



Common Ground: common approach?

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Never let it be said Australia is slow to follow international trends. From the mean streets of New York to an inner-city neighbourhood near you, the Common Ground homelessness initiative is sweeping the country. Looking beyond the passion of its high-profile promoters, are we creating a sustainable model that will work in our local context?

Homelessness remains a major, seemingly intractable problem in Australia. In recent years there has been increasing innovation to try and find solutions to chronic homelessness, both from government and the traditional keepers of Australian homelessness services – the not-for-profit sector. The Rudd government identified homelessness as national priority, with its 2007 White Paper ‘The road home’ providing a strategic framework. The states have shown similar enthusiasm to address homelessness, launching many initiatives.

While provision of temporary shelter has long been a feature, more recent approaches to homelessness have looked at providing far greater levels of support and over longer periods. This has come from the recognition that people experiencing homelessness often face a series of challenges that cannot be addressed by providing a bed for the night. Common Ground is one of the new wave of initiatives joining the dots between social support and stable housing.

New York, New York

Established by Roseanne Haggerty in 1990, Common Ground now provides over 3,000 permanent supportive housing units for chronically homeless people and single, low-income earners in New York City. The scale of projects is impressive. The Times Square Hotel in mid-town Manhattan houses 652 residents in a lavishly restored art deco building. In contrast to spartan features typical in homeless shelters, Common Ground buildings often have grand lobbies, marble staircases and ballrooms.

Common Ground’s six principles

- **Permanence:** there is no time limit on leases for formerly homeless tenants.
- **Safety:** a 24-hour concierge restricts entry to the building.
- **Supportive:** social services are provided on site at no cost to the tenant.
- **Integrated:** projects normally house a mix of both formerly chronically homeless tenants and low income earners.
- **Affordable:** rent is charged to all tenants at less than 30% of income.
- **Quality:** Buildings incorporate sophisticated design and high environmental ratings.



The Prince George, Manhattan, provides 416 units for formerly homeless people and those on low incomes. Part of the running costs is met by renting out the meticulously restored Prince George Ballroom. (Photo courtesy of Common Ground NY).

Befitting the country of its origin, Common Ground mixes philanthropic zeal with hard-headed finance. Social activists like the way projects help people in dire need; corporate types take comfort from studies showing Common Ground is cheaper in the long term than temporary homeless shelters. By moving people into stable accommodation, major amounts of money can be saved on hospital bills and incarceration costs. Therefore Common Ground is a homelessness option favoured by both the left and right of politics.

US projects harness financial support from a broad spectrum of investors, not-for-profit organisations, government grants and wealthy patrons. However,

the US Common Ground's financing is under-pinned by widespread use of the Federal Low Income Housing Tax Credit scheme. Though fiendishly complicated, the scheme essentially offers tax breaks to investors to part-fund the provision of new affordable housing for people on low incomes.

Innovations in New York City have been eagerly followed elsewhere in North America, from New Orleans to San Francisco and Connecticut to Toronto. Several schemes have been developed by Haggerty's team, others simply adopt the Common Ground brand while some copy the ideas and use their own moniker. Internationally, there have been Common Ground initiatives in Japan and the Arlington Project was recently opened by London Mayor Boris Johnson.

Common Ground Down Under

Of all countries, Australia has been the one most closely implementing the Common Ground approach. We spoke to Roseanne Haggerty in New York City, and asked her why. Her view was that Australians are enthusiastic early adopters, willing to learn from best practice overseas and in other capital cities. The timing was right, with a federal government keen to spend stimulus monies. Lastly, personalities played a role. Dedicated individuals from each have sought out the model and worked to make it fit to their organisation's need and policy environment. Therese Rein, still described on Common Ground's website as 'Australia's First Lady', is an enthusiastic and well-connected supporter.

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Roseanne Haggerty, founder of Common Ground

In 2005 South Australia was the first state to adopt the Common Ground model following Roseanne Haggerty's time in Adelaide as their 'thinker in residence'. The first property opened in Adelaide in 2007 with 39 units offered to an equal mix of formerly homeless people and low income earners. State and local council grants covered the \$1.9 million land costs while money from Treasury, construction discounts from Grocon and their contractors and philanthropic donations from Santos supplemented the majority of other expenses. Donations in cash and in-kind from local businesses paid for furnishing fit-out costs while government funding provides social services.

With buildings opened or in development in five states (see table), and the formation of the Australian Common Ground Alliance, it seems Common Ground is well and truly making its mark on Australia. Approaches involve partnerships with federal and state governments, social services groups, community housing organisations and developers who construct buildings at cost price. The flavour of each project varies between jurisdiction, with different tenant mixes, scales, funding sources, ownership and on-going service provision.

Trans-Pacific contrasts

Can something designed for the troubled streets of New York City really be transported to Adelaide and other Australian cities? Has something been lost in translation?

In Australia, Common Ground initiatives in each state are governed by different organisations, though all are part of the Australian Common Ground Alliance. Each state's approach is different as they have had to adapt to local policy and funding environments. This need not be a problem, as even in North America not all developments are through a single organisation. However, state-based Common Ground providers seem pre-destined to operate on a small scale with few economies of scale. When all current

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Australian projects are complete they will provide a total of fewer units than a typical single building in New York City.

Perhaps the most significant contrast between approaches in the two countries is with finance. While both involve a mix of public, private and philanthropic funds, the balance is different. The US model while complex – with up to twelve funding sources per project – has a consistent core of tax credit funding that has proven relatively stable despite a jolt during the global financial crisis.

Tax credits have been in place since 1986 and enjoy bi-partisan support, even through the Reagan and Bush eras. Political consensus has not been a feature of Australian housing policy over the last two decades.

Common Ground in Australia relies much more on public grants than in the US. This need not in itself be a problem if there is agreement on approaches and funding is plentiful. In an era of budgetary restraint, with no further stimulus money, the funding for both construction and on-going funding costs looks in peril. By contrast, US tax

credit backed schemes arrange both their capital and operational finance from the start and do not require on-going external subsidy.

In Australia, finding funding requires a great deal of flexibility, effort and enthusiasm from Common Ground staff and advocates. Alternative funding sources must be sought for the most essential and expensive aspect of the Common Ground model – the 24-hour concierge. In New York City the rent from lower income tenants is sufficient to subsidise this service and many buildings are large, which give economies of scale. The question therefore remains – is this model sustainable in the long term in Australia?

Being the new kid on the block, the Common Ground approach also remains untested in Australia. Common Ground Adelaide plans an evaluation to research the long term social impact of the model. Until then the approach relies largely on gut feeling, personal drive and for many a passion to help homeless people. Sue Crafter, CEO of Common Ground South Australia explained: "It doesn't work for every tenant – but we

have seen some huge transformations. Feedback across the board has shown tenants get an immense psychological boost from the sense of permanency Common Ground offers."

Conclusions

It is gratifying for Australia to be praised as a nation of early-adopters. With Common Ground we are riding the crest of the wave, just behind North America. However, when making comparisons, the devil is in the detail. Despite differences in how Common Ground type schemes work across US cities, they are all supported by an established tax credit scheme and deeply-ingrained philanthropic tradition.

While Australians as individuals are generous, major corporate philanthropy is muted. Grocon and Santos are strong supporters of Common Ground, though being the exception rather than the rule. Most finance for schemes across Australia has been from the public purse and linked to the Nation Building Stimulus scheme. This is unlikely to be sustainable across the economic and political cycle.

State	Details	Finance	Delivery
SA	39 units at Franklin Street, Adelaide; 60 units at Light Square, Adelaide and funding secured for 40 units at Port Augusta. The first Common Ground initiative in Australia, launched in 2004.	South Australian Government; some COAG and Treasury grants. \$1 million and non-payment of land from Santos.	Common Ground Adelaide are the developer, building owners, tenancy manager and provide social services.
Vic.	Elizabeth Street: 161 units under construction for 131 homeless tenants and 30 low income tenants. Launched 2007 with plans for 5 more developments over 10 years.	Victorian Office of Housing and COAG funding; Grocon construction discounts used for Yarra Community Housing's contribution; philanthropic donations; Victorian Property Fund money for green building practices.	Social services provided by Home Ground Services; Yarra Community Housing are the developer, building owners and tenancy managers.
NSW	The Camperdown Project: 104 units, inner-city Sydney. Launched 2008, due to be completed 2011.	Housing NSW and COAG grants; Grocon construction discounts.	Mission Australia manage tenancies; Mercy Foundation provide social services.
Qld	Common Ground Queensland: 149 units passed conceptual design stage, proposed for completion in 2011-2012.	Commonwealth Nation Building Stimulus scheme funding; Grocon construction discounts, COAG funding.	Micah Projects provide social services; tenancy managers to be confirmed.
Tas.	A Place to Call Home Hobart: 25 units announced and funding secured. A second development at Campbell St is planned.	To be confirmed.	Common Ground Tasmania.

Common Ground is a classic example of learning through networks rather than a coordinated policy program. Ideas pass quickly between cities and countries, through personal contact and web-based information. The 'Common Ground' designation is akin to a brand, or perhaps a franchise. When we questioned Roseanne Haggerty on this she described it as "franchising in an open source way, working with people who share the mission and want to learn from each other." The network provides knowledge, moral support, but no dollars if a project runs into trouble.

To prevent current Australian projects being no more than one-

off demonstration projects, we need a systemic approach to supportive homelessness initiatives. This may encompass a National Rental Affordability Scheme (NRAS) style tax credit, or perhaps a modification of NRAS to target homelessness. These schemes should be carefully evaluated so we can learn from what works well and what doesn't here in Australia.

If America can achieve bi-partisan support for housing and homelessness, why can't we? We have seen too rapid a change of 'first ladies' in Australia during 2010 to rely solely on dedicated individuals to drive homelessness innovation.



Schemerhorn House, Brooklyn NY provides 217 units, half for homeless people and half for those in low paid jobs, especially in the entertainment industry. (Photo courtesy of Common Ground NY).