



Ex-prisoners find a home at the Fortune Academy, a former Catholic girls school known to its residents as the Castle.

Finding a Home

New York City supportive-housing project serves former prisoners

BY BENDIX ANDERSON

NEW YORK CITY At a weekly meeting of residents at the Fortune Academy, a supportive-housing project here, 50 people, mostly middle-aged men, sat in a circle of folding chairs. It looked like a typical support group.

"I'm here, so it's a good week," said one resident who had moved in that day. But the Fortune Academy is different: All residents have recently been released from prison.

Most homeless housing projects refuse to admit violent offenders. But the Fortune Academy, known as the Castle by its residents, will accept any recently released ex-prisoner, male or female, who is motivated to change his or her life, provided the potential resident does not pose a present danger to the community. "Our first resident was

someone who did 27 years for manslaughter," said Barry Campbell, special assistant for the Fortune Society, the Manhattan-based developer that owns and operates the Castle.

The Fortune Society has been helping ex-prisoners connect with the services they need since 1967. The Castle is its first development project, and the nonprofit organization is now planning a second phase at the same site. Since its first phase opened four years ago, the Castle seems to have accomplished the impossible: creating a safe living space populated exclusively by former prisoners.

Many of the programs that focus on housing the homeless have moved away from providing transitional housing or "halfway houses," which give temporary housing to people in crisis. Housing experts

increasingly worry that the residents of transitional housing often become homeless after their stay is finished. Many homeless housing programs now focus instead on providing supportive housing, or permanent housing along with intensive services.

The Castle falls in between these two models. Unlike transitional housing, the residents engaged in the Castle's programs can live here as long as they need to. However, residents tend to move on to housing with less onerous program requirements as soon as they are able to. The longest stay by a resident so far has been just three years. Fortune calls its model "phased permanent housing."

With several years of operating experience, Fortune's phased-housing model is receiving a growing amount of attention from experts from across the country who are interested in replicating it.

High expectations, low recidivism

The first residents moved into the Castle in April 2002. Since it opened, the police have only had to come to the building on three occasions. "We're probably the safest building in New York City," Campbell said.

In addition, the parole officer serving the building reports that his clients have the lowest recidivism rate in New York City and one of the highest success rates in the state, both for avoiding new arrests and for technical compliance with parole rules. And the program costs just \$25,000 a year per resident, including three meals a day and a battery of services provided by Fortune. That's as cheap as a homeless shelter and much less than the \$40,000 a year cost of keeping a person in prison.

Operating funds for the Castle comes from a long list of city and state agencies, as well as from the Department of Housing and Urban Development's Shelter Plus Care housing subsidy program, which covers the remainder of residents' rent after they have contributed 30 percent of their income. Because some of the Castle's residents are still jobless and have no income, they are paying no rent.

Addiction is one the biggest concerns at the Castle: Three-quarters of those returning home from prison have a history of substance abuse, according to statistics from the Department of Justice.

Jumping through hoops

Residents must submit to daily drug tests. "When a person relapses, we don't throw them out," Campbell said. Instead, relapsed residents may go back to sleeping on a cot for 28 days or even enter an intensive drug treatment program, depending on the severity of the case.

The Castle has room for 59 residents in 40 studio apartments and 19 emergency shelter beds. New residents start at the emergency shelter and eventually move into one of the studios, if they stick with the program. "This is where we screen for motivation," Campbell said.

The program at the Castle requires more from its residents than a typical supportive-housing project, beginning with 35 hours a week of "productive service," ranging from job hunting, counseling, or school to volunteer work. Residents spend another 10 hours a week helping to maintain the building.

To help keep the Castle a safe home for its residents, the project has 18 full-time staffers (and one

part-timer) who provide a wide range of health and counseling services available 24 hours a day.

The staff members are skillful at spotting potential trouble because most of them are also ex-prisoners. Campbell himself is a graduate of Fortune's program.

Finding the land

Neighbors were not enthusiastic to learn that housing specifically targeted for convicted criminals was coming to their part of Harlem, according to JoAnne Page, Fortune's executive director.

"We have a very unpopular use," Page said. To make matters worse, developers in New York City need the approval of the local community board to receive free land from the city or even to change the zoning on a site.

"We were essentially told that we would not have a prayer," Page said. But Fortune had a little luck when they found the Castle, an abandoned Catholic girls school, already zoned for housing and priced to sell, overlooking the Hudson River on the northern edge of Harlem.

Unfortunately, the housing programs that can help affordable housing developers purchase sites didn't want to take a risk on an inexperienced developer like Fortune and an untried development model like the Castle. So Fortune took a very careful look at its balance sheet, put \$380,000 as a down payment and took out a conventional, \$900,000 mortgage from Fleet Bank, which has since merged with Bank of America, buying the old school and a parking lot next door for \$1.28 million. The site is now worth \$8 million, Page said.

When Fortune bought the site in 1998, drug dealers filled the

parking lot, serving customers from as far away as New Jersey. Fortune worked with local police to help clear the criminal activity off the property and also cleaned up the stacks of garbage that had piled up around its building. "When we got rid of that we made a lot of friends," Page said. In the wintertime, Fortune also started shoveling the ice off the steeply sloping sidewalk in front of the building, a little thing that meant a lot to their neighbors. Fortune staff still attend an average of about six community meetings a month.

All this attention to being a good neighbor eventually paid off. Several of Fortune's most vocal opponents began to work with the group and even joined Fortune's advisory board.

Raising the money

Rehabilitating the Castle eventually cost \$7.8 million. The project received a \$4.3 million forgivable, 30-year loan from the New York State Homeless Housing and Assistance Program. Fortune also sold a package of 9 percent low-income housing tax credits and federal historic rehabilitation tax credits to Enterprise Community Investment, Inc., for \$2.4 million. The last \$1 million came for grants provided by foundations and private donors.

Fortune is planning its next project for ex-prisoners, and this time the developer already owns the land: more than 119,000 square feet of carefully mowed grass next door to the Castle that is already zoned for residential development with services.

Fortune is considering a plan to mix market-rate and moderately priced units with supportive housing in the new project.