



City of Lawrence

2012 SOCIAL SERVICE FUNDING APPLICATION – SPECIAL ALCOHOL

SECTION 1. APPLICANT INFORMATION

Legal Name of Agency: Lawrence Alcoholic Recovery House, Inc.
 Name of Program for Which Funding is Requested: Hearthstone
 Primary Contact Information (must be available by phone 5/18 and 5/23 from 2 p.m. to 6 p.m.)
 Contact Name and Title: Jack Hope ~ Board of Directors/President
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SECTION 2. REQUEST INFORMATION

A. Amount of funds requested from the City for calendar year 2012.

Prevention \$	Intervention \$	Other \$12,968
Treatment \$12,000	Coordination \$	

B. Provide a brief description of the program.

Hearthstone is a men's recovery house operated by the Lawrence Alcoholic Recovery House, Inc., a tax-exempt organization under IRS section 501 C 3. Founded in the fall of 1980, Hearthstone is open to any chemically dependent male who has been clean and sober for more than 72 hours. The house has a capacity for 10 residents. At designated times, families and guests are welcome to visit the residents at the house. Hearthstone operates its recovery on the 12-Step Program philosophy. Each resident is mandated to attend 12-Step program meetings in our local Lawrence community. Residents are contracted to stay at Hearthstone a minimum of 90 days, but each resident may stay longer provided house rules are abided. Chief among those rules is the requirement for total abstinence from all mind- and mood-altering chemicals. In order to keep Hearthstone a safe and nurturing environment for recovering addicts, residents who violate house rules or test positive for chemical use are asked to leave Hearthstone immediately.

The men who reside at Hearthstone often come with no more than what is on their person and with the burden of financial problems (e.g. large legal fees, debt, back child support, etc.). Because we serve a low-income section of our populat, it is of utmost importance to keep the cost to the resident at an affordable level. Therefore, Hearthstone must extend credit to those residents who have no money upon arrival. Some men achieve success, but many do not. Hearthstone often absorbs the costs from those who fail to find work and cannot continue their stay at the house. Yet the goal remains for each resident to find a job and contribute to the house financially. The weekly cost for residents is \$100 (\$60 for rent and \$40 for food). The food fund is money not included in Hearthstone's budget. The residents, who purchase and prepare all of the food, control it.

Besides the obvious financial reasons, it is tantamount to each man's recovery success that he becomes employed as soon as possible. With a job comes hope for his future as a clean and sober member of society. When individuals are in recovery from substance abuse, their recovery is in a fragile state. To protect them from relapse and because a consistent routine in employment and recovery work in tandem with each other, finding employment quickly so that he can focus on his recovery is as important as the treatment itself. Finding a job in a timely manner has consistently been an issue for

the men of Hearthstone. Many residents have limited job skills and can find only low paying jobs due to a variety of factors. Another problem is the fact that many people trying to recover from past addictions have a criminal record, making it even more difficult for them to get a job. A bad economy the last few years has also been an obstacle, as more and more people have competed for fewer and fewer job opportunities.

Because of our policy of accepting residents with no money, a high amount of rent goes uncollected. Requiring the employed, rent-paying residents to pick up the lost rent and food bills for those who cannot pay is counter-productive. However, when the house is not at full capacity, it operates at a loss. We must then delve into our prudent reserve, which is, of course, finite. Once that is gone, Hearthstone will cease to exist. This would leave a whole in the recovery community of Lawrence. The money we receive from the Alcohol Tax Fund would allow us to keep the rent at an affordable rate and not burden the system of the house. Not carrying more debt also greatly increases the resident's ability to be successful in his recovery when he leaves Hearthstone. It allows the individual the ability to save enough money to find housing and create a new start.

As learned from our past experience, if a resident racks up a lot of debt while searching for a job, he becomes daunted by the task and runs the risk of bailing out of the program if he does not see a way to ever get out from under the debt, which continues to compound. The more outside funds we receive, the less we need to charge the residents, and in turn, the less likely they are to acquire a large debt and leave, subsequently ending his treatment. The stress of being deeper in debt can exacerbate the already difficult journey from addiction to recovery. A resident who leaves Hearthstone with no debt, having worked during his stay, having paid his rent, and having accumulated a small nest egg has a much better chance of achieving long term recovery. If he has accomplished this, he will have improved his self-esteem, as well as his financial situation, both of which will help him achieve long-term recovery success.

Another element of a resident's recovery is helping him establish a life as a healthy part of his community. As part of our efforts to develop a sense of community, we emphasize the relationship that Hearthstone has within its neighborhood. Our residents participate in maintaining the appearance of the property and its surroundings. As a result, our residents begin the process of developing a sense of responsibility to the community which in turn enhances personal responsibility, as well as communal responsibility. It is our experience that he must have hope for a better life to find long-term recovery. We provide an environment for our residents that allow them to have hope. When a resident has accomplished this, it is good for him, his family and good for the Hearthstone community and the community of Lawrence.

Additionally, the Alcohol Tax Fund money we receive would assist in the upkeep of the home at 745 Ohio. The house was constructed in the 1880s. Subsequently, repairs to the physical structure of the house are often necessary. Alcohol Tax Fund money has assisted in keeping the home in good shape for the residents and the community. Basement repair and replacement of the porch on the front of the house are an example of two projects that Alcohol Tax Fund dollars were used to fund in the past.

C. Provide a brief description of how the need for this program was determined.

The need for the program of Hearthstone as transitional housing arose from the knowledge that substance abusers who are making an attempt at living a clean and sober life will fare better in a "halfway house," which acts as a safe-haven and provides necessary support through this transition. According to a study conducted at the VA Medical Center in Birmingham, Alabama in 1995, statistics show that when a person is recovering from any addiction, a monitored, supportive halfway house (such as Hearthstone) can mean the difference between life-long sobriety and a life of substance abuse (see Appendix A).

The original board members, each one a recovering addict, understood this and saw the need in the community of Lawrence for this type of program. Since then, many new substances have entered the realm of addiction and the juxtaposition of Lawrence at the crossroads of I-35 and I-70, the two main arteries used by traffickers to deliver drugs from south to north and from west to east, contributes to a particular problem for our community (see Appendix B).

When a member of a local community is on drugs and/or homeless, the community and its individual citizens feel the strain in different ways. The strains are most felt in the areas of social services, security of people and property, and

public nuisances due to anti-social behaviors. Furthermore, the instances of anti-social behaviors lead to issues within the community in terms of its overall standing and quality of life for its citizens.

The need for the program of a job assistance program at Hearthstone was developed by the recognition that the need to find employment quickly was an important factor in the recovery process of its residents. It has been established, from the experience of the past 31 years of operation, that not being employed is stressful and that stress leads to relapse, even in the safety of a transitional home. From this knowledge, the *Friends of Hearthstone* program was born. Many men come to Hearthstone with specific issues, which come between them and gainful employment, with the main issue being past felonies on their records.

According to an article in the May 2004 Stanford Law Review, an ex-felon who is the Executive Director of a program with the focus of helping ex-offenders reenter the community, said “[F]or former criminals to construct new lives,” he says, “it’s essential that they feel part of the citizenry, with its privileges and responsibilities.” Getting a job is critical in getting the ex-felons back up from the pits of society and moving forward with their lives. Through the interviews conducted by our grant group and the questionnaires answered by the current ten residents, we quickly learned what the article above proved to be true. The residents’ felonies are the biggest obstacle between them and gainful employment. When the residents apply for jobs, the general sentiment is that they feel “blacklisted” before they are ever given a chance. The jobs that they are currently being offered are mostly part time and minimum wage. These jobs are not the kinds that will help them advance in society or that will develop into careers, helping them attain long term employment goals. It is simply to allow them to have a consistent routine and give them money to keep up with their expenses at Hearthstone. Furthermore, in light of the restrictions placed on ex-offenders through licensing boards, it is not surprising that approximately two-thirds of ex-offenders remain unemployed within three years of their release (Saxonhouse 2004). Current government incentives for employers to hire felons require them to do so within one year of an inmate’s release.

Supporting the men in finding jobs is tantamount to their success in recovery. However, another obstacle involving their criminal record lies in the personal perceptions of felons by companies. Based on findings from a 2001 survey of employers in Los Angeles, where an analysis was made regarding employers’ willingness to hire ex-offenders, the following was found. “Only 20% of employers indicated they would ‘probably’ consider a job application from an ex-offender” and that ... “the aversion to hiring felons varied according to offenses...and whether or not the individual had been recently released from incarceration (Holzer and Stoll, National Justice Criminal Reference Service, 2003).”

Currently, there is no database of local businesses where applicants with criminal histories can apply with confidence that the door will not even be open to their kind. As one Hearthstone resident stated, “it’s like there’s a black label on my application and my felonies feel like weight I can’t carry and can’t get rid of at the same time. What it means is that the door is closed to me every time I apply for a job because of something I did in my past when I was on drugs (Andrew, 2011).”

D. Describe the desired outcomes of this program (see Logic Model).

The primary goal of Hearthstone’s halfway house program is to reduce the personal, familial, and social cost of addiction by intervening with the most basic of needs, a safe home in which to live while they are precariously perched on the edge between their past life of substance abuse and a life of sobriety. The investment of Alcohol Tax Funds will result in lower tax dollar expenditures in the criminal justice system, public assistance, and removals to foster care when parents cannot adequately care for their children. The following outcomes measure improvement in lifestyles of clients who complete transitional housing programs.

1. By the end of the program, 80% of participants will report an increase in job readiness
2. 80% of participants will report a 50% decrease in time spent unemployed while living at Hearthstone
3. 80% of participants will stay the ideal 90 days or more
4. Within the first 2 weeks of moving in, 50% of new residents will be employed
5. By 2013, 40% of companies contacted will be willing to hire Hearthstone residents and others with felonies
6. By 2013, Hearthstone will operate with 50% more residents operating in the black instead of in the red

E. Describe any coordination efforts your agency has made.

Hearthstone maintains informal contacts with the detox and treatment centers in the area. Similar contacts exist with the Oxford Houses and the First Step House. Law enforcement agencies, the courts, the jail, juvenile, parole and probation officials, and DCCCA recognize and respect Hearthstone's presence in Lawrence. Case in point, many residents are referred to Hearthstone by these organizations. Hearthstone fits into the fabric of the treatment centers of Lawrence because it fulfills a need due to the fact that there are more people in need of homes like Hearthstone than there are homes and because its program has a sustainable, success rate.

The *Friends of Hearthstone* initiative will create a collaborative effort between Hearthstone and area employers. Hearthstone will have a comprehensive list of companies that are set up to accept the applications of our residents, regardless of their criminal past. To our knowledge, there is not a database in town that offers job seekers with felonies a comprehensive list of "felony friendly" employers. A list such as this would greatly enhance the members of this population's chances at success when seeking employment as it would focus their job search efforts on companies that are aware of the government incentives to hire people with records and reduce their unemployment time.

F. Describe how your agency is capable of implementing the proposed program.

Hearthstone is a Lawrence based non-profit organization that has provided substance abusers in recovery Housing and support services for men aged 18+ for over 30 years. Our active, entrepreneurial, and dedicated Board of Directors and leadership staff have created a safe and supportive home where each man can focus his attention to becoming sober and free from the stranglehold that drugs have had over his life in the past. Hearthstone focuses on each man as an individual and creates positive outcomes for its residents. Hearthstone's leadership and mentoring practices using proactive methods have given Hearthstone the confidence it can continue to withstand changing economic conditions and weather any storm. Without a paid staff, we have been able to keep our costs low, but our services have been limited to what our volunteer board members can provide. With a part-time, paid staff member, paid for by a grant such as the Alcohol Tax Fund, the quality of service we offer clients will be that much greater and our outcome successes will be increased.

G. Provide a detailed budget for the proposed program using the categories provided.

Hearthstone has a limited number of funding streams and has had to rely on a dwindling nest egg, income received from residents' fees, and the occasional donation. Currently, Hearthstone is receiving volunteer services from KU's department of Applied Behavioral Sciences through a service learning class, who are working on a variety of projects. Through these volunteer efforts, a *Good First Impression Closet* is being established and will aid the men in creating a positive impression with their appearance when applying for jobs and during interviews. This closet will be accessible to residents on a limited basis and will offer them a chance to pick out dress clothes and toiletries to enhance their overall appearance and in order to make a "good first impression" when meeting potential employers and to keep them from having to spend their limited income on such items. These items will be donated through word of mouth solicitations and on a volunteer basis. The board will oversee the closet's inventory.

Hearthstone's Lawrence halfway house program would like to include the Alcohol Tax Funds, with dollars focused on increasing our ability to continue to serve low income men by offering them low cost and safe housing while striving to achieve sobriety. Without Alcohol Tax Funds, it is inevitable that we will eventually have to raise our rates, thus marginalizing the individuals in the direst of needs and who may not otherwise qualify financially for other treatment programs in transitional housing. For 2010, Alcohol Tax Funds would fund a part-time administration employee, based on the following budget figures for the *Friends of Hearthstone* (FoH) program and help maintain the current halfway house program that is currently operating.

Rent, Utilities, & Maintenance		\$35,000
<u>Minus rent from residents</u>		<u>\$29,000</u>
Balance from above		\$ 6,000
Supplies for Drug Testing Kits		\$ 1,500
Insurance		\$ 2,000
Accounting Audit		\$ 400
Equipment		\$ 1,000
Office Supplies (postage, software, copying, paper)		\$ 500
Kitchen Upkeep, Supplies		\$ 400
Annual Family Picnic		<u>\$ 200</u>
Total Hearthstone Program Request		\$12,000
Personnel		\$10,400
1 part time program coordinator (20 hours/week @ \$10/hour)		
Consultants on a volunteer basis from KU		\$ 0
Fringe Benefits		\$ 0
At part time, no insurance would be offered		
Supplies		\$ 800
Computer		
Other		\$ 1,768
Photocopying and Printing	\$ 400	
Postage	\$ 100	
Internet Services	\$ 1,140	
Binders	\$ 100	
Filing Cabinet with lock	\$ 70	
Computer Paper	\$ 50	
Total FoH Request		\$12,968
Total Hearthstone Request		\$24,968