



Renewing Hope for Better Futures
The Comprehensive Capital Campaign for Renewal, Inc.

The Case for Support

Pittsburgh, Pennsylvania
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EXECUTIVE SUMMARY

Substance use disorder impacts every dimension of an individual's life: their role in their family, place in the community, their job and career. Pennsylvania's jails and prisons reflect the scope of the problem, crowded with individuals who have drug offenses driven in part by the opioid epidemic. According to the University of Pittsburgh Institute of Politics, on an average day as many as 75% of the 2,200 inmates in the Allegheny County Jail have drug and/or alcohol or mental illness issues, and 48% have both.¹

A critical question confronting Pennsylvania community and business leaders is: Who is helping these individuals with their recovery, and preparing them for life after prison?

The answer is Renewal, Inc., a Pittsburgh-based non-profit agency that has been quietly working on the front lines of this issue since 1976. Renewal provides a comprehensive range of proven, successful treatments for substance use disorder, behavioral health, job readiness, housing assistance and related services for adults, known as reentrants, who are transitioning from prison back to their families and communities.

Recently, however, Renewal has experienced a dramatic increase in adult reentrants with substance use disorder. The agency has adapted its programs and facilities to meet the demand, but despite recent small-scale construction and renovation projects to provide temporary relief at Renewal's Second Avenue location, the increase in the number of reentrants has outpaced capacity.

With the facility's limitations, it will not be possible to continue to meet the growing demand, or achieve Renewal's goal of introducing a new program to support youth, ages 13 – 18, at risk of entering the juvenile justice system. With its experience in the field of adult reentry, Renewal recognizes the urgency of focusing "upstream" and has a plan to implement a comprehensive diversion and treatment program for at-risk youth. Following consultation with local and regional experts in the fields of juvenile justice and family services, Renewal has confirmed that southwestern Pennsylvania lacks a coordinated approach to providing services for these youth.

While many organizations offer programming for at-risk youth, currently there is no single resource to which youth, their families, schools, and entities in juvenile justice can turn. At stake is the fact that, the earlier and more deeply young people become involved in the criminal justice system, the more likely they are to re-offend as adults. One research study revealed that youth who received sentences involving counseling, community service, or restitution were only 2.3 times as likely to incur adult criminal records. However, youth placed on probation and youth confined in a juvenile correctional institution were 14 times and 38 times as likely to re-offend as adults, respectively.² The Pew Charitable Trusts also cites examples from several states that show juveniles in community-based treatment were less likely to re-offend and had lower re-arrest rates.³

Addressing both the need to expand facilities for adult treatment and rehabilitation, and introducing a comprehensive program for youth and families, will be made possible with the **Renewing Hope for Better Futures** comprehensive capital campaign. Through the campaign, Renewal will expand its adult inpatient drug and alcohol treatment and behavioral health programs, and create space for a comprehensive continuum of services for youth in a new, state-of-the-art facility located adjacent to Renewal's Second Avenue location.

A \$20 million project, Renewal's plan is to allocate \$4 million from a combination of reserves and financing, and seek the balance of \$16 million in equal amounts from private fundraising and public funds.

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INTRODUCTION

Today, Renewal and its affiliated organizations Renewal Treatment, GETPAID, and Lydia's Place, provide comprehensive inpatient alcohol and drug detoxification and treatment, inpatient and a range of outpatient and supportive services for individuals emerging from the criminal justice system. While there are providers in southwestern Pennsylvania who offer similar reentry services, no other organization in the region offers the continuum of individually-tailored, evidenced-based treatment and support programs, including job readiness training and temporary housing assistance, available at Renewal.

The success of Renewal's programs can be seen in the faces of the men, women, and families who every day are transformed by the agency. Each defines success differently: whether overcoming substance use disorder, rebuilding damaged relationships with family members, achieving self-respect by earning a GED, or starting a new job, the people Renewal serves gain a new sense of optimism and hope they carry with them when they leave the agency.

Renewal is also proud of the economic benefit it delivers to the Commonwealth and federal government. A 2016 economic impact study⁴ showed that, as a result of its inpatient and outpatient services, Renewal is reducing recidivism rates and saving the Commonwealth and Allegheny County \$43.4 million annually. The same study showed Renewal provided an additional \$55.8 million annual economic benefit as a result of operations. This impact supports 393 jobs in southwestern Pennsylvania, which include the 218 professionals employed by the agency, along with an additional 175 jobs supported through operations. The complete economic impact report is available at www.renewalinc.com, or by calling 412-690-2445.

Renewal routinely utilizes nationally-recognized third parties, such as IRETA (Institute for Research, Education & Training in Addictions), to benchmark results regionally and nationally. A recent study by IRETA determined that individuals who successfully completed Renewal's drug and alcohol treatment program had lower rates of re-arrest at 12, 18, and 24 months. IRETA found that about 1 in 3 reentrants who do not complete Renewal's treatment program will be re-arrested within one year, while only 1 in 7 who go into a community corrections program will be re-arrested.⁵ A 2014 report by the Washington, D.C.-based Urban Institute likewise concluded that reentry programs like those at Renewal reduce recidivism and have a positive impact on public safety.⁶ In a 2013 report, the Pennsylvania Department of Corrections cited its own study showing that Renewal, compared to other community corrections centers in the Commonwealth, had the largest decrease in recidivism over time, measured at intervals of six months, one year and three years.⁷

This has far-reaching implications. With the annual cost to incarcerate someone in a Pennsylvania prison at \$41,000,⁸ the benefits of Renewal's programs are substantial and include increased employment and productivity for reentrants returning to their communities,

reduced rates of re-arrest, and safer communities for us all. Individuals who were consuming resources in the criminal justice system are instead returning to their communities with new skills, new jobs or the prospect of new employment. Those who are employed are contributing to their family's economic well-being, reducing dependency on the social welfare system.

ADDRESSING CURRENT CHALLENGES; MEETING FUTURE NEEDS

The criminal justice system is complex, and regardless of one's position on the need for system reform, one fact is apparent: reentry programs are effective in reducing rates of re-arrest and the need for evidenced-based programs like those provided by Renewal—especially related to rampant substance abuse and dependency, are anticipated to increase in the years ahead.

According to a report by the University of Pittsburgh Institute of Politics, Allegheny County's jail houses, on average, more than 2,200 individuals each day. The same report cites that 75 percent of inmates have drug and/or alcohol or mental illness issues, and 48 percent have both.⁹

At the state level, the closure of SCI Pittsburgh has placed an extreme demand on Renewal's adult treatment facilities as the Department of Corrections seeks to move offenders with substance use disorder to the lowest-cost settings that deliver the best outcomes. The demand for Renewal's services is expected to only increase in the years ahead.

Another issue of grave concern to Renewal is the lack of a comprehensive system of supportive services for at-risk youth. After consulting with regional experts in the fields of juvenile justice and family services, Renewal confirmed that southwestern Pennsylvania does not have a centralized continuum of assessment, prevention, diversion and treatment services for youth with substance use disorder or other behavioral problems. Although many organizations provide services that represent part of the solution, there is no single resource to which youth, their families, school systems, and entities in juvenile justice can turn. Further, research from around the nation has proven that the earlier and more deeply youth become involved in the juvenile justice system, the more likely they are to re-offend as adults. One study revealed that youth who received sentences involving counseling, community service, or restitution were only 2.3 times as likely to incur adult criminal records. However, youth placed on probation and youth confined in a juvenile correctional institution were 14 times and 38 times as likely to re-offend as adults, respectively.¹⁰

These facts point to a significant opportunity for Renewal, in partnership with a range of community agencies and organizations, to deliver programs emphasizing prevention, diversion and treatment, which have the potential of reducing youth involvement with the criminal justice system when they become adults. While the children of Renewal's reentrants are involved in Renewal programs, such as family strengthening, Renewal does not currently provide services targeted directly to youth who themselves are in or at risk of entering the juvenile justice system.

Through the **Renewing Hope for Better Futures** comprehensive capital campaign, Renewal is seeking to expand its capacity to treat adults, and introduce a comprehensive program for at-risk youth and their families--part of an integrated model of reentry services for adults, and a prevention, diversion and treatment program for youth.

Renewal cannot meet these objectives, however, because there is no room to expand adult treatment programs at its current Second Avenue treatment center, or provide space for youth and family services. Despite recent small-scale construction and renovation projects at the Second Avenue facility, which temporarily eased the strain on Renewal's adult treatment programs, the building is at maximum capacity.

Before committing to new construction, Renewal evaluated available space options in downtown Pittsburgh. Because of the unique design requirements for reentry facilities, especially those addressing substance use disorder and behavioral health needs, Renewal was unable to identify existing space that could be retrofitted in a cost-effective manner to meet stringent county, state and federal licensure requirements. With no viable alternatives, the Renewal, Inc. Board of Directors authorized the construction of a new, six-floor building adjacent to Renewal's Second Avenue location. In addition to its proximity to Renewal's current treatment facility, this location is considered ideal because it meets zoning requirements, is convenient to the Allegheny County Jail and courts systems, and has easy access to public transportation.

Expanding Drug and Alcohol Treatment for Adults

The new facility will enable Renewal to expand adult programming and services for both males and females. Female inpatient residential detoxification and drug and alcohol treatment units will expand in Renewal's current treatment center at 704 Second Avenue. This will be made possible by the relocation and expansion of all male inpatient residential detoxification and drug and alcohol treatment services to two floors in the new building. In total, the female capacity will double from 32 inpatient beds to 64; and male beds will increase from the current level of 56 to 108 in the new facility. For both males and females, the length of stay is anticipated to be 45 days on average, but could be as long as 90 days.

Individually-tailored care plans, one of the hallmarks of Renewal's approach, will continue to be developed for each reentrant, and typically include cognitive behavioral therapy and other treatment modalities, group therapy, and educational lectures. Reentrants will have access to exercise equipment, a library, laundry, and a media center.

Special Services Aimed at At-Risk Youth and Families

Also in the new building, Renewal envisions a comprehensive continuum of services, completely separate from the adult population, aimed at re-directing the lives of at-risk youth ages 13 – 18, as well as those who may already be in the juvenile justice system. Services will include a 24/7 crisis intervention center, an outpatient component focused on diversion and community-based treatment, as well as a short-term, intensive 60 – 90-day residential program, all staffed by a certified treatment team including medical personnel. Youth will be taught to identify errors in thinking that lead to poor decision-making and behaviors resulting in negative consequences.

The goal is to reduce family conflict and promote family reunification. Early intervention is considered key, and Renewal's plan is to partner with parents and families, law enforcement, the judiciary, school districts, faith-based organizations, and other community agencies and organizations that already provide relevant services, to create a comprehensive, continuum of services.

Research proves that engaging family members and key elements in the community in a young person's rehabilitation as part of restorative justice models, such as Family Group Decision Making, Positive Behavior Supports in School, and Community Conferencing, produce substantial benefits. One example is the Community Conferencing Center in Baltimore, Md. involving more than 7,000 youth, survivors and supporters. A 2004 study demonstrated that youth who participated in the program were 60 percent less likely to re-offend.¹¹

The inpatient component will include an individually-focused dual-diagnosis program emphasizing education, with individual and group counseling sessions. Anticipated services include: case management; residential mental health treatment and counseling, including Aggression Replacement Training and Multisystemic Therapy; family services and parenting classes; and drug and alcohol education and treatment. Primary healthcare services will also be available on-site in the new facility, offered in collaboration with Adagio Health, which for more than 40 years has provided a wide range of services to low income individuals, with a special emphasis on care for teens.

Family engagement, including parents and caregivers along with siblings or other household members, will begin during this time as part of the comprehensive discharge planning process. If any family member is in need of supplemental services, this will be arranged. Upon completion, youth will be scheduled for appropriate follow-up outpatient drug and alcohol, mental health and family treatment services. A key component of successfully reintegrating youth into their family, school, and community, will be connecting them with new and existing support systems in their home communities.

Rather than duplicating elements of programs and services already provided by other highly-regarded organizations, Renewal is confident that, with the more than 20,000 square feet it is designating for youth and family services in its new building, the agency will be successful in identifying a range of organizations who will be interested in collaborating to create a comprehensive continuum of services in a central downtown Pittsburgh location.

The new facility will enable Renewal to build on its unique expertise with reentrants in the criminal justice system, and increase its ability to meet the growing demand for comprehensive, evidenced-based services for both adults and youth.

The new and expanded programs and operating costs associated with the new building will be sustained through service contracts with federal, state and county entities and health and human service organizations. At the same time, Renewal will continue to increase efforts to attract contributions and grants from individuals, corporations and charitable foundations. In 2016, the agency established a professional fundraising department, which is assisting with the implementation of the **Renewing Hope for Better Futures** comprehensive capital campaign, along with initiatives to expand Renewal's donor base through annual and major gift support, estate giving, and similar strategies.

PROJECT COSTS AND FUNDING SOURCES

The total project cost is \$20 million. The majority of the expenses are related to constructing, equipping, and furnishing the building. Renewal will purchase the land from the Urban Redevelopment Authority, securing site control for the project. Funding for the project will come from these sources:

Renewal, Inc. <i>(Combination of reserves and financing)</i>	\$ 4 million
Renewing Hope for Better Futures Comprehensive Capital Campaign	\$16 million
<i>County, State and Federal Grants</i>	<i>\$ 8 million</i>
<i>Individuals, corporations, foundations</i>	<i>\$ <u>8 million</u></i>
Total Project Sources	\$20 million

Funding will be expended as follows:

New Renewal, Inc. Program Building	\$17.6 million
Furniture, Fixtures and Equipment	\$ 1.2 million
Fees and Transitional Operating Expenses <i>(Permits, legal, fundraising, and personnel)</i>	\$ <u>1.2 million</u>
Total	\$20 million

Renewal is now in the organizational phases of the **Renewing Hope for Better Futures** comprehensive capital campaign. The success of the campaign, which will solicit commitments in the form of grants and pledges that may be paid over three years, will depend on broad participation from individuals, businesses, faith-based and other community organizations, charitable foundations and government sources.

Renewal is well-positioned to accomplish this important project. With an annual operating budget of just over \$17 million, Renewal is fiscally sound and has been prudent in managing its finances. While the agency's primary source of operating revenue is from service contracts with county, state and federal corrections entities, the contracts cover only program- and service-related expenses—not capital projects like the one proposed here.

At the same time, Renewal is confident in the long-term sustainability of the project based on fee-for-service contracts with county, state and federal governments, and service contracts with not-for-profit organizations. Budget assumptions, based on very conservative volume projections, show that the net operating effect will be negative for the first three years, but beginning in year four, will turn positive. A five-year pro forma budget is available on request.

RENEWING HOPE FOR BETTER FUTURES

For more than 40 years, Renewal has been dedicated to rebuilding human capital—providing men and women who are committed to charting a new path forward with the tools they need for success. The agency’s impact can also be measured in terms of lower crime rates and safer communities for us all. And, beyond the human impact of Renewal’s work, the agency delivers a substantial value proposition in terms of economic benefit for the Pittsburgh area, Allegheny County and the Commonwealth.

The opioid epidemic has created an urgent need for Renewal to expand treatment for substance use disorder as part of the agency’s overall reentry services for adults. The **Renewing Hope for Better Futures** comprehensive capital campaign will enable Renewal to meet this objective and simultaneously address the opportunity to implement a comprehensive, centralized continuum of services for at-risk youth and their families, with the goal of reducing or eliminating their exposure to the criminal justice system as juveniles and adults.

By partnering with families and community institutions and organizations, and with support from a range of public and private sources, Renewal is confident that it can address the opportunities outlined in this Case for Support, and continue to provide excellent outcomes and value for its constituents and stakeholders for decades to come. To accomplish this vision, however, Renewal must create a coalition of supporters from throughout the region, including individuals, organizations, businesses, and charitable foundations—and tap sources of public funds available through Allegheny County, the Commonwealth, and the federal government.

The Renewal Board of Directors, management and staff, look toward the future with great optimism, and welcome the community’s support for this important endeavor.

MORE ABOUT RENEWAL AND ITS SERVICES

Renewal currently provides housing and reentry services for the Federal Bureau of Prisons, the Pennsylvania Department of Corrections, and the Allegheny County Jail. Renewal also provides work release and reentry services for Allegheny County, as well as behavioral health, drug and alcohol treatment services, and other related reentry services for the state. Renewal's services include 16 licensed non-hospital detoxification beds at the agency's 704 Second Avenue site. Licensed by the Pennsylvania Department of Drug and Alcohol Programs, the goal of the program is to provide adults with detox services in a community setting rather than sending them to jail. Following detox, the adults receive other alcohol or drug treatment counseling and therapy.

Renewal provides services through these affiliated organizations Renewal Treatment, Inc. – All behavioral health and substance abuse treatment services are provided through Renewal Treatment. In 2001, Renewal Treatment was licensed by the Pennsylvania Department of Health as a provider of residential drug and alcohol services, and the counties of Allegheny, Butler, Mercer, Washington, and Westmoreland contract with Renewal Treatment for targeted, forensic drug and alcohol services.

Lydia's Place, Inc. - A range of reentry programs available for men and women emphasize the needs of the children of offenders. Services include parenting classes, life skills classes, mentoring programs, various support groups and case management. Many of Lydia's Place's programs are supported only through community contributions.

GETPAID, Inc. (Gaining Employment Through Planning Advocacy Initiative and Dedication) – A workforce development initiative, GETPAID provides job training for offenders re-entering the workforce. The program integrates the successful elements of current employment- readiness programming with contemporary best practices in employment reentry services. Renewal, Inc. is:

- Accredited by the American Correctional Association
- Contracted by Allegheny County, Pennsylvania Department of Corrections and the Federal Bureau of Prisons (reentry services for men and women)

Renewal Treatment, Inc. is

- Licensed by the Pennsylvania Department of Health (residential drug and alcohol services)
- Licensed by the Pennsylvania Department of Human Services (outpatient mental health services)

Endnotes

¹ University of Pittsburgh Institute of Politics, “Criminal Justice in the 21st Century: Improving Incarceration Policies and Practices in Allegheny County,” 2016.

² Gatti, U., R.E. Tremblay, & F. Vitaro, 2009 “Latrogenic Effect of Juvenile Justice,” *Journal of Child Psychology and Psychiatry*, 50 no. 8

³ <http://pewtrusts.org/en/research-and-analysis/issue-briefs/2015/04/reexamining-juvenile-incarceration>

⁴ Renewal, Inc. Economic Impact Study, Fourth Economy, 2016

⁵ Renewal, Inc. *IRETA Research Study*, 2014.

⁶ Probability of re-arrest rates for reentrants participating in the program was 10 percent, compared to 34 percent not participating in the program. *Evaluation of the Allegheny County Jail Collaborative Reentry Programs*, Urban Institute, 2014.

⁷ 2013 PA Recidivism Report, Pennsylvania Department of Corrections, p. 33

⁸ Pennsylvania Department of Corrections, 2016

⁹ University of Pittsburgh Institute of Politics, “Criminal Justice in the 21st Century: Improving Incarceration Policies and Practices in Allegheny County,” 2016.

¹⁰ Gatti, U., R.E. Tremblay, & F. Vitaro, 2009 “Latrogenic Effect of Juvenile Justice,” *Journal of Child Psychology and Psychiatry*, 50 no. 8

¹¹ Umbreit, M. Armour, M. 2011, “Restorative Justice and Dialogue: Impact, Opportunities, and Challenges in the Global Community.” *Washington University Journal of Law & Policy*, 36.