

## HopeSpace Inc

### Case Statement for Coordinated Support Services

**HopeSpace Mission:** Increase housing stability and raise hope by providing coordinated holistic supportive services and expanding access to safe, affordable housing, leading to lasting positive outcomes for individuals experiencing mental or physical health challenges, substance use, or financial hardship.

**Primary Focus:** Coordinate support services for people experiencing housing insecurity.

**Initial Focus:** Support service coordination at extended stay motels, an overlooked group.

**Unique Strength:** Academic research and policy expertise embedded into mission and activities.

### Why was HopeSpace founded?

**Housing insecurity** is fundamentally experienced as being at risk of multiple non-choice-related moves tied to poverty. It is defined as difficulty paying rent/mortgage, living in substandard or overcrowded conditions, frequent moves, evictions, or spending over 30% (severe: >50%) of income on housing. It's a significant public health concern, affecting the physical and mental health of millions in the US. Housing insecurity refers to a variety of unstable living conditions including unaffordable housing, frequent moves, overcrowding, and homelessness.

**Homelessness:** According to the US Department of Housing and Urban Development (HUD)'s 2024 Annual Homelessness Assessment Report to Congress, and HUD's 2024 *point-in-time (PIT) survey*, 771,480 people experienced homelessness in the US on a single winter night in 2024, the highest ever recorded. Researchers estimate the number of individuals who experienced homelessness at any point during the year could exceed 3x this figure, or around 2.5 million people. Person-level homelessness is precipitated by mental illness, addiction, poverty, and many factors, including domestic violence. Regional variation between US cities in per capita homelessness is most strongly correlated with regional wealth and market housing conditions (availability and cost).

Between 2023 and 2024, homelessness rose 18 percent overall; the largest increase (39%) was for people in families with children; 150,00 children experienced homelessness on a single night in 2024. Another vulnerable group (age  $\geq 55$ ) composed 20% of US homelessness. According to the National Center for Homeless Education's 2024 Report, public schools identified 1,374,537 students during the 2022-2023 school year who experienced homelessness (2.8% of all students enrolled).

Housing insecurity is a pathway to homelessness, given that families experience progressive deterioration in housing situations before becoming homeless. The progression typically includes initial cost burden and difficulty maintaining housing payments, moves to less expensive but often substandard housing, periods of temporary housing with friends or family ("hidden homelessness"), use of emergency or transitional housing options (e.g., motels), and eventual loss of all housing options. Based on a 2017 study by the National Alliance to End Homelessness, the taxpayer cost of supporting homelessness (for public services from shelters to hospitals) ranges from \$35,000 to \$96,000 annually per person. If housed, the cost ranges from \$18,000 to \$34,000, yielding substantial savings for taxpayers.

The **affordable housing crisis** is characterized by a severe mismatch between housing costs and household incomes. This crisis is fueling housing insecurity and is driven by a shortage of affordable rentals, gentrification, and inadequate subsidies. This shortage costs the US economy \$2 trillion annually in lower wages and productivity. Rising rents and insufficient low-income housing options force many into precarious living situations and force trade-offs in essentials and increasing eviction rates.

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*Extended-stay motels* have become a flexible low-barrier housing solution of last resort for many families facing housing insecurity and those denied rental units based on low income, prior evictions, criminal history, lack of rental history, and inadequate credit. Chronically homeless persons use motels as an alternative to shelters to obtain more privacy and because of shortages in shelter space. More than 100,000 US students lived in hotels or motels in 2022, highlighting that a significant number of families use motels. Although motels offer flexible payment options (nightly and weekly rates), immediate relief, and more privacy than a shelter, rates often exceed the costs of traditional rental housing, leaving the central issue of affordability untouched. The flexible arrangements also impose a level of uncertainty on residents since they do not enjoy key protections extended to renters in formal lease agreements. Furthermore, motel rooms usually lack amenities like adequate space and kitchen appliances essential for stable, long-term family living (e.g., adequate storage space and kitchen facilities). Thus, motel living can be stressful and hinder long-term well-being. Housing insecurity is particularly damaging for children who experience interruptions in education, social development, and cognitive development. Children in motels have trouble establishing school enrollment, lack a stable address for school services, and experience stigma. Despite these challenges, motels are a crucial stopgap in the pipeline to homelessness if families cannot access permanent housing. Motels are a healthier alternative than sleeping on streets.

*An abundance of research and existing programs* have demonstrated the effectiveness of a multifaceted approach to address housing insecurity, *including supportive services* for transitioning to permanent housing, providing access to health care, and addressing employment barriers. Researchers also recommend measuring housing insecurity to understand its impact.

*In 2025, HopeSpace conducted the nation's first academically rigorous quality-of-life assessment survey for persons living in extended-stay motels in Indianapolis.* The 34 respondents were living at extended stay motels near E 21<sup>st</sup> and N Post Rd and near E Washington St and N Shadeland Ave. Both areas are near bus lines and located in high-crime, high-poverty neighborhoods. Black residents were only slightly less represented in these motel survey respondents (44%) than in the 2024 Indianapolis homeless point-in-time (PIT) count (53%). Still, they are overrepresented in both counts considering they make up around 28% of Marion County's population. Women represented 44% of motel respondents and 37% of homeless in the PIT count. The typical age (median) of motel survey respondents was 49 (range 22 to 70, except one was age 15). The percentage aged  $\geq 55$  (25%) was identical to that among the homeless in the PIT survey; 50% of motel respondents were married (29%) or in a relationship (21%); 25% were single.

*Notably, we did not encounter anyone who was using the motel as temporary lodging while traveling. Everyone was a local resident utilizing the motel as a form of housing. They've been living at the current motel on average (mean) for 16 months, with a typical (median) current stay of 1 year, and a range of 4 days to 4 years. Nearly ¼ (24%) have been living at the present motel continuously for 3 years. When asked if they also stay at other places (check all that apply), 53% said no, 26% at a friend's place, 9% with family, 6% at shelters, 3% outside, and 3% in a car; only 9% said at their apartment or home. They primarily used (check all that apply) weekly (59%) and monthly (44%) rather than nightly (6%) stays.*

*Nearly all respondents (94%) said they prefer to find an apartment or house instead of staying at a motel; the other 6% were unsure (i.e., no participant preferred a motel). Thus, respondents were reluctantly treating the motel as a long-term housing option of last resort. Barriers to finding another place (check all that apply) included: 41% lack of income, 38% criminal record, 26% eviction, 24% job loss, 24% physical health issues, 18%, mental health issues, 12% family problems, 6% substance use, 6% not feeling safe at home (e.g., violence in home or neighborhood), 3% divorce, 3% death of family member, and 3% foreclosure; 32% wrote in other barriers including lack of proof of income, lack of skills due to*

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transitioning from prison, transportation limitations, unavailability of affordable and pet friendly housing, computer access, online skills, and unaffordable security deposit. Many residents were evicted from housing (38%) or convicted of a felony (41%), which are major barriers to finding permanent housing.

*Importantly*, 79% said “yes” they would use social services if made available at the motel, and another 18% replied “maybe”; only 3% said “No”. The need for services is high. Only 21% reported “Yes” to having reliable transportation (56% “No”, 23% “maybe”); 79% reported using the bus as transportation, highlighting the importance that low-income housing is located near a bus line. When asked, “Do the people staying at this motel tend to help each other out and look out for each other?”, 41% said “Yes” and 50% said “Sometimes”. Only 9% reported “No” to feeling safe at the motel. Thus, motels offer a support network; however, safety could be improved, given that 32% felt safe at the motel “Sometimes”.

*Income*: 44% reported no regular source of income; 26% received disability (20%) or retirement (6%) income from social security. Monthly income was less than \$1000 for 62% of respondents, and \$1000 to \$2000 for 29%. Typical motel rates were \$70-\$80 nightly and \$275-\$375 weekly. Therefore, 91% of respondents were spending 50% to 100% of their income on motel stays.

*Disturbingly*, 67% said “Yes” (38%) or “Sometimes” (29%) regarding whether they ever go hungry because they don’t have enough money or transportation to buy food. This is especially concerning given that 27% (among respondents excluding the 15-year-old) reported that children live with them at the motel (6 respondents had 1 child, 2 had 3 children, and 1 respondent had 5 children); the 27% rate is similar to the rate of homeless households with children in the PIT count (25%). Approximately ¼ of respondents (26%) get food at a food pantry while staying at a motel, and 62% said they do not (38%) or only sometimes (24%) have enough storage at their current motel for food and non-food items. This confirms that extended-stay motel residents have substantial food insecurity and inadequate amenities.

*Health*: According to our survey’s research-validated NIH PROMIS symptom T scores, respondents scored approximately ½ standard deviation worse on anxiety, depression, and pain interference with daily life, than the general US adult population, indicating clinically important impairment in those areas. Asked if they have ever been told by a doctor or health care professional that they have a list of conditions, 39% reported anxiety, 32% depression, 29% post-traumatic stress disorder, and 10% schizophrenia or psychosis; these rates are higher (worse) than observed in the general population.

*In summary*, research-rigorous local results support the national narrative that people are using extended stay motels as flexible low-barrier long-term housing despite inadequate amenities, food insecurity, and financial strain. They have broken family ties, emotional stress, physical pain, and chronic conditions. Many residents in these run-down motels consider themselves to be homeless. They universally prefer to find permanent housing and they welcome coordination of support services to navigate complex systems and resources to overcome barriers to obtaining permanent housing.

**Need for Effective Transitional Housing:** All cities need more (not less) of effective low-barrier shelters, transitional housing, and permanent supportive housing. “Low-barriers” refers to removing ineffective bureaucratic requirements and eligibility restrictions that plague many programs. *We will add to the transitional housing toolbox through support service coordination, including the innovative provision of coordinated services at extended-stay motels.*

Motels offer the lowest bureaucracy among housing options. They don’t require deposits, advance rent payments, application fees, or background checks. They offer discounted weekly rates. Research shows that motels deliver “improvement in physical health, sleep, personal hygiene, privacy, safety, nutrition,

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and overall well-being” for persons who were previously homeless. Effective transitioning from motels to permanent housing with better amenities and financial stability will further improve well-being.

### ***Motel Innovation:***

***Rare precedent.*** Government and nonprofits have purchased motels and rezoned and converted them to permanent housing in many US cities. However, we could find only two examples nationally that have focused on coordinating supportive services directly at motels. This approach avoids regulatory hassle and preserves the flexibility of the motel arrangement. The success of these examples demonstrates that motels with comprehensive supportive services can play a key role in the affordable housing ecosystem (Studios at 2800 Brentwood, Raleigh, North Carolina; and Hotel Louisville, Kentucky).

***Social-mission motels are novel and important for the transitional housing toolbox.*** Most transitional or permanent supportive housing (PSH) projects, including those based on converting motels, have strict eligibility criteria (often required by the funding mechanism, e.g., low-income housing tax credits or government grants). Therefore, ironically, many residents who currently use motels as long-term housing would not be eligible for tenancy in the same building if it were converted to PSH. Motels serve as a low-barrier transitional option for those left out of current housing programs. It’s rarely recognized by developers and city governments that converting extended stay motels to PSH has an unintended negative consequence. Why? Reduction in motel inventory drives up rates for surrounding extended stay motels. Permanent housing solutions remain the ultimate goal in the fight to end homelessness, but we can’t overlook the real need for quick, flexible arrangements that motels are providing for thousands of Americans.

***Coordination of services at extended-stay motels is a novel opportunity*** for motel owners to improve stability of residents. Historically, motel owners are generally not interested in social missions and are not connected with their city’s network of social service providers. A 2023 briefing by the Legal Services Corporations (LSC) Task Force concluded that long-term residents of motels are often not afforded the same due process that housing laws require of landlords, and thus these motels can contribute to housing instability in the long term. *Nevertheless, HopeSpace has experience conducting surveys and outreach to these motels in collaboration with Sanctuary Indy, one of Indianapolis’ most effective nonprofit street outreach organizations. HopeSpace and Sanctuary Indy are co-Investigators on the motel survey study described above, funded by an Indiana University CTSI Trailblazer pilot grant.* Motel owners have been welcoming of our presence because services help residents’ emotional and financial stability.

### **How We Will Implement Support Services:**

***The Core of the HopeSpace Service Model is the Resource Coordinator (RC) who coordinates supportive services.*** The RC addresses unmet needs for persons whose housing insecurity is due to mental or physical health challenges, substance use, financial hardships, and related stressors and housing barriers stemming from homelessness, incarceration, evictions, inadequate transportation, illiteracy, and family problems. Support activities include coordinating entry into mental health and addiction treatment programs; referring clients to case managers at other organizations; coordinating transitioning into stable housing; educating about available services; assisting with paperwork for stable housing, social services, and job applications; addressing financial, education, and employment barriers; and coordinating donated food from pantries, and donated clothing and hygiene items from faith-based groups.

**Why us?** HopeSpace will focus on the "backbone" or “civic system infrastructure” of social services, including raising funding for resources to coordinate the provision of social services. There are many

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people and organizations providing services who are ready and willing to do so at motels, but they need someone to bring together the financial, administrative, and coordination elements to make it feasible.

***Who We Serve:*** Anyone with housing insecurity will be eligible, including unstable tenants in market-rate housing and those living at homeless encampments and homeless shelters. Our initial focus is at extended-stay motels in the poorest Indianapolis neighborhoods because this is an overlooked gap.

***We will encourage motel owners to set aside at least 1 room for on-site support services.*** If no rooms are set aside, this will not pose a barrier to services because this is the typical scenario. We have demonstrated successful coordination of health surveys and outreach services for motel residents via mobile visits.

***The Resource Coordinator (RC) serves as a hub*** in a hub-and-spoke support service model. The spokes are existing community services. Most residents are unaware of existing free services. HopeSpace directors have a combined 50 years of experience in networking and creating strong and reputable relationships throughout Marion County with government, health care, and support service providers. The RC draws upon this network to connect clients to resources, creating a service multiplier effect. HopeSpace directors and RCs continuously foster collaborative relationships with owners of extended stay motels, owners of market rate and low-income housing properties, and informal leaders of homeless encampments, to advocate for delivery of support services for residents.

***We strive to establish in-kind seminars and programs located on site*** (e.g., at extended stay motels or low-income housing projects) and led by community partners who donate their time to deliver programs. These donated seminars cover, for example, resume building, skills training, strength-based assessments, effective work habits, financial literacy, and stress reduction techniques. These programs increase skills while promoting a sense of community at the property and with the broader community.

***Housing First principles.*** We invite (not require) residents to participate in support services, adapted to individual needs. Some motel residents need a “light touch” such as brief help to navigate government systems (e.g., replace lost driver’s license, verify disabilities). Others need free legal advice to obtain parental rights to visit children. Others need help creating a resume, filling out job applications, searching for apartments, or learning how to improve their credit score. Others want to enroll in primary health care, outpatient mental health services, or inpatient addiction treatment.

***Academic strength.*** Like academic health care centers where medical students do rotations in clinics, and cutting-edge research is shared with clinics, HopeSpace embeds academic and teaching missions into our support services. We facilitate clinical rotations for social workers at housing sites. Medical students from ***Indiana University*** School of Medicine have a ***Street Medicine team*** that joins HopeSpace to administer quality of life surveys at homeless encampments and motels.

***We will implement a comprehensive response (recommended by research) to housing insecurity.*** A comprehensive and holistic set of services is needed to address underlying causes and provide ongoing support, including intensive resource coordination to help residents navigate multiple systems and address complex needs contributing to housing instability.