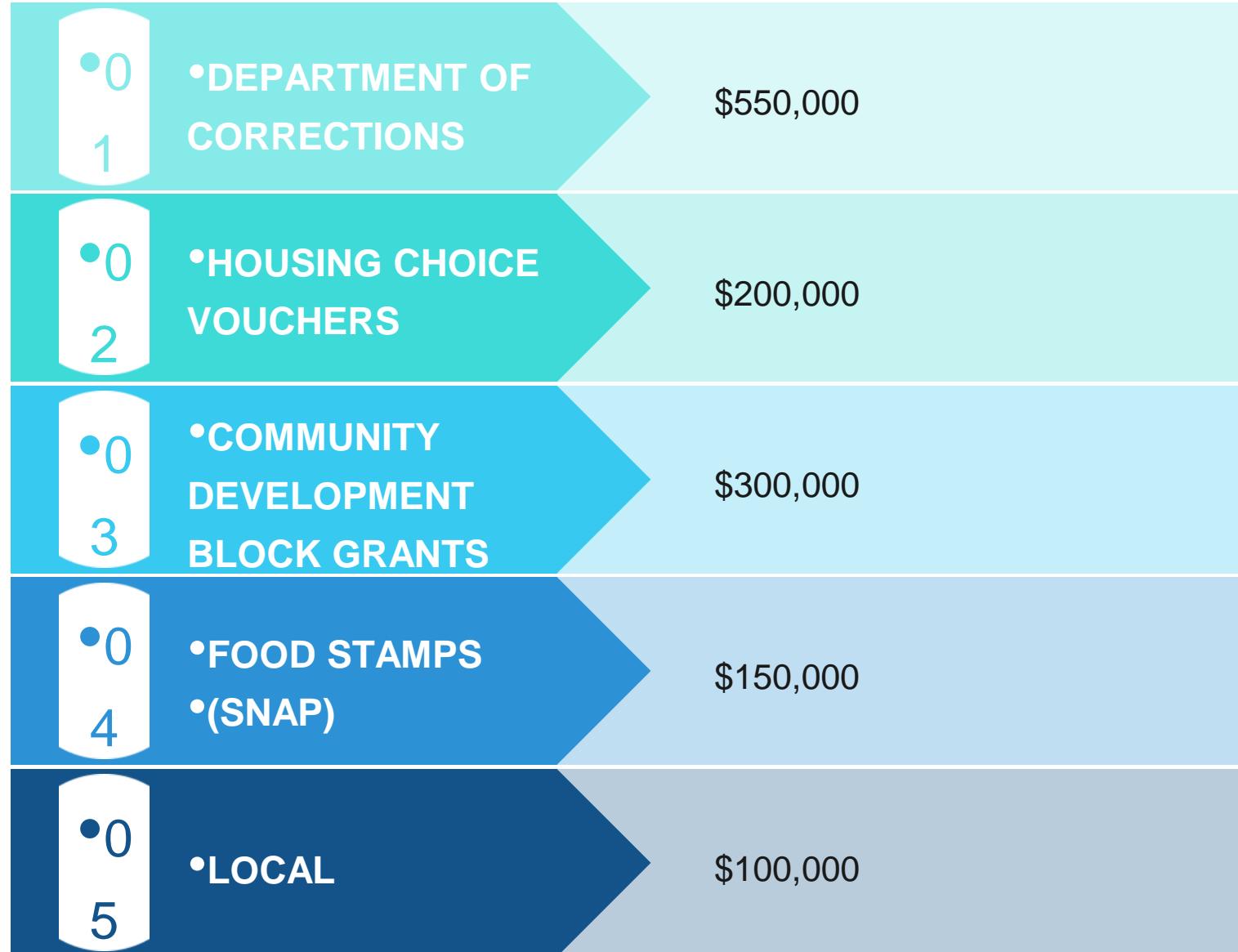
- Federal Home Loan Bank (FHLB) funds
- State and Federal Housing Trust Funds
- Social Impact Bonds (**Results Ohio**)
- Other grants (ARC, EDA, CDBG, etc.) and USDA if designated as “rural”
- “New Markets Tax Credits” have also been used for recovery programs but provide less equity (ostensibly 39%, but in reality less) and restrict how much can go toward residences. As a result, they should be thought of as part of the CDFI application process “pipeline.”
- EB-5 capital <https://www.eb5capital.com/overview-and-history/>

# Site Opportunities

- Qualified Census Tract? Key for “basis boost” in LIHTC application and necessary for New Market Tax Credits (NMTA)  
[https://www.huduser.gov/portal/sadda/sadda\\_qct.html](https://www.huduser.gov/portal/sadda/sadda_qct.html)
- Adopted Redevelopment Plan? (necessary for LIHTC in Kentucky QAP)
- Local Community and Political Support?
- Donated land often makes an LIHTC application more competitive
- Opportunity Zone? (may impact surrounding values, although not always a great fit for Recovery Housing)

## How Operational Day-To-Day Sustainability Works

How **\$1.3 million** in annual day-to-day operating costs are covered at the Men's Addiction Recovery Center in Bowling Green, Kentucky



# NARR Lower Levels

- The USDA offers a variety of resources for rural areas that meet their criteria <https://www.rd.usda.gov/programs-services/all-programs/community-facilities-programs>
- Acquire a list of homes for sale in need of rehabilitation
- Research Community Facilities grants and loans
- Assess Rural Tele-Health resources to enhance program services

# Other Sources for Operations

- Veteran Vouchers
- Regular Section 8
- Medicaid Outpatient Coverage (used with the RHOAR model)
- Social Impact Bonds and Pay For Success. (These are more nimble and can support social service operations and capital costs associated with construction.)
- SOR Grants
- Recovery Ohio support  
[https://content.govdelivery.com/attachments/OHOOD/2019/03/14/file\\_attachments/1173676/RecoveryOhio%20Initial%20Report.pdf](https://content.govdelivery.com/attachments/OHOOD/2019/03/14/file_attachments/1173676/RecoveryOhio%20Initial%20Report.pdf)
- Ohio Jobs and Family Services <https://jfs.ohio.gov/owd/WorkforceProf/Docs/OWDOpioidToolkit.stm>
- US House Appropriations Earmarks

## OUTCOMES & CERTIFICATION

- Wins the trust of stakeholders
- Key role in winning tax credits and other governmental assistance.
- Medicaid and Commercial Payers





Thank you!!

Questions?

Thoughts?

Suggestions?

For Technical Assistance  
please request via:

Fletchergroup.org at

<https://app.smartsheet.com/b/form/1c3042bb5e984fd6ac3898346fd77ef1>