HOUSING AND COMMUNITY DEVELOPMENT COMMISSION

SPECIAL NEEDS COMMITTEE REPORT

July 2003

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EXECUTIVE SUMMARY

This is the first report of the Special Needs Committee (SNC), of the Housing and Community Development Commission (HCDC) for Multnomah County.

Our community is experiencing a crisis in special needs housing. People with special needs, some of the most vulnerable members of our community, are unable to find safe, decent housing linked with the appropriate level of service. For lack of suitable supportive housing, too many people with special needs become inpatients at hospitals, are incarcerated, or enter the homeless system. This is neither humane nor financially prudent.

We believe that, if we can provide an adequate supply of supportive housing, we can ease the pressure on the mental health system, the corrections system, and the homeless system, as well as provide people with the homes and services they need and deserve. We can refocus resources in a more compassionate and economically efficient way.

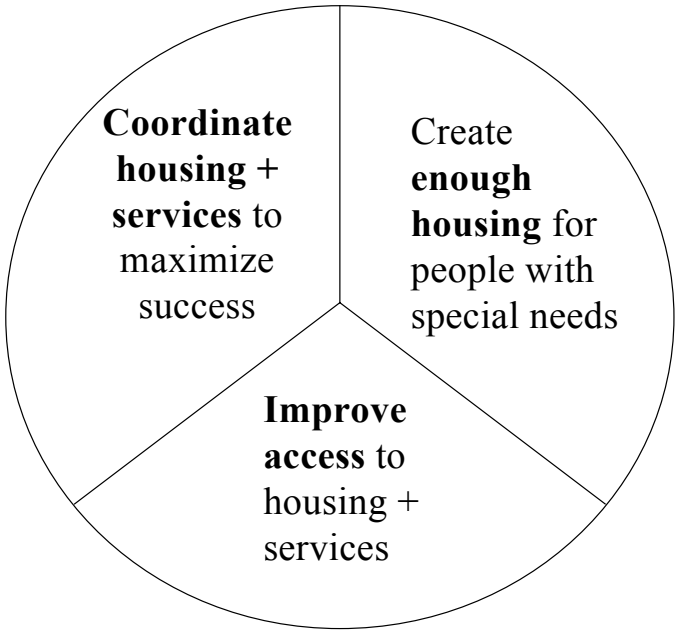
Throughout this report, we have used two important terms:

> **People with Special Needs**: are those with a severe and persistent mental illness, a substance abuse disability, a developmental disability, a serious physical disability, or a combination of these resulting in serious functional impairment. In this report, we focus on people who: meet these special needs criteria, are low income, do not have permanent housing, and will need some type of support to succeed in housing.
>
> **Housing + Services**: means the provision of permanent housing and support services in a linked or coordinated manner, although not necessarily by the same provider.

Over the past year there were almost 8,000 people with special needs in Multnomah County who needed – but did not have – permanent housing for all or part of the year. Of these, 3,500 were chronically homeless. People with special needs are more likely to have repeated episodes of homelessness and to remain homeless for longer periods.

Significant barriers stand in the way of developing and maintaining an adequate supply of special needs housing: lack of housing and service resources; lack of a shared understanding between housing experts and service experts; and lack of public awareness and support for vulnerable people and their housing needs.

The Special Needs Committee recommends an approach to reducing these barriers that requires improvements in three areas:



Public policy that supports **coordinating services with housing** will assist individuals with special needs to succeed in housing, and will encourage housing providers to make units available to people with special needs. Focusing mainstream services on the hardest-to-house can reduce homelessness. Cross training of housing managers and case managers strengthens both the service and housing systems.

We can **create enough housing for people with special needs** over time by increasing the proportion of housing resources – development funds and rent assistance – allocated to people with special needs. We can dedicate an "express lane" in the development pipeline for projects that package housing funds and service commitments. We can leverage more public and private resources.

We can **improve access to housing and services** by providing a comprehensive and culturally competent service plan to each individual, addressing housing, services, and food security needs. We can work with people with special needs who are currently hospitalized or incarcerated to make sure they have a service plan in place prior to discharge.

We believe that achieving success in all three areas will result in Multnomah County becoming a community where people with special needs live in decent, stable and affordable housing that is coupled with the support they need.

PROCESS

In late 2001, the Housing and Community Development Commission[1] (HCDC) assembled a Special Needs Committee (SNC) comprised of people knowledgeable about the current systems and with enough authority to direct and implement changes. The group included senior policy makers, funders, housing providers, service providers, and advocates. A list of members appears on the last page of this Report.

In spring of 2002, the Multnomah County Commission, the Portland City Council, and the Housing Authority of Portland Board of Directors charged the Housing and Community Development Commission's Special Needs Committee, through parallel resolutions (Appendix A), to:

- Assess the need for special needs housing Countywide, including the specific housing needs of individual special needs populations;
- Coordinate housing and service resources to stimulate development of special needs housing;
- Develop hard, realistic, and measurable targets for additional housing for persons with special needs;
- Leverage new resource streams for special needs housing development and operation; and
- Create models for special needs housing development and operation;
- Make policy recommendations to advance the development of special needs housing.

The Special Needs Committee met monthly from January 2002 through June 2003. The first meetings were devoted to an exchange of basic information about the affordable housing world and the discrete service systems for people with severe and persistent mental illness, physical disabilities, developmental disabilities, and/or substance abuse disabilities. The SNC also received information about the challenges faced by people with special needs in the corrections and community justice systems. The result of these discussions is a committee whose members now have a more holistic view of the challenges in special needs housing, and a common language for discussing them.

Tools developed to analyze the current situation include:

- Review of housing need and homelessness data for people with special needs and an inventory of special needs housing. (Appendix B summarized in Table 1, p. 16)

[1] HCDC is a fifteen-member volunteer citizen advisory Commission serving Multnomah County, the City of Portland and the City of Gresham. HCDC is designated as "the primary public forum in which policy development, resource coordination, and civic leadership are provided to address the County's affordable housing problems."

- Matrices of resources for: housing development, emergency housing, housing subsidies, and services.[2]
- An analysis of barriers to special needs housing. (Appendix C)

Based on this foundation, the committee developed:

- The Committee's vision, goals and long-term strategies for special needs housing. (Appendix D)
- Priorities for funding decisions about new housing projects, emphasizing housing for those with: the lowest income; the greatest risk of inappropriate institutionalization in shelters, hospitals, jails, or nursing facilities; and the greatest degree of disability. *See p. 24.*
- Criteria for allocation of project-based Section 8 resources, at the request of the Housing Authority of Portland, based upon SNC priorities but factoring in the risk of displacement. (Appendix E)
- Input on preserving facilities threatened with closure, including the Taft, Hoodview Residential Care Facility, and William-Elaine Residential Care Facility. (These projects also provided good "case studies" of special needs housing challenges, and catalyzed dialogue and increased understanding of the housing/social service relationship.)
- A Long-Range Goal Matrix, setting out the long-range goals and identifying strategies, and outcomes. (Appendix F)

Along with this Report, current initiatives of the SNC and its members include:

- Support of, and participation in, the application for the federal Interagency Council on Homelessness (ICH) grant, the "Collaborative Initiative to Help End Chronic Homelessness." If funded, mental health and addiction treatment, health care, and permanent housing with support services would be provided for 150 people.
- Participating with the Multnomah County Department of Community Justice in developing the "Social Security Income Continuum" project, along with representatives of other federal, state and county agencies. The SSI Continuum will connect disabled prison and jail inmates to entitlements before discharge, enabling them to receive benefits within 30-60 days after release. Access to SSI and Medicaid resources will enable special needs offenders to receive the housing and services they need to live stable, crime-free lives.

[2] The Committee intends to convert these matrixes to web-based resources that can be updated. Copies of the matrixes are available upon request.

- The City of Portland, Portland Development Commission, and the Housing Authority of Portland ("HAP") released a first-ever joint Solicitation of Interest for Special Needs and Affordable Housing Development, Columbia Villa Off-Site Replacement Housing, and a Project-Based Section 8 Pilot Project. This marks a concerted effort by the funders in our community to allocate a variety of scarce housing resources to special needs housing. These projects will inaugurate an "express lane" for special needs housing in the housing development pipeline for projects that package housing development dollars and service funding.
- HCDC has received a $5,000 grant from Eli Lilly and Company for a symposium to explore new ways to bridge housing and services resources to expand the supply of service enriched housing for people with special needs.
- Multnomah County Department of Human Services has agreed to work with affordable housing providers to help special need residents succeed and housing projects to remain stable. If a resident is experiencing a mental health crisis and is at risk of losing housing, the housing provider can use the Call Center to obtain emergency mental health services for the resident.

A major success for our community has resulted from the SNC committee's partnership with Multnomah County, the City of Portland, and other key stakeholders in a successful application to the Corporation for Supportive Housing (CSH) for a "Taking Health Care Home" grant funded by the Robert Wood Johnson Foundation.

This grant will fund systems change directed at ending chronic homelessness. The target population is people who have experienced long-term and episodic homelessness and have disabling health conditions, which is a significant cohort of the special needs population.

After this report has been accepted, the chartering jurisdictions will be asked to adopt a joint memorandum of understanding that will guide implementation of the recommendations in this report.

POPULATION

The Committee has focused on special needs populations who are the most *under-housed:* meaning those who do not have a place to live where they can remain indefinitely. The most under-housed special needs groups are extremely low-income[3] adults between the ages of 18 and 64, and unaccompanied minors. Their low incomes, service needs and problematic behaviors create challenges in obtaining and retaining housing. While most of the people in this group live in households of one, some live in families with minor children or with other household members. Because extremely low-income seniors 65+ are significantly under-served in mental health and addiction services, and have trouble accessing services if their disability is due to mental illness (other than dementia) or substance abuse, they are also included as a focus population.

DEFINITION:

A PERSON WITH SPECIAL NEEDS is an individual with a severe and persistent mental illness, substance abuse disability, developmental disability, serious physical disability, or multiple disabilities.

Focus Populations for the Special Needs Committee

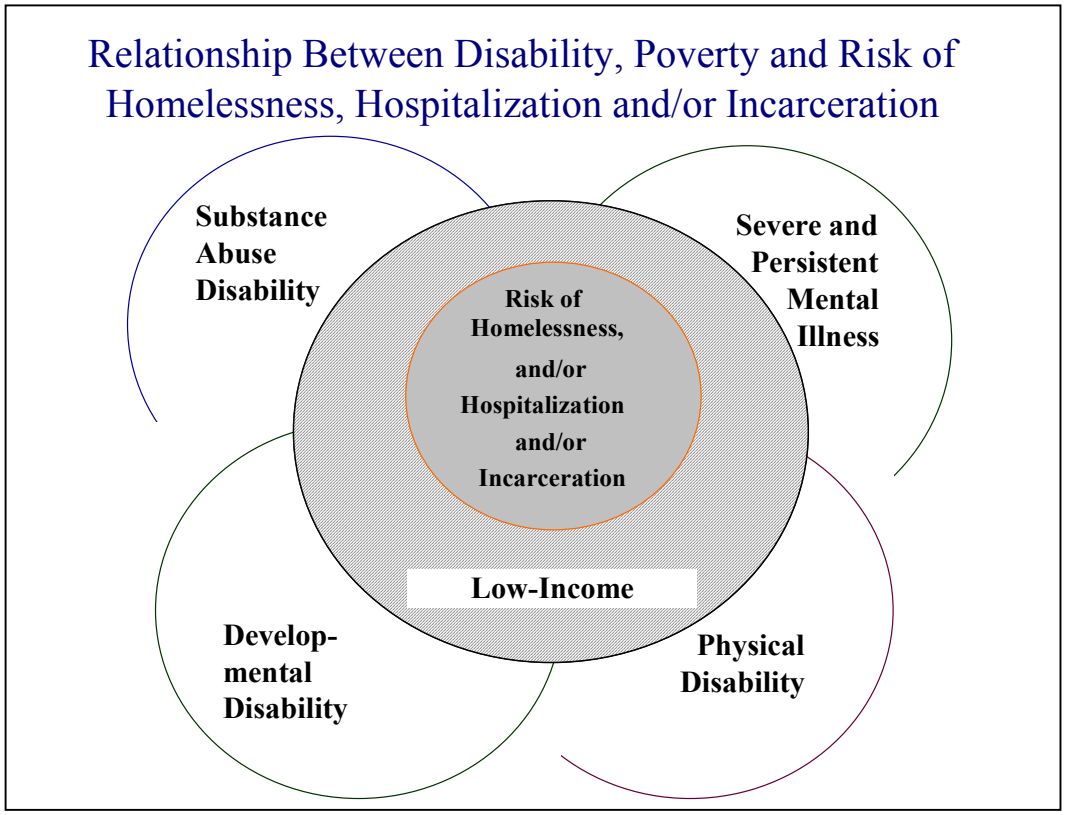
Focus Populations	Special Needs
Unaccompanied Minors	☑ Severe and Persistent Mental Illness ☑ Substance Abuse Disability ☑ Developmental Disability ☑ Serious Physical Disability ☑ Multiple Disabilities: two or more of the above
Extremely Low-Income Adults Age 18-64	☑ Severe and Persistent Mental Illness ☑ Substance Abuse Disability ☑ Developmental Disability ☑ Serious Physical Disability ☑ Multiple Disabilities: two or more of the above
Extremely Low-Income Seniors Age 65+	☑ Severe and Persistent Mental Illness ☑ Substance Abuse Disability ❑ Developmental Disability[4] ❑ Serious Physical Disability[4] ☑ Multiple Disabilities: two or more of the above

[3] HUD defines low-income as a household with income up to 50% of the Median Family Income (MFI). Extremely low-income households have incomes up to 30% MFI. MFI is set by HUD annually for the Portland Metropolitan Statistical Area. *See* Appendix H. For 2003, the MFI is $46,050 for a single person and $ 65,800 for a family of four. The 2003 federal poverty level for a household of one is $8,980 and a household of four is $18,400. This is equivalent to 20% MFI for a single person household and 28% MFI for a household of four. *See* discussion on "Effect of Poverty," p. 19.

[4] Services, often linked with housing, for these populations are funded by Medicaid community-based waivers, through County Developmental Disabilities and Aging & Disability Services.

These focus populations include individuals who often find themselves on the streets, or in the community justice system, homeless shelters, or hospitals. Lack of stable, affordable housing with adequate supports is a major contributor to homelessness and recidivism. An adequate supply of housing coordinated with services would reduce pressure on the jails, shelters, and hospitals of Multnomah County.

FIGURE 2



It is difficult enough to cope with a disability. This figure shows that, when disabilities overlap, or are combined with poverty, the risk of homelessness, hospitalization and/or incarceration increases sharply.

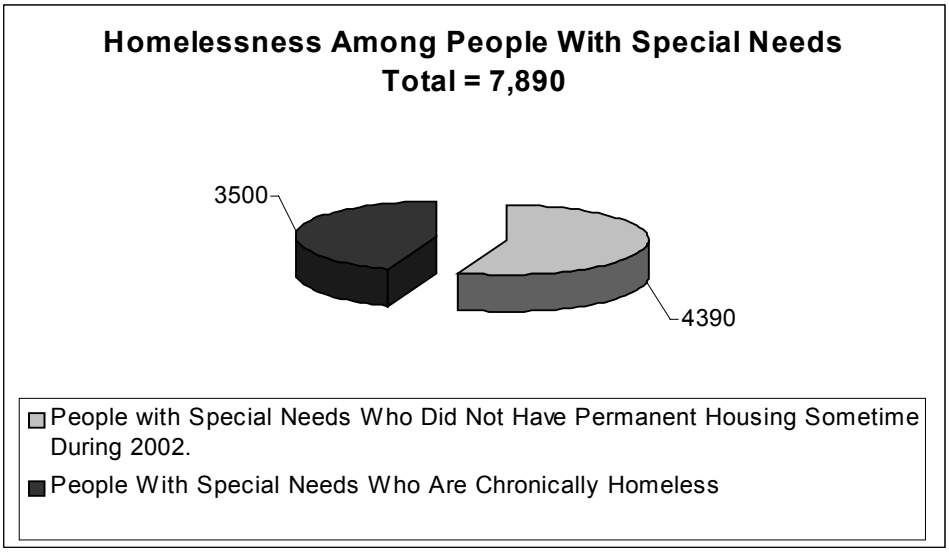
ESTIMATE OF NEED FOR HOUSING LINKED WITH SERVICES

Multnomah County is home to a large number of people with severe and persistent mental illness, physical disabilities, developmental disabilities, and/or substance abuse disabilities, many of whom have multiple disabilities.

The SNC has had difficulty collecting and analyzing data related to these populations. Each housing and service system uses different definitions and maintains different types of data. Additionally, clients often use multiple resources. Although the data below builds on reliable sources and attempts to unduplicate client counts, it lacks the certainty we would prefer. Nevertheless, our research clearly shows the lack of permanent housing and the extent of homelessness for those with special needs.

HOMELESSNESS AND SPECIAL NEEDS: During 2002, 7,890 County residents with special needs did not have permanent housing for part or all of the year, including about 3,500 persons experiencing chronic homelessness.[5] Chronic homelessness means a person has been homeless for more than a year or more than four times in a three-year period.[6]

FIGURE 3



Not only are a large number of people with special needs without stable housing, but people with disabilities are also greatly over-represented among the chronically homeless. They are more likely to have repeated episodes of homelessness and to remain homeless for longer periods.

A survey was taken of those seeking emergency shelter on March 27, 2002. Twenty-nine percent reported that they were eligible for services directed to the psychiatrically disabled, developmentally disabled, substance abusing and dual-diagnosed populations. Fifty-five percent of households of every size, and sixty percent of single adults, indicated a disability as the primary reason for their homelessness (e.g., substance abuse, mental illness, or a medical problem).[7]

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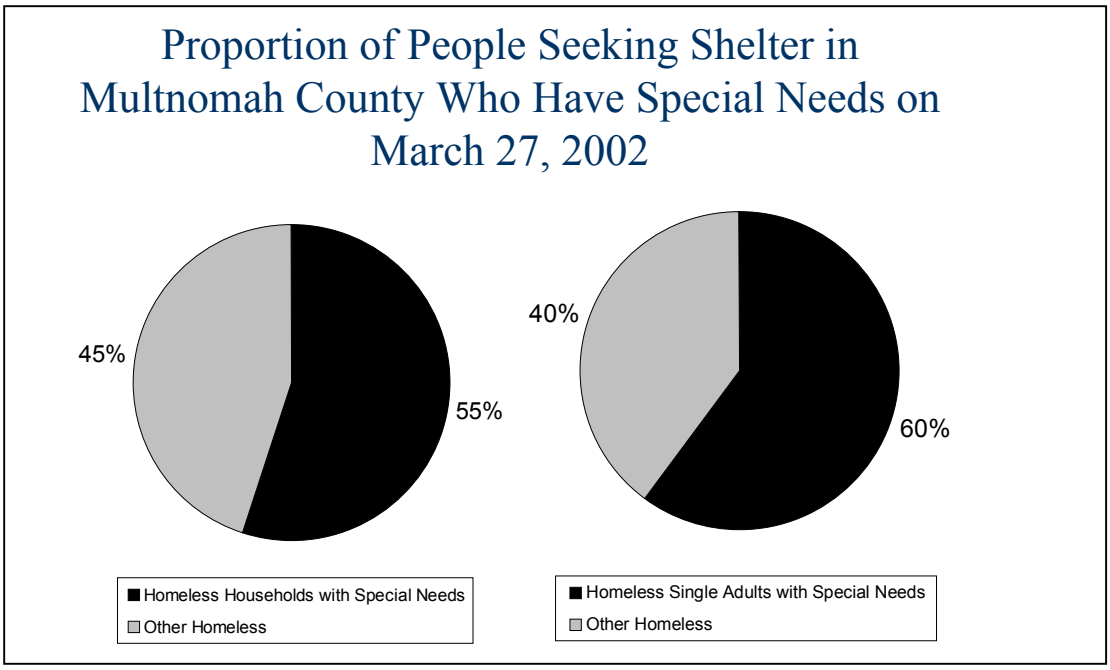
[5] This estimate is a blend of point-in-time and annualized data, as those who experience homelessness multiple times in a year are likely over-represented in point-in-time data.

[6] The federal definition of a Chronically Homeless Person is "an unaccompanied homeless individual with a disabling condition who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homelessness in the past three years. To be considered chronically homeless, persons must have been sleeping in a place not meant for human habitation (*i.e.* streets) and/or in an emergency homeless shelter during that time."

[7] March 27, 2002 One Night Shelter Count, Multnomah County Office of School and Community Partnerships

FIGURE 4



A discouraging picture thus emerges of the shelter system as one of our main resources for housing low-income people with special needs.

LACK OF SHELTER: On any given night, our current homeless system is unable to serve approximately 17 percent of homeless people who seek assistance.[8] A street count found 1,672 unduplicated people sleeping outside on April 22, 2002.[9] One survey of Safe Haven in Portland showed the average length of time people with severe and persistent mental illness were homeless was 49 weeks, while the longest was 36 years.[10]

OFFENDERS WITH SPECIAL NEEDS: A study conducted on a small number of "the most frequently booked" in jails determined that about a fifth of these "frequent flyer" inmates were homeless and repeatedly cycled through jails, hospitals and shelters.[11] Other studies have confirmed that persons with disabilities are disproportionately represented in jails. Of the 1,010 offenders served by the Department of Community Justice Transitional Services Unit (TSU), 802 of them (79%) had at least one special need;[12] 80% of these had alcohol or drug abuse disorders as one of their diagnoses.

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[8] Based on turn-away rates from 1999-2002 One Night Shelter Counts.
[9] JOIN street count, April 22, 2002
[10] Housing and Community Development Commission Weeklong Needs and Gaps Survey, Feb. 25-March 3, 2002
[11] The Booking Frequency Pilot Project Report, Multnomah County's Sheriff's Office, January 2002
[12] Multnomah County Community Justice Department's Transitional Services Unit (TSU) enrollment records

A sub-population of people with severe and persistent mental illness is responsible for a disproportionate number of incarcerations. In 2000, for example, 3,800 individuals with identified mental health problems were booked into Multnomah County jails a total of 5,700 times. Nearly one-third were diagnosed with a serious mental disorder.[13]

HALF OF OREGON'S HOMELESS LIVE HERE: The statewide March 27, 2002 One Night Shelter Count shows that a disproportionate number of Oregon's homeless persons seek emergency services in Multnomah County. While 19% of the state's adult population reside in Multnomah County (666,350 of 3.4 million), 51% of Oregon's homeless single adults sought shelter in Multnomah County.

Of all the adults seeking shelter in Oregon who were homeless due to chemical dependency, mental illness, and/or medical problems, over half sought shelter in Multnomah County.[14] Of 3,813 homeless adults enrolled in state substance abuse treatment services during the 2001-02 fiscal year, Multnomah County served 2,143 (56%).[15]

HOMELESS FAMILIES

It is difficult to obtain comprehensive data on homeless families. Again, we know more about families that seek shelter through the homeless families system than about families that live doubled-up, or in cars, or camp in our local parks. According to the November 2002 One Night Shelter Count, 38.6% of the homeless family population that sought shelter statewide was in Multnomah County.

The homeless family system does not currently collect data on special needs. In one study sponsored by the Robert Wood Johnson Foundation, 41% of adults in homeless families self-declared that they were suffering from alcohol or drug dependencies or addictions, or had used hard drugs during the past year. In an annual progress report filed by one local homeless family agency, out of 144 families, 4 presented with mental illness, 3 self-reported for substance abuse, and 5 had a physical disability. However, these numbers may be misleading, since homeless families coming from substance abuse treatment are directed primarily to other agencies.

There is a clear need to develop better data on homeless families with special needs, to inform policy and program development.

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[13] From 1995 to 2001, the number of individuals with mental health problems in Multnomah County jails increased from 1,500 to 3,400, with a peak of 3,800 during 2000. Nearly one-third of the 3800 were diagnosed with a serious mental disorder. *See* *Mentally Ill Treatment*, by Bill Midkiff, Health Services Administrator, Multnomah County Health Department, Corrections Health Division, November 2002.

[14] March 27, 2002 One Night Shelter Count, Oregon Office of Housing and Community Services

[15] Oregon Department of Human Services, Office of Mental Health and Addictive Services

HOMELESS YOUTH

It is difficult to obtain a comprehensive data picture of homeless youth with special needs. Of the population of homeless youth, only a fraction apply for services and go through the initial screening process. This is what we know: In calendar year 2002, 465 youth presented for screening into the homeless youth continuum of services. At this time, youth reported information about their medications, on-going health problems, and desire for services. Twenty-five percent of them reported that they had an on-going health problem at the time of screening, and 30% requested services for health care. Only 5% requested drug and alcohol treatment.

Homeless program staff completed 299 actual assessments in 2002. At this time, the youth have an opportunity to give information about their mental health and substance abuse disability history. Nearly one-third reported that they had previously attempted suicide. More than half had received counseling in the past. Nineteen percent had received psychiatric counseling, and 16% had received residential treatment of some kind. Eight percent indicated that they would like to receive mental health services/counseling at the time of the assessment, and were referred.

We cannot ascertain at this time what percentage of homeless youth have either physical or developmental disabilities. This information is not specifically requested under current practice, although the caseworker could enter the data in the comments filed.

There is a clear need to develop better data on homeless youth with special needs, to inform policy and program development.

SUMMARY OF NEED – ADULTS 18 - 64

We have developed a summary of the need and unmet need for permanent housing for people with special needs, compiling data from many sources with the intent to be as comprehensive as possible, while avoiding duplication where feasible. This section attempts to quantify the number of permanent housing units required to meet the needs of people who:

- **have special needs**, defined as: a severe and persistent mental illness, a substance abuse disability, a developmental disability, a serious physical disability, or any combination of these conditions resulting in a serious functional impairment; and
- **are age 18-64**; and
- **are extremely low income**, defined as 0 to 20% of Median Family Income[16]; and
- **do not have permanent housing** (i.e. are homeless, sleeping on someone's couch or in their car, in jail, or in transitional housing with no place to go); and

[16] See footnote No. 3.

- **are likely to need some kind of supportive services** and/or enhanced housing management to succeed in community-based housing.

TABLE 1. SUMMARY OF NEED AND UNMET NEED FOR PERMANENT SUPPORTIVE HOUSING

Selected Special Need Populations Age 18-64	Estimate of Need For Special Needs Permanent Housing	Current Permanent Unlicensed Housing[17]	Unmet Need for Permanent Housing
Severe & Persistent Mental Illness	1,683	464	1,219[18]
Substance Abuse Disability	3,086	572	2,514[19]
Developmental Disability	520	20	500[20]
Serious Physical/ Functional Disability (includes AIDS/HIV)	2,540	209	2,331[21]
Multiple Disabilities[22]	1,375	49	1,326[23]
Totals	**9,204**	**1,314[24]**	**7,890**

In 2002, 9,204 people age 18 to 64, with extremely low-incomes and special needs, required a combination of permanent Housing + Services. Currently 1,314 units of such housing are available, leaving an unmet need for 7,890 additional units.

- **Annual:** Numbers are annual, e.g. 1,219 people with a severe and persistent mental illness did not have permanent housing for part or all of last year.

[17] Reflects current unlicensed housing only.
[18] Number derived from combination of OMHAS CMPS Report FY 01-02 identifying 1,019 MH clients who were homeless at time of service enrollment, plus March 2002 One Night Shelter Report identifying 200 with Mental Illness.
[19] Number derived from a combination of the OMHAS FY 01-02 Report identifying 2,143 clients who were homeless at time of service enrollment, plus 371 persons from the March 2002 One Night Shelter Report.
[20] Number derived from data from data from 3 Agencies: MCDDS, ARC of Multnomah County, and ILR.
[21] Number includes 682 persons from Portland EMA AIDS/HIV Housing Plan plus 1,649 persons from Multnomah County Housing Needs Report.
[22] The category, Multiple Disabilities, are people who were reported in this category as having includes a combination of conditions resulting in a functional impairment, including: developmental, mental, physical, chemical, and cognitive.
[23] Number derived from Multnomah County 2001 Housing Needs Report and includes any combination of conditions including physical, developmental, mental, cognitive, and chemical
[24] Of these, 946 units support people with special needs who have been homeless or are at-risk of homelessness

- **Unlicensed:** The inventory of housing in this table is all unlicensed housing for specific populations, with varying degrees of linkage to services. While some people without permanent housing may qualify for licensed housing (e.g. foster homes, group homes, or residential care facilities, which serve people requiring a greater intensity of services), we believe most do not.

- **Current Permanent Housing:** This is the current inventory of permanent housing which is affordable to those with extremely low incomes, identifiable for a specific disability group, and linked to services.

- **Housing + Services:** Most people reflected in this table will need housing linked with some kind of enhanced property management or supportive services to succeed in maintaining permanent housing.

- **System Contact:** The table represents those who had contact with the system in some way – who sought services or shelter, and/or who were found during the one-night shelter/street counts that attempted to locate all homeless people.

- **Homelessness:** The focus is on people with special needs who need but do not have permanent housing, which is <u>not</u> the same as being homeless: some are only at risk of being homeless. Only homeless people who <u>also</u> have special needs are included.

- **Families:** No firm data is available on how many single adults, couples, or families are included; indicators support estimating about 10% of those in each category represent people living in families, and 90% singles or couples.

- **Gap:** The current unmet need is for 7,890 units of special needs housing. This gap results in a large population that is constantly homeless (such as the 3,500 people with special needs who experienced chronic homelessness last year), or who are at risk of homelessness (such as the 4,390 people with special needs who cycled into homeless at some time last year). The gap in housing may be met by licensed or unlicensed units.

- **Multiple Disabilities:** The numbers probably under-represent the number of people with multiple diagnoses, due to different methods of collecting data, different definitions of disabilities, limitations of self-reporting, and masking by more overt symptoms. However, an increase in multiple disabilities would likely result in a decrease in single diagnosis categories.

- **Duplication:** There may be some duplication in the table, as it is not currently possible to sort by client name or identifier among the various service systems' databases. We do not believe the duplication is large.

- **Undercount:** We believe, however, that this data significantly undercounts the need for permanent housing for people with special

needs, because many have not made contact with any system for shelter or services.

UNACCOMPANIED MINORS WITH SPECIAL NEEDS

We found no reliable data on the number of unaccompanied minors with special needs. There is a clear need to develop data on unaccompanied minors with special needs, to inform policy and program development.

SENIORS OVER AGE 65 WITH MENTAL ILLNESS OR SUBSTANCE ABUSE DISORDER

Older adults age 65+ with a primary diagnosis of mental illness, or with a combination of mental illness and other conditions resulting in a functional impairment, have similar needs for housing coordinated with services as the 18-64 population. The most critical need is for low-income seniors who have both a physical disability and mental illness.[25] According to Multnomah County Aging and Disability Service's Housing Placement Specialist, the most frequent reason case managers sought assistance for locating an Adult Foster Home or Residential Care Home was to serve these seniors, whose medical needs and/or mental illness had exhausted family and mainstream housing providers. During the three-year period from 1996-1999, ADS worked with 633 clients who fit this profile.

The second most critical need is for low-income seniors with only a primary mental health diagnosis. They are under-served by the mental health system and, if they do not have a physical impairment, they are not eligible for Medicaid-funded services.

INCREASING NEED: Budget cuts this fiscal year and anticipated in the next biennium will likely increase the numbers of individuals and families who will lose stable housing due to cuts in their services and/or income supports. This will increase the number of people experiencing homelessness. For example:

- 1,090 adults with disabilities who had not yet qualified for federal Social Security Income (SSI) or Social Security Disability (SSD) benefits lost their income, due to the elimination of the state-funded General Assistance (GA) program on January 31, 2003. Of these, 125 recipients were already homeless.
- 1,100 ADS long-term care clients, who primarily live at home, lost care services provided under a Medicaid waiver.

In Multnomah County, voters do not want services cut. Some of the support for Measure 26-48, the temporary local income tax passed in May 2003, was from voters who wanted to restore a portion of the safety net for low-income people. Likewise, legislators are considering changes to the State budget to partially

[25] There is consensus among the ADS Public Guardian Office, the ADS Adult Protective Service Office, social workers and the senior community service network that seniors with very low incomes, mental illness and medical needs are most in need of Housing + Services. There are few housing/service options that can handle both.

restore some previous service cuts. The following cuts may be partially or temporarily reversed:

- Eligibility for the Oregon Health Plan has been reduced to mandatory groups. Low-income people who could previously qualify for a range of medical, mental health, and addiction treatment services under OHP may now only qualify for prescription medications, subject to co-pays and premiums.[26]
- Oregon has eliminated the Medically Needy program, resulting in loss of mental health treatment, medical transportation, alcohol and drug treatment, and prescriptions for 1,955 ADS clients.
- 4,000 previously eligible Multnomah County mental health consumers became ineligible for mental health services after State mental health program reductions and OHP cuts.
- Between 460-750 Multnomah County residents lost coverage to pay for methadone due to OHP cuts.

EFFECT OF POVERTY

Many of the housing challenges faced by people with special needs are directly related to income. Although some people with special needs earn a sufficient wage to purchase housing and health care, those with severe disabilities are often unable to earn enough to provide for their basic needs. Lack of ability to earn a good income, and thus reliance on low wages or public benefit levels, severely limits or eliminates housing choice.

The U.S. Department of Housing and Urban Development (HUD) issues the Area Median Income for Multnomah County on an annual basis. *See* Appendix .No more than 30% of income should be spent on rent. Recipients of SSI have income supplemented up to $552/month, or 14% of the Area Median Income for a single person household, and should spend no more than $165 on rent and utilities. The average recipient of SSD has an income of $800/month, or 19% of Area Median Income, and should spend no more than $240 on rent and utilities. However, fair market rent in Multnomah County in 2003 for a studio apartment is $508 per month; a one-bedroom apartment is $625; and a two-bedroom is $771.

In Multnomah County's housing market, low income has extremely harsh consequences. The Consolidated Plan for Multnomah County, prepared by HCDC to meet HUD requirements, has documented a significant loss of housing affordable to low-income people within the County over the past 12 years. Increasing market rents and loss of restricted-rent housing projects have similarly resulted in greater levels of homelessness for people with special needs locally and throughout the nation.

[26] 2,100 ADS clients had OHP services significantly reduced or eliminated.

In the late 1990s, the City of Portland created the Housing Investment Fund to develop subsidized units, producing a record 4,000 units over 5 years. However, no concerted effort was made to link persons with special needs to these units. Looking at this situation, the City Club of Portland has recently recommended priority funding for housing for people with special needs, and a massive program of rent assistance so that people with special needs can rent on the open market.[27]

THE HARDEST-TO-HOUSE

Another set of challenges relates to people whose level of disability or combination of disabilities puts them into the "hardest to house" category. The hardest-to-house tend to exhibit problematic behaviors, have poor rental histories marked by multiple evictions, and often have criminal records. People with psychiatric disabilities, especially those with a co-occurring addiction disorder or another additional disability, are often in this group of hard-to-house people.[28]

Even when rental subsidies are available, people who are hard-to-house will find it difficult to secure housing.

The Challenge of Housing the Hardest to House

The "hard to house" population becomes the "chronically homeless," living on the streets, in shelters or transitional housing, cycling through jails, hospitals, and nursing homes, and using resources disproportionate to their numbers. Some of the recommendations in this report target this population specifically, with the belief that better serving this group will increase the cost-effectiveness of our human service, housing and corrections systems.

The Housing Authority of Portland reports that its Section 8 voucher program has a 17% turn-back rate. This means that 17% of people with a voucher guaranteeing that the federal government will pay the difference between 30% of their income and a reasonable rent cannot find a landlord willing to rent to them. HAP's analysis shows that many of those who turn back their vouchers fall in this hard-to-house category.

[27] *See* the City Club of Portland Report: *Affordable Housing in Portland*, February 2002. See the report at http://www.pdxcityclub.org/afhous.pdf

[28] Research done by the Multnomah County Mental Health Design Team, created in 2000, supports this. They noted the difficulties of housing and serving persons with a psychiatric disability who also have an additional issue, such as: being under 25; having substance abuse issues; having a developmental disability; having involvement in the criminal justice system; or being physically compromised.

SUPPORTIVE SERVICE NEEDS

The most vulnerable people with special needs often require supportive services to succeed in housing. The variety of needed services - from medication management to housekeeping assistance to food security to money management – calls for a variety of housing and service models.[29]

DEFINITION: SUPPORTIVE SERVICES – the range of supports needed for people to be successful in housing.

The SNC has developed the term **HOUSING + SERVICES** to mean the combination of housing and the appropriate level of services to meet the individual's needs.[30] When a family member has a disability, services may extend to the needs of other family members, including arranging for childcare, and providing transportation to school and medical appointments for the children in the household.

DEFINITION: HOUSING + SERVICES – Permanent housing that incorporates supportive services into housing operations, and/or coordinates with outside service providers for supportive services to meet the resident's needs.

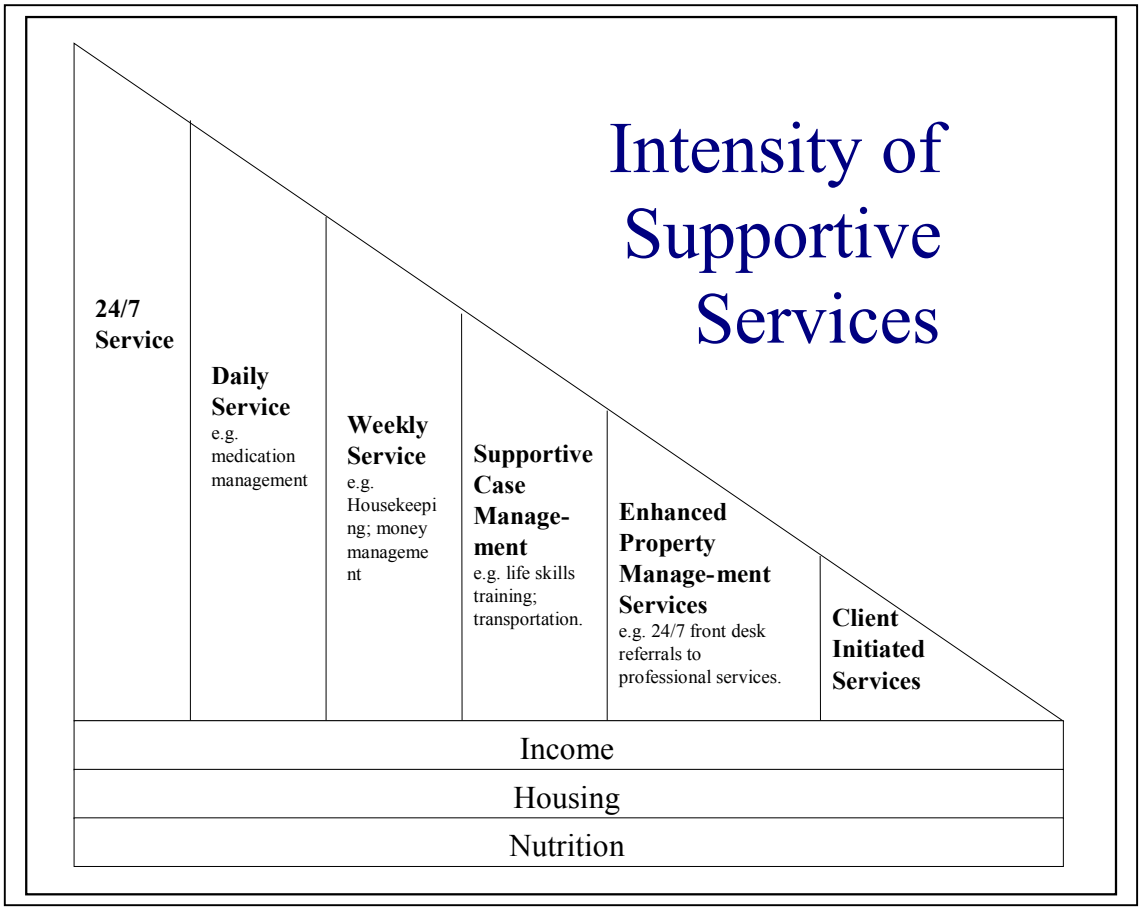
The continuum of Housing + Services types ranges from a licensed care facility with 24-hour care provided on-site, to a standard affordable apartment with client-initiated services provided off-site. There are currently a variety of options available, albeit in limited quantities. Future work should include evaluation of these models for suitability, cost-effectiveness, and adaptability to changing funding levels.

[29] Professional medical and dental treatment is an important issue that falls beyond the scope of the Special Needs Committee and this Report.

[30] We use Housing + Services instead of the more commonly used "supportive housing," because we found that "supportive housing" has some very specific definitions in certain contexts, resulting in confusion.

The table below describes the spectrum of intensity of supportive services. Many of these services could be provided on-site or off-site. The housing provider could provide them, or other providers could coordinate their services with the housing. Generally, more intense services are more expensive. However, even the most intense services are less expensive than homelessness, incarceration, or hospitalization.

FIGURE 5



New and innovative Housing + Service models may be needed to match service capacity to housing, especially given Oregon's current cutbacks in service delivery.

VISION & GOALS

VISION FOR THE FUTURE

Although significant barriers stand in the way, we believe that it is possible to develop and maintain an adequate supply of special needs housing and coordinated services.

> **VISION FOR THE FUTURE:**
>
> In Multnomah County, people with special needs have decent stable affordable housing for themselves and their families, along with the support and services they need for a good quality of life.

REORIENTING TOWARDS HOUSING + SERVICES

Experience shows that housing coordinated with services is a critical element to the success of people with special needs. Recent research shows that homeless people with disabilities who moved to permanent supportive housing experienced marked reductions in shelter use, hospitalizations, length of stay per hospitalization, and time incarcerated. [31]

In Multnomah County, we can significantly reduce homelessness and inappropriate institutionalization of low-income people with special needs if we **reorient** our social service and housing systems to do three things[32]:

1. Coordinate housing + services to maximize success of people with special needs in permanent housing.
2. Create enough housing for people with special needs, including housing linked to services and housing for the hard-to-house.
3. Improve access to housing + services, including outreach to the hard-to-house.

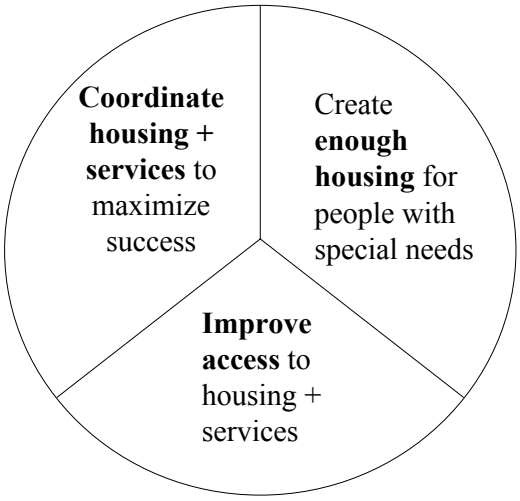
---

[31] Research by Corporation for Supportive Housing, in January 2003 issue of their publication, *Opening Doors*. In 2001, the University of Pennsylvania's Center for Mental Health Policy and Services Research compared 4,500 homeless people with severe mental illness who moved into supportive housing, with a control group who were not offered permanent housing. They found that those who moved into supportive housing experienced marked reductions in shelter use, hospitalizations , and time incarcerated. Prior to living in permanent supportive housing, the people in the study used an average of $40,449 per person per year in such services; after supportive housing, there was an average reduction in service use of $16,282.

[32] These recommendations are consistent with those made by the Multnomah County Mental Health Design Team and the Multnomah County Health Department, Corrections Health Division Administrator.

These three necessary actions have become our primary goals, and are used to organize our recommended strategies, tasks and outcomes.

FIGURE 6



Adequate funding is obviously an issue for both housing and services. But we also believe that when the systems are reoriented towards these goals, resources will be used more effectively, outcomes in housing stability will be improved, and the strain on shelters, jails, and hospitals, will be reduced.

GOALS

1. <u>Coordinate housing + services</u> to maximize success of people with special needs in permanent housing.

Service systems are generally based on a person-centered model: the client is either eligible or not eligible for services at different times; services may be reduced or eliminated based on federal, state, or local budget levels; or the client could experience a crisis that may or may not be referred to or responded to by service systems. Cutbacks or reconfigurations of the service systems can destabilize clients.

The affordable housing system, on the other hand, is asset based. The housing project itself must be managed to remain healthy – *i.e.* residents must be safe, staff must feel safe, rent must be collected to ensure financial solvency, and the physical premises must be maintained. Clients who experience "unmanaged" crises often create stress for staff and other residents, and are often unable to make rent payments. Eviction is frequently the result.

Large cutbacks or reconfigurations in social services systems can destabilize entire housing projects by significantly altering or eliminating subsidies and services that have allowed tenants with special needs to succeed in housing. The effects of large-scale reconfigurations may be felt for years. Housing

providers, after experiencing unreliability in social services, can become unwilling to continue to make units available to people with special needs.

Social services from each system (mental health, substance abuse, developmental disabilities, corrections, and aging and disability services) need to be reliable and coordinated with housing availability if we are to be successful in providing more special needs housing opportunities. This is a policy issue that should be discussed and resolved at the highest levels.

2. Create <u>enough housing</u> for people with special needs, including housing linked to services and housing for the hard-to-house.

Housing Supply

The Consolidated Plan for Multnomah County, prepared by HCDC to meet HUD requirements, documents that there is an inadequate supply of housing affordable to people earning less than 30% of the area median income.[33] This market fact has created a bottleneck, preventing people from moving out of shelters and transitional housing into permanent housing.

Limited public funding has been the main engine of special needs housing development. Legislative efforts to create a sustainable funding source, such as a real estate transfer tax, should be supported vigorously, but may not succeed. Accordingly, the proportion of public funds allocated to special needs housing must be increased.

Rent subsidy programs, coordinated with appropriate services, can help match some special needs households with the private housing market. Short-term, as well as long-term, rent subsidy programs should be expanded.

We must also increase the number of willing housing providers. One tool is the Fresh Start program.[34] Fresh Start helps overcome barriers to housing by creating a partnership between case managers, landlords/property managers and tenants. Landlords/property managers agree to rent to people who would not qualify under standard screening criteria, in return for commitment by the tenant's case manager to provide ongoing support to the tenant. By bringing the

[33] HUD regulations state that housing is "affordable" if rent plus utilities do not exceed 30% of the household's gross income. An individual receiving SSI of $552 per month can afford a rent of $166. Fair market rent for a studio apartment in the Portland metropolitan service area is $508 per month. Thus, a renter with SSI income, who is unable to secure a Section 8 certificate or other subsidized housing, can expect to pay over 90% of his or her income on housing.

[34] Fresh Start was developed in 1998 by a coalition of property management, legal and social service providers to meet the needs of the downtown singles population. Between March 1998 and August 2000, 210 units were rented to people using Fresh Start referrals**.** 77% of these tenants (167) went on to become successful renters**.** The one social service agency that made 70 percent of the referrals had a 79 percent success rate. Recently, the Bureau of Housing and Community Development (BHCD) has decided to bring the Fresh Start program in-house to ensure quality control and monitoring.

landlord/property manager, case manager and tenant together to resolve rental problems as they arise, Fresh Start helps prevent evictions and has had success in breaking the cycle of homelessness for 77% of participants.

We must also develop a public consensus that results in neighborhoods that are welcoming to housing for people with special needs. This may require assurance to neighbors that adequate, long-term services will be provided to support the new residents' special needs.

Housing Funding Priorities

The committee developed criteria to be used in evaluating and prioritizing projects to assist special needs populations.

Projects that meet all three criteria and show linkage with services should receive the highest priority.

CRITERIA FOR FUNDING
SPECIAL NEEDS HOUSING PROPOSALS

1. Serves people with incomes at or below 30% of area median income, with an emphasis on those with incomes below 20% AMI.
2. Serves those at risk of becoming homeless or otherwise institutionalized inappropriately.
3. Serves those with the greatest degree of disability.

Private Sector Investment

There is a lack of private sector understanding of the funding programs for special needs housing, especially with the multiple sources and delivery points, and inconsistent program requirements. The unpredictable stream of funding for these programs, and the lack of a seamless delivery mechanism, adds to confusion. The current budget situation amplifies risks for private lenders on such projects, and jeopardizes future investment. Some degree of certainty is critical to attract private sector resources to produce much needed housing for people with special needs.

Housing + Service Funding Opportunities

Services that allow a person with special needs to be successful in housing typically cannot be funded by affordable housing development funds[35].

[35] There is a statutory prohibition against using tax increment funds for services. Community Development Block Grant funds may be used for services, but are subject to a "public services" cap of 15%.

Therefore funding that can be used for services must be aggressively sought. For example, some believe that federal Medicaid matching funds could be increased, to provide services coordinated with housing.

A barrier to this goal is that each service system offers a different menu of services to its eligible individuals. This is especially problematic when individuals have multiple disabilities or service needs not readily served by the menu offered.

There are also large gaps in service availability, excluding many people who need assistance. Others receive some but not all of the help needed. Federal Medicaid regulations for each program, and corresponding Oregon Medicaid Waivers (the plans approved by federal officials that govern how Medicaid programs are provided), are focused on each population separately, also contributing to gaps in coverage. Although Oregon has some of the most significant waivers in the nation, there are limited State resources for "match," forcing difficult decisions about whom to serve and what services to provide.

Frequently, there are barriers to using funds in ways that would maximize our ability to provide and support housing. The SNC believes there is opportunity to better leverage our limited state and local financial resources, and believes we should actively work with the state to seek better coordination of state policy, and improved Medicaid Waivers. We also believe there is the ability, even under existing regulations, to do more to support people in housing.

3. <u>Improve access</u> to housing + services, including outreach to the hard-to-house.

While access would naturally improve for many people if increased amounts of housing and services are available, other major barriers to access would remain.

Providers of both supportive services and housing frequently fail to refer to each other. Social service providers may not understand housing alternatives or actively link their clients to needed housing. Landlords and property managers generally do not see their role as linking tenants to needed services, and both public and private housing providers need education about available services. Policy and funding priorities should encourage housing and service providers to work together to ensure that individuals with special needs are offered both housing and services, as needed.

However, some people with special needs do not seek permanent housing, fail to access or are rejected from social services, or are otherwise hard-to-house. Persistent outreach is needed to maintain contact with hard-to-house people, and individualized plans should assist them to accept and succeed in permanent housing. While the intensive level of supportive services needed for this population is expensive, we believe the investment will be more than recovered with savings from police, corrections, shelter, and hospitalizations.

RECOMMENDED ACTION STEPS FOR 2003-2005

After developing our vision and long-term goals, the Committee created long-term strategies, which would move us toward these goals. See Appendix G. We then assessed these strategies in light of current circumstances, including budget cut backs. We recommend the following action steps for the 2003-05 period.

1. **Increase financial resources for social services related to housing.** Find new ways to leverage County and other financial resources to expand services associated with supportive housing, and implement additional ways to coordinate housing and service funding streams. *(Relates to Goal 1. Coordinate Housing + Services)*
    a) Find new ways to match housing operations resources with Medicaid.
    b) Explore creating a County General Assistance program using funds currently used for rent assistance, housing subsidies, etc. Seek reimbursement from the Social Security Administration when the client is deemed eligible for SSI or SSDI.
    c) Maximize use of Federally Qualified Health Center status to provide psychiatric services, case management, etc., to support housing stability, thus obtaining more federal matching funds.
    d) Maximize other federal resources such as USDA food programs, social service and criminal justice block grants, McKinney, Community Development Block Grant (CDBG), and workforce support programs.
2. **Increase the proportion of housing funds allocated to housing for people with special needs**. *(Relates to Goal 2. Enough Housing)*
    a) All involved jurisdictions (City of Portland, Portland Development Commission, City of Gresham, State of Oregon, HUD, the Housing Authority of Portland and Multnomah County) should make development and preservation of supportive housing a high priority for use of publicly-funded housing development resources.
    b) A significant portion of Urban Renewal District revenues should be dedicated to housing for people with special needs.

3. **Strengthen the partnership between the human service system and the social housing system**. Strengthen both systems through shared priorities and increased cooperation. *(Relates to Goal 1. Coordinate Housing + Services)*
    a) Expand and develop the ongoing group composed of human services management personnel and social housing leadership; focus on maximizing the success of people with special needs

within housing environments, e.g. provide updates, cross-educate, plan new service and housing opportunities, and coordinate responses to new issues.

b) Service systems and housing providers should work together to protect housing assets that serve special needs populations from destabilization resulting from cutbacks and reconfigurations in social service systems.

c) Expand programs that provide incentives for non-profit and for-profit landlords to house people with special needs. Fully implement the Fresh Start program.

d) Use capital and rent subsidies to buy down rents of units currently affordable to households at or above 50% MFI, reprogramming admission criteria to target the "hardest-to-house."

e) Create a cross-training program for housing management personnel who deal with special needs residents, and for case managers to learn about housing opportunities and challenges.

4. **Continue the City/County/HAP partnership** that has created new understandings, policy directions and systems changes in the direction of maintaining and creating new special needs housing. Include the City of Gresham. *(Relates to Goal 2. Enough Housing)*

   a) Provide for HCDC oversight of implementation of these recommendations. Adopt outcome indicators and measure progress towards our **Housing + Services** goals.

   b) Create an “express lane” in the development pipeline for special needs housing projects (especially those targeted to homeless) by coordinating resources into joint RFPs, and packaging development dollars and service commitments.

   c) Create and staff a high level interagency body of funders with authority to integrate funding streams and create and maintain the "express lane" for special needs housing projects.

   d) Continue the City-County Pilot Special Needs Housing Set Aside for at least another three years while the “express lane” in the pipeline is developed.

   e) Underwrite new housing projects (or re-underwrite old ones) that serve special needs tenants to provide for Enhanced Property Management, which provides extra support ON SITE at housing projects serving people with special needs. This model has been developed successfully in Seattle, WA.

5. **Develop services and housing targeted to the “hardest-to-house.”** *(Relates to Goal 1. Coordinate Housing + Services, Goal 2. Enough Housing, and Goal 3. Improve Access)*

a) Develop specialized activities targeted specifically to chronically homeless people with disabilities. Expand the Assertive Community Treatment (ACT) team model. The ACT team model engages chronically homeless individuals, houses them, and arranges for mainstream health, mental health, addictions, employment and other services after a person is initially housed. ACT teams effect a resolution of the problems that cause homelessness.

b) Review the myriad of rent assistance programs operated by the City of Portland, Multnomah County, HAP and others, and create a system that is streamlined, efficient and accessible to homeless and special needs populations.

6. **Create new resources dedicated to special needs housing**. *(Relates to Goal 2. Enough Housing)*

   a) Support the creation of a Real Estate Transfer Tax for affordable housing; a local bond issue for affordable housing development; and establishment of a National Housing Trust Fund.

   b) Establish goals within any new housing funds to be spent for people with special needs;

   c) Increase the proportion of housing funds, from all public and private sources, used for housing for people with special needs.

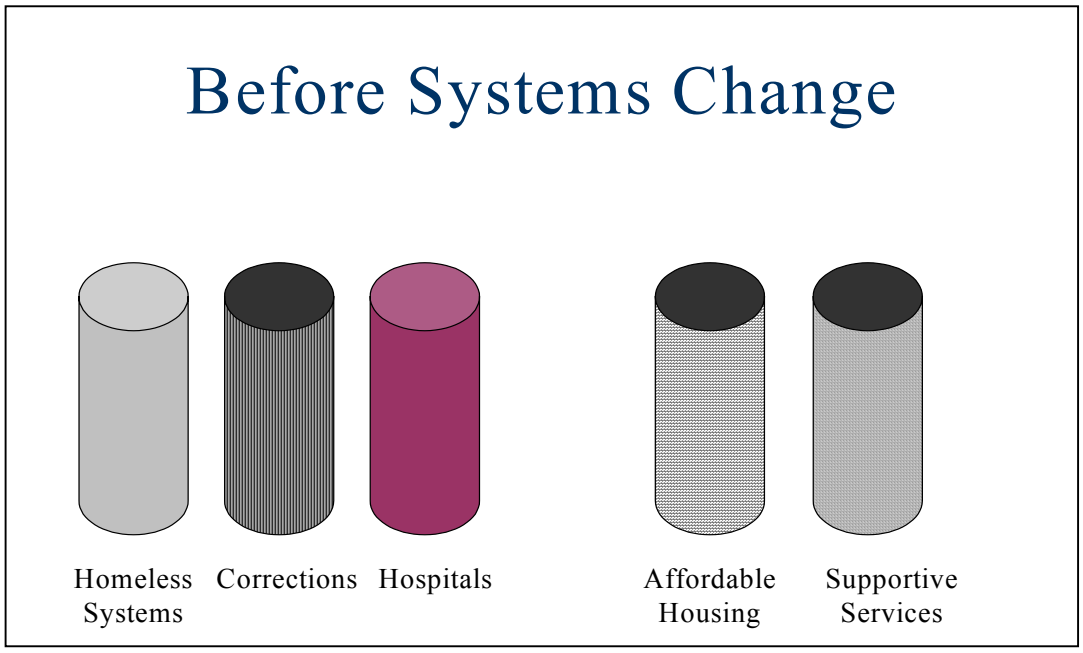
   d) Short and long-term rent subsidy programs should be expanded.

   e) Develop strategies to attract private lending capital.

RESULTS

We believe that, if we implement the Action Steps above in the next two years, and embrace the long-term strategies in Appendix D, we will be creating the conditions for permanent system change. We will know if we have succeeded, because both our housing and service systems will be different. The systems will be more integrated, and some funding will shift to support a Housing + Services strategy. As a result, fewer people with special needs will cycle through shelters, jails, hospitals and the street, and people with special needs will no longer be over-represented in the homeless system. Figures 7 and 8 illustrate the "before" and "after" of system change.

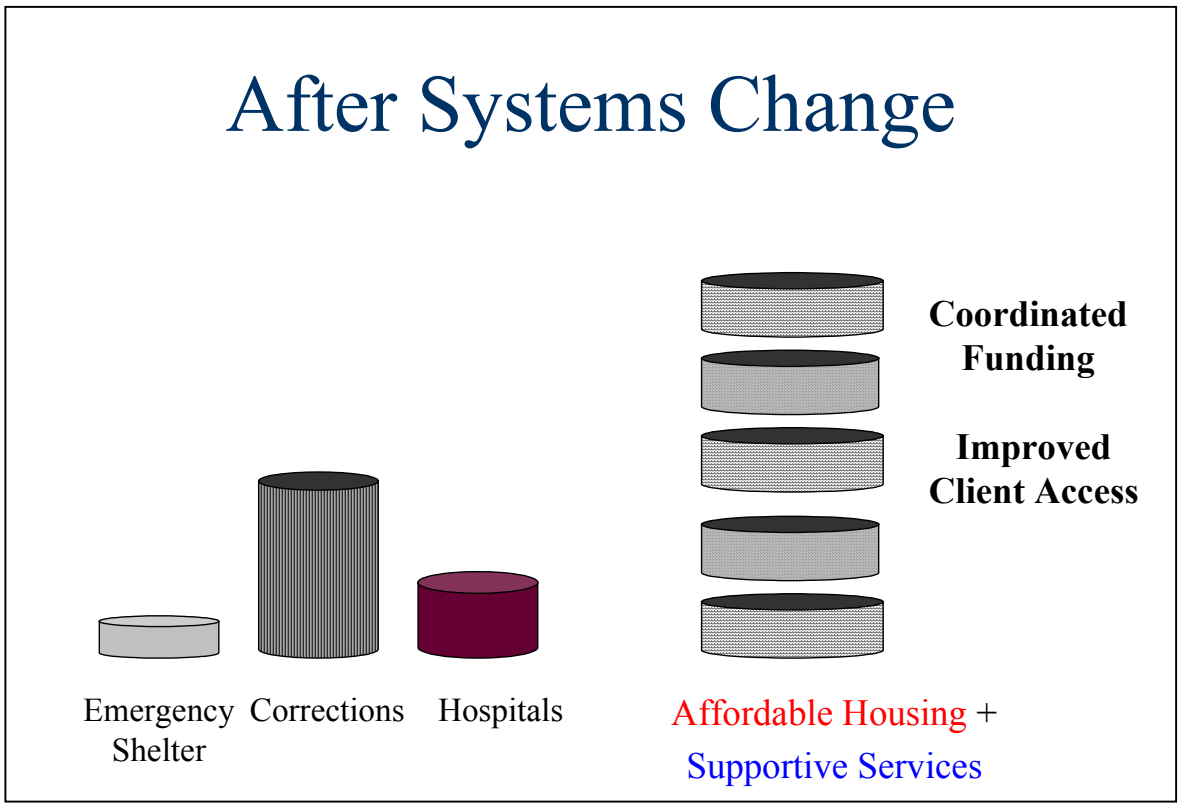
FIGURE 7



Currently, the homeless, corrections, hospital, affordable housing, and supportive service systems are structured in cylinders of separated services. Within each of these silos may be multiple separate agencies or funding streams, each with its own rules and eligibility criteria. Staff in all these cylinders know that there are too many people with special needs cycling through the homeless system, jails, and hospitals, and that the affordable housing and supportive service systems have not responded adequately, but the separate systems have not effected the necessary change to prevent this.

In the system we envision, people with special needs will not be over-represented in our homeless, hospital or corrections systems.

FIGURE 8



The homeless system will be smaller, and will be limited to emergency shelter. Hospital beds will be used for medical and mental health crises only. The affordable housing and supportive service systems will be coordinated at the personal level, the residential project level, the funding level, and the systems level resulting in improved client access, staff cross-training, a larger volume of special needs housing development, and increased housing retention rates. More people with special needs will be successfully housed, and thus have the opportunity to enjoy a good quality of life.

RESPECTFULLY SUBMITTED ON JULY 2, 2003.

THE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION

Bill Van Vliet, Co-Chair
Catherine Such, Co-Chair

Janet Byrd
Paul Dagle
Linda Kaeser
Diane Meisenhelter[37]
Roger Meyer
Kevin Montgomery-Smith
Louis A. Ornelas
Roserria Roberts
Terri Silvis
Joe Wykowski

HCDC Staff
Beth Kaye

County Staff
Linda Grimes
Gail Wilson

BHCD Staff
Molly Rogers
Ruth Benson

THE SPECIAL NEEDS COMMITTEE[36]

Linda Kaeser, Chair

John Ball
Neal Beroz
Mary Carroll
Rosanne Costanzo
Serena Cruz
Peter Davidson, MD
Tracy Davies
Susan Dietsche
Betty Dominguez
Joyce Dougherty
Rachael Duke
Jamaal Folsom
Leslie Ford
Joanne Fuller
Bernie Giusto
Leah Halstead
Richard Harris
Jim Hlava
Carol Islam
Liv Jenssen
Christine Kirk
Anthony Lincoln
Heather Lyons
Seth Lyon
Diane Luther
Martha McLennan
Roger Meyer
Andy Miller
Susan Montgomery
Tim Moore
Terri Naito
Rachel Post
Paul Parker
Tonya Parker
Virginia Seitz
Vicki Skryha
Andy Smith
Cathy Spofford
Kim Tierney
Andreé Tremoulét
H.C. Tupper
Bill Van Vliet
Steve Weiss
Sherry Willmschen
Keren Brown Wilson
Nancy Wilton
Jim Wrigley

[36] Over the course of the year, participation by some of the committee's most thoughtful and experienced members was lost due to budget cuts, restructurings, and reassignments. The report benefited greatly from their contributions: Jim McConnell, Jacob Mestman, Howard Klink, May Simeone, Dan Noelle, Bethany Wertz, and Peter Wilcox. The committee also benefited from the perspective of Jim Winkler, who resigned when his term on HCDC elapsed.
[37] Ms. Meisenhelter's term on HCDC expired June 30, 2003.

APPENDICES

BEFORE THE BOARD OF COUNTY COMMISSIONERS
FOR MULTNOMAH COUNTY, OREGON

RESOLUTION NO. 02-070

Adopting Policy Direction to Charge the Housing and Community Development Commission Special Needs Housing Committee

The Multnomah County Board of Commissioners Finds:

a) Multnomah County, by Ordinance 719, and the City of Portland, and the City of Gresham have each designated the Housing and Community Development Commission to serve as the primary public forum for policy development, resource coordination, and civic leadership to address the County's affordable housing problems;

b) The Portland Development Commission plays an important role in financing and developing housing for persons with special needs;

c) The Housing Authority of Portland plays a critical role in providing housing for persons with special needs through its public housing and Section 8 programs;

d) The mission of HCDC is to increase the effectiveness of the housing delivery system by providing coordination among diverse public agencies which implement housing programs and by serving as a centralized liaison between those agencies and the governing bodies of the jurisdictions on issues regarding housing policies, goals, programs, and related allocation of public funds;

e) The jurisdictions named in paragraph 1 above provided in the Consolidated Plan 2000-2005 that their first priority was to provide affordable rental housing to, among others, low- income persons with special needs;

f) The Consolidated Plan 2000-2005 Needs Assessment and further studies undertaken by the jurisdictions document that there is a shortage of affordable housing with links to needed services for persons with special needs;

g) There are numerous barriers to the development of additional affordable housing with links to services for people with special needs, including financial, regulatory, and historical barriers;

h) Some persons with special needs who have affordable housing face barriers to success at maintaining in the housing;

i) For lack of suitable housing and services, people with special needs become inpatients at hospitals, are incarcerated, or occupy shelter space;

j) An adequate supply of special needs housing would ease the pressure on the mental health system, the corrections system, and the homeless system while focusing our resources in a more compassionate and economically efficient way;

The Multnomah County Board of Commissioners Resolves:

1. The Housing and Community Development Commission, by and through its Special Needs Committee, shall undertake to do the following:

   - assess the need for special needs housing County wide, including the specific housing needs of individual special needs populations;
   - make policy recommendations to advance the development of special needs housing and to improve the success of housing outcomes for persons with special needs;
   - coordinate local, regional, state, and federal housing and service resources to stimulate the development of special needs housing;
   - develop hard, realistic, and measurable targets for additional housing for persons with special needs;
   - leverage new resource streams for special needs housing development and operation;
   - create models for special needs housing development and operation; and
   - evaluate success of special needs housing development and operation; and
   - periodically assess the need for additional committee work, with the first assessment not later than June 2003

2. The Multnomah County Board of Commissioners will, with the advice of the Housing and Community Development Commission, annually review the progress that has been made toward the goal of providing each person with special needs with affordable housing linked to appropriate services.

3. That all Departments are directed to provide information requested by HCDC concerning resources, policies, and practices affecting the development and operation of special needs housing.

ADOPTED this 16th day of May 2002.

BOARD OF COUNTY COMMISSIONERS FOR MULTNOMAH COUNTY, OREGON

Diane M. Linn, Chair

REVIEWED:

THOMAS SPONSLER, COUNTY ATTORNEY
FOR MULTNOMAH COUNTY, OREGON

By_____
John S. Thomas, Assistant County Attorney

RESOLUTION NO. 36060

Charge the Housing and Community Development Commission with policy planning on special needs housing development and operation.

WHEREAS, by ordinance and pursuant to Portland City Code 3.38, the jurisdictions of Multnomah County, City of Portland, and the City of Gresham have designated the Housing and Community Development Commission to serve as the primary public forum for policy development, resource coordination, and civic leadership to address the County's affordable housing problems; and

WHEREAS the Portland Development Commission plays an important role in financing and developing housing for persons with special needs; and

WHEREAS the Housing Authority of Portland plays a critical role in providing housing for persons with special needs through its public housing and Section 8 programs; and

WHEREAS, the mission of HCDC is to increase the effectiveness of the housing delivery system by providing coordination among diverse public agencies which implement housing programs and by serving as a centralized liaison between those agencies and the governing bodies of the jurisdictions on issues regarding housing policies, goals, programs, and related allocation of public funds; and

WHEREAS, the jurisdictions provided in the Consolidated Plan 2000-2005 that their first priority was to provide affordable rental housing to, among others, low- income persons with special needs; and

WHEREAS, the Consolidated Plan 2000-2005 Needs Assessment and further studies undertaken by the jurisdictions document that there is a shortage of affordable housing with links to needed services for persons with special needs; and

WHEREAS, there are numerous barriers to the development of additional affordable housing with links to services for people with special needs, including financial, regulatory, and historical barriers; and

WHEREAS, some persons with special needs who have affordable housing face barriers to success at maintaining in the housing; and

WHEREAS, for lack of suitable housing and services, people with special needs become inpatients at hospitals, are incarcerated, or occupy shelter space; and

WHEREAS, an adequate supply of special needs housing would ease the pressure on the mental health system, the corrections system, and the homeless system while focusing our resources in a more compassionate and economically efficient way;

NOW, THEREFORE, BE IT RESOLVED THAT the Housing and Community Development Commission, by and through its Special Needs Committee, shall undertake to do the following:

- assess the need for special needs housing County wide, including the specific housing needs of individual special needs populations;
- make policy recommendations to advance the development of special needs housing and to improve the success of housing outcomes for persons with special needs;
- coordinate local, regional, state, and federal housing and service resources to stimulate the development of special needs housing;
- develop hard, realistic, and measurable targets for additional housing for persons with special needs;
- leverage new resource streams for special needs housing development and operation;
- create models for special needs housing development and operation; and
- evaluate success of special needs housing development and operation; and
- periodically assess the need for additional committee work, with the first assessment not later than June 2003; and

BE IT FURTHER RESOLVED THAT the Multnomah County Board of Commissioners, the Portland City Council, the Gresham City Council, the Portland Development Commission, and the Board of the Housing Authority of Portland will annually review, with the advice of the Housing and Community Development Commission, what progress has been made towards the goal of providing each person with special needs with affordable housing linked to appropriate services; and

BE IT FURTHER RESOLVED THAT all responsible agencies, departments, divisions, and bureaus be directed to provide information to HCDC and its staff on resources, policies, and practices affecting the development and operation of special needs housing.

Adopted by the Portland City Council: MAR 20 2002

GARY BLACKMER
Auditor of the City of Portland

Commissioner Erik Sten
Beth K. Kaye
March 14, 2002

By /S/ Susan Parsons
Deputy

BACKING SHEET INFORMATION

AGENDA NO. 267-2002

ORDINANCE/RESOLUTION/COUNCIL DOCUMENT NO. 36060

COMMISSIONERS VOTED AS FOLLOWS:		
	YEAS	NAYS
FRANCESCONI	X	
HALES	X	
SALTZMAN	X	
STEN	X	
KATZ	X	

Multnomah County and City of Portland

Data sources for Special Needs Housing

Report: May, 2003

The following data is an attempt to identify the need for permanent special needs housing for disabilities listed below in Column 1. Columns 2, 3, & 4 represent the information available to assist in describing need from different data sources. Data Reports and Sources are listed on separate page.

(1) Special Needs Group	(2) Multiple Source Housing Need Data	(3) City-County Homeless Data	(4) Multnomah County Housing Needs Report
Severe & Persistent Mental Illness			
Number needing Permanent Housing	**1,019-3,251 OMHAS** [1] (114 Cascadia Waitlist)	1,090 (200 ONSC) [2]	900
Substance Abuse			
Number needing Permanent Housing	**2,143 State OMHAS** (499 CCC Wait List) (46 Cascadia Waitlist)	2,506 (371) [3]	1,814
Developmental Disabilities			
Number needing Permanent Housing	**300 ARC Data** **175 MCDDS** **25 ILR**	53	175
Physical /Functional Disabilities			
Number needing Permanent Housing	**610 MC ADS Emergency Housing**	Not Available	1,649
AIDS/HIV			
Number needing Permanent Housing	**682-1,035** EMA Plan	195	488-838
Multiple Disabilities [4]			
Number needing Permanent Housing	(231 Cascadia Waitlist)	751	1,326
Totals			
Number needing Permanent Housing	**4,954-7,539**	**4,595**	**6,352-6,702**

Definitions: **MCADS** - Multnomah County Aging & Disability Services **ARC** - Association of Retarded Citizens of Multnomah County

ILR - Independent Living Resources **MCDDS** - Multnomah County Developmental Disability Services

MCMHS - Multnomah County Mental Health Services **OMHAS** - State Office of Mental Health & Addiction Services

Footnotes

1. OMHAS has two reports: One identifies the number of homeless, and the other, special housing needs. The Fall 2002 Report estimates 3,251 persons with MI needed Residential Treatment Facilities or Adult Care Homes, or Supportive Housing. FY01-02 Report indicates 1,019 clients with MI were homeless at point of enrollment in services.

2. ONSC - One Night Shelter Count Report 3/27/002, number with Mental Illness

3. ONSC - One Night Shelter Count Report 3/27/002, number with Alcohol and Drug Abuse issues

4 The Category Multiple Disabilities includes any combination of diagnoses which results in a functional disability including physical, developmental, cognitive, mental and chemical.

SOURCES OF DATA

- **Portland EMA HIV/AIDS Housing Plan, June 2000; prepared for the City of Portland Bureau of Housing and Community Development by AIDS Housing of Washington;**
- **FY 2001 – 2002, City of Portland and Multnomah County Information Sheet on Homeless;**
- **Multnomah County Special Needs Housing Report: Attempting to Quantify the Gap;**
- **Multnomah County Aging & Disability Services 2001-2002 Emergency Housing Report;**
- **Multnomah County 1 Night Shelter and Turn Away Count Report November 28, 2001;**
- **Homeless Shelter 1 Day Count Report November 2001;**
- **City of Portland-Multnomah County Annual GAP Analysis Report, 2001 – 2002;**
- **Homeless One Week Count Reports 2000 –2001, and 2001 –2002;**
- **Cascadia Mental Health Housing Facility Data;**
- **Cascadia Mental Health Housing Waiting Lists Disability Data, November 15, 2002;**
- **Multnomah County Mental Health and Addiction Services monthly Client Verity/Verity Plus and Client Service Reports July 02 – March 03;**
- **Results of the Fall 2000 Mental Health Housing Survey, October 2001, State Office of Mental Health and Addictions Services (OMHAS), prepared by Vicki Skryha;**
- **State OMHAS Housing Needs Data for Persons with Psychiatric Disabilities, Prepared September 2002;**
- **State OMHAS, Living Arrangements for Persons with Mental Health or Addiction Disorders, FY 01 –02, Table #3 and 4, Unduplicated adults with MH and Unduplicated adults with addiction disorders; Tables # 7, 8, 11 and 12: Unduplicated adults MH and Addiction disorders, November 2001 and March 2002;**
- **State of Oregon FY 2002 PATH Application, Attachment A, Homeless Data from CPMS FY 2000-2001;**
- **Central City Concerns, 2001 –2202 Waiting List;**
- **Multnomah County Developmental Disabilities November 2002 Client Report;**
- **RASP 2001-2002 Housing Report;**
- **ARC of Multnomah County, 2002 –2003 Client Housing Data;**
- **Multnomah County Department of Community Justice Transitional Services Client Special Needs Reports, FY 01 –02, and 02 –03;**
- **Multnomah County ADS, September 2002 Monthly Client Report;**
- **State Seniors and People with Disabilities MMIS Report # SJM5010R-A (Sept 27, 2002;**

- **The Booking Frequency Pilot Project, Multnomah County, January 2002;**
- **Public Safety Coordinating Council Report of the Work Group on Mental Health Treatment Needs of Offenders; February 7, 1997;**

Multnomah County Special Needs Housing Options and Capacity

Type of Housing	**# Housing Facilities/ Properties**	**# Units or Bed Capacity**	*Services* On Site	Off Site	**# Clients or Residents**	***Licensed*** Yes/No/Other
Adult Foster Care Homes (AFCH)	571	2,855 (max. 5 residents per home)	X	X	**1,037 *ADS*** **206 *DD*** 55 **MH**	**Yes,** by Multnomah County Aging & Disability Services (ADS)
Room & Board Homes (R & B)	10	68	X		**12 ADS** **5 DD** **? MH**	Yes, by Multnomah County ADS
Assisted Living Facilities (ALF)	17 (12 accept Medicaid)	1,400	X	X	400 **ADS**	Yes, by State Seniors & Persons with Disabilities (SPD)
ADS Residential Care Homes (RCF)	46 (30 accept Medicaid)	2,105 **ADS**	X	X	**612 ADS**	**Yes,** by State SPD
MH Residential Care Homes	21	252 **MH**	X	X	**252 MH**	**Yes**, by State OMHAS
MH/ADS Enhanced Care Facility (ECF)	1	16 ***MH/ADS***	X	X	**16 MH/ADS**	**Yes,** by State MH and SPD
Type of Housing	**# Housing Facilities/ Properties**	**# Units or Bed Capacity**	*Services* On Site	Off Site	**# Clients or Residents**	***Licensed*** Yes/ NO / Other
Type of	**# Housing Facilities/**	**# Units or Bed**	*Services*		**# Clients or**	

Housing	Properties	Capacity	On Site	Off Site	Residents	*Licensed* Yes/ NO / Other
MH (Cascadia) Independent Housing	30	340 **HIV** **14 A&D** **48 MH/A&D** **103 MH homeless** **164 MH**		X	**340** **MH, HIV, A&D** (plus 391 on waitlist)	No
Mental Health (CCC) ADFH	1 single adults 15 families	68 238			transitional housing	No
DD Group Homes	106 (24/7)	453	X	X	453 **DD**	Yes, by State
DD Supported Housing	7 providers	122 varies	X	X	122 **DD**	Providers Certified by State
DD Semi-Independent Living	**10 providers**	75 varies	X	X	**75** **DD**	Providers Certified by State
Oxford House of Oregon (A & D)	36 total in Mult Co 28 M 6 F 2 FC	273			*273* *A&D*	Chapters
HIV/AIDS (Central City Concerns (CCC), Cascade AID's Project)	1 single adults	52	X	X	52 HIV	No
A&D (CCC, Early Recovery	4 families	78 units (2 and 3 bedrms)			transitional housing	No
Employment Linked (CCC)	**2 single adults**	81	X	X	transitional housing	No

Type of Housing	# Housing Facilities/ Properties	# Units or Bed Capacity	*Services* On Site	Off Site	# Clients or Residents	***Licensed*** Yes/ NO / Other
ADFC Permanent [CCC, REACH, TPI]	4 single adults 2 Fair Market Rate	290 ADFC 195		X X	Permanent Housing	No
Nursing Facilities (NF)	32	2,630 beds in facilities that accept Medicaid	X	X	1,351 ***ADS***	Yes, by State SPD
ADS Specialized Living Projects **- HAP Congregate Housing Service Project** (ages: seniors and younger disabled) - Quad Inc (ages 18 –64) - Pine Point (ages 18 –64) - Kamphe (18 – 64) (Brain Injured)	 4 2 1 1	 120 40 19 19	 X X X X	 X X X X	 120 **ADS** 40 ADS 19 ADS 19 ADS	**No License; services paid through special contract with State SPD, with service assessment and authorization by Multnomah County ADS**

SPD – State Seniors and Persons with Disabilities;
CCC – Central City Concerns;
ADS – Multnomah County Aging & Disability Services;
OMHAS – State Office of Mental Health and Addiction Services

DRAFT 6/19/02

TABLE 3 - ANALYSIS OF BARRIERS (SORTED)

Barrier	Client Perspective	Provider Perspective	Funding Issue	System Challenge
Housing not viewed as a piece of a prevention model – viewed as a reward	**It is hard to become stable when you do not have a home or your housing is not secure.**	**Not enough support for people to succeed in housing.**	**Prison, shelter, hospital all higher cost than housing.**	**Adopt preventive model.**
Agency boundaries balkanized; compartmentalizatio n of services	**Difficult to navigate system; lack of assistance with process; Unable to find out whether assistance may be available; services not linked to housing**	**No clear funding stream.**	**Funding administered through agencies**	**Front door access to services; use funding moment as a point to make housing/service linkage; systems guide; systems navigator**
Cultural and language barriers	**People of color and people who speak a primary language other than English may encounter bias, difficulty obtaining culturally appropriate services or information and services in their language.**	**Can be hard to communicate with clients of other cultures and languages. Will take time to build multi-cultural competency, multi-lingual information and service provision.**	**Resources required to build multi-cultural competency, multi-lingual information systems and service provision.**	**All programs must address cultural and language diversity of client populations.**
Role of State DHS	Difficult to navigate system.	Funding uncertain.	Controls important funding streams; budget face severe cuts.	Open dialogue.
Incomplete client assessments	**Failure to diagnose means failure to treat.**	**Not set up to do assessments.**	**Funding streams tied to categorical eligibility requirements.**	**To provide integrated assessment regardless of client point of entry.**

Undiagnosed disability	May impair ability to find and keep job. Difficult to obtain diagnosis. May need advocate.	No funding streams.	Not connected with funding stream	Complete assessment early on and repeat periodically
Unpredictability of Need	**Need for support varies over time; need may be non-existent, cyclical, episodic, or steady; moving as service needs change is destabilizing.**	**Needs predictability to plan staffing**	**Relatively rigid funding models persist**	**To build flexibility in funding model to match variations in individual's condition; to plan for the delivery of the continuum of services.**
Falling between cracks (Lack of capacity to house people excluded from private RE industry and not eligible for service enriched housing)	Not eligible for services, barred from other housing	Cannot develop without a funding stream.	Identify resources for these populations.	To plan for this population.
Shallow needs in multiple areas	Unable to get help needed	No funding streams	Affects eligibility	Plan for this population.
Co-occurring mental health or A/D will exclude limited functioning adult	Unable to get help needed.	No funding stream, no service supports.	Prison, shelter, hospital all higher cost than housing. Identify resource.	Plan for these populations.
Separate systems for children/youth/ seniors	Difficult to locate/maintain care and level of service during transitions between age-based systems,	Interruptions in funding stream.	Different funding streams for each age band.	Plan for continuity during transitions and straddle periods.

Lack of coordination on discharge from institutions.	**Difficult to get help needed on discharge from institution (prison/hospital/other)**	**Need to reestablish funding stream.**	**Different funding streams for inside/outside institution. Who pays for coordination?**	**Improve coordination.**
Inadequate case management/co-ordination	**Lack of treatment impairs ability to function independently.**	**Tenants who are not receiving adequate case management may not be able to meet requirements of tenancy.**	**Expensive to treat person who has decompensated due to lack of case management/co-ordination.**	**Improve system. Favor systems that incentivize consistent case management/co-ordination. Expand on models like JOIN.**
Consumers not empowered	Don't know where to go for information about choices/rights.	Individual provider has only incomplete information.	Cost of establishing and updating consumer information.	Explore whether Housing Connections will a sufficient empowerment tool when services component is on-line. Provide technical assistance for special needs populations to use housing Connections.
Lack of consumer involvement in policy planning.	**Consumer preferences not reflected in policy making.**	**Consumers lack sophistication about funding streams, program design, etc.**	**Cost of consumer involvement.**	**Include consumers/ consumer advocates in policy planning process.**
Lack of preventive /maintenance services	**Sometimes a small amount of help can assist a person to maintain in housing and prevent the situation from deteriorating into a crisis (hospitalization, lost housing, lost benefits, etc.)**	**Landlords ill-equipped to provide preventative services; may not be aware of tenant's special needs or whom to contact.**	**Prison, shelter, hospital all higher cost than housing. Prevention always the most cost-effective option.**	**Favor systems that provide or incentivize preventive services to help people maintain in housing. Expand on models like JOIN.**

Compliance with rules on house-keeping/super-vision	Hard to under-stand/follow; need life skills training	Difficult for landlord/owner to negotiate with tenant	Deterioration of unit can be more expensive than prevention.	To connect with life skills training and support
Need for food security	Some unable to afford food; some require assistance with meal preparation and/or feeding.	Match food security programs to needs of clients.	Funding available from many sources for food security. Expensive to install cooking facilities in every complex.	Maximize use of available food security programs, including U.S.D.A. supported meals programs, food pantries, food stamps, etc. Provide training on nutrition, cooking, etc.
Need for life skills	Life skills would allow person to live with increased level of independence.	Tenant unable to fulfill obligations of tenancy without life skills.	Investment in life skills training would allow person to live with increased level of independence (at lower cost). What are funding streams?	Include life skills training as part of transitioning individual to housing.
Functional illiteracy	Navigating system very difficult without basic literacy.	Communication with tenants more difficult.	Some cost associated with providing assistance with information. Some people may not be receiving funding for which they are eligible.	Identify if literacy is an issue early in process. Provide remedial education, if appropriate, and assistance in managing information.
Lack of community/ need for natural supports	**Need community.**	**Isolated tenant lacks support in times of crisis, increases burden on landlord.**	**Limited funds for investment in community centers and programs.**	**Plan for populations to go beyond subsistence issues of food and shelter, to include planning for community development.**
Conflict between autonomy/safety	Desire for autonomy; some unwilling to have care.	Hard to plan for individual preference; can make difficult tenants.	People who turn down needed care can be very expensive.	To provide a range of housing options to meet individual preferences; to contain costs.
Client cannot direct his/her own services	Most programs are for people who can direct their own services	Requires attention of caseworker or service coordinator.	Higher level of care available in more expensive licensed facilities	Provide for people who need off-site monitoring.

Disincentives to success are built in.	Clients who do well may lose the services and support that helped them to become successful and are necessary to maintain success.	With limited funds, must "graduate" some to be able to fund care for other.	Over long term, less expensive to help individual maintain successes than to pay for intervention later.	Analyze extent of this barrier for special needs populations. Incentivize programs that help individuals maintain successes.
Tension between size of project and affordability.	**Usually, scattered site or smaller housing developments are more attractive to consumers.**	**It is less expensive to develop large, multi-unit properties. Operating costs (including on-site supervision) can be spread over a greater base.**	**Keeping rents affordable can mean denser development.**	**Explore better design to overcome disadvantages of density. Find balance between cost and affordability.**
Service delivery to scattered sites	Prefer to live in scattered site housing	Expensive; hard to provide on-site management	Expensive – prefer single site	Explore ways to improve service delivery to scattered sites; improve quality of higher density housing options.
Underwriter's reluctance	Fewer units available to people with most severe needs.	Unwilling to develop specialized physical structure without assurance of service dollars; unwilling to finance without assurance of service dollars; unwilling to finance high maintenance costs	Limits funding available from private market.	Need info re whether service up-front improves project's long range financial performance
Risk management for socially-conscious housing providers	Desire housing opportunities in CDC owned housing.	High costs of tenant bombing out, turn-over, vacancies, wear and tear	Investment in socially-conscious housing providers could provide housing opportunities for the hard-to-house.	Technical support for socially-conscious housing providers in risk management; support for tenants to succeed in tenancies.

Providers have insufficient information about needs of tenants with special needs .	Concerns about privacy. Want to increase number of private landlords who will rent to people with special needs,	Fair Housing Act and Section 504 limit landlords for asking for detailed information about disability of prospective or current tenant. Landlords not in special needs business uncomfortable about renting to person with disability. Landlords handicapped by lack of information from making compassionate and appropriate response to tenant needs.	Low cost for education programs.	Consumer education for tenants about ability to volunteer information to landlords; training for landlords about renting to tenants with special needs. Look at JOIN and other sponsorship models.
Lack of market study on optimal mix of special needs housing that reflects client preferences	Insufficient supply of units that meet client preferences for studios and larger units. Too much institutional housing.	Develops not in special needs housing industry don't know what to build.	Special needs population too low-income to send signals to market in conventional way. Larger units more expensive.	Develop plan that recognizes complexity of market and reflects customer preference.
High cost of housing	Inability to pay much rent; housing cost more than 30% of income	Need to cover cost	Limited funds to provide rent subsidies or to develop debt-free housing and provide operating subsidies.	More rent subsidies or debt-free housing with operating subsidies
Lack of employment	Lack of income; most persons with special needs have monthly incomes between 0-17% AMI	Tenant unable to pay own way for housing and services		Improved linkage to workforce programs; living wage
Temporary disability	Can destabilize situation	Tenant cannot pay rent	Not connected with funding stream	Plan for this population.
Lack of childcare	Hard to hold job without childcare.	Property managers cannot provide child care.	Limits ability to tenants to pay rent. Childcare expensive.	Expand childcare options.

High cost of moving	Stuck in place. Hard to move to better situation because costs are so high.	High cost of turn-over.	Limited funds to provide for moving expenses.	Flexible funds for moving expenses.
Siting	Close to services, transportation, neighborhood amenities.	NIMBY opposition.	Adds cost to project.	To remove barriers to siting; to develop community acceptance for special needs housing.
Discrimination based on Section 8	Cannot find suitable housing that will accept Section 8. (17% turn-back rate)	Section 8 comes with additional restrictions on landlord rights and places additional duties on landlord.	We should maximize use of this federal resource.	Law reform: bar discrimination based on Section 8 and/or decrease burden on landlords who accept Section 8.
Discrimination based on mental illness	Reduces housing opportunities.	Concern about potential exposure, concern about potentially high cost of reasonable accommodation.		Law enforcement
Sub-standard housing, e.g. flops, properties with hazardous conditions	Conditions may pose health risks or exacerbate existing medical conditions.	Little or no incentive to improve conditions. Expensive to bring up to standard.	Tie funding for repairs to term of affordability.	Code development; code enforcement; replacement strategy
Criminal justice history	Irrevocable.	Increased exposure to liability; risk.	Disqualifies individual from some services depending on crimes.	Expand on models like Fresh Start
Landlord screening criteria	Presents a barrier to housing that might otherwise be suitable and available.	Insufficient incentives to house people who may be capable of independent living with support.	Some need for funding to provide security to landlord to offset perception of risk.	Increase incentives; expand on models like JOIN and Fresh Start.
D/V	Need for safety, support	May have poor tenant history	Few resources for support.	Planning around long-term housing needs of people with special needs who have history of D/V.

APPENDIX D: VISION, GOALS AND LONG TERM STRATEGIES

The Special Needs Committee developed a vision and long-term goals to create a picture of the future we want to see, and then determined the changes that will be necessary to get there. The Committee then created long-term strategies which would move us toward these goals. These long-term strategies were assessed in light of current circumstances, and feasible Recommended Action Steps for 2003-05 developed (see body of the Report).

VISION: In Multnomah County, people with special needs have decent stable affordable housing for themselves and their families, along with the support and services they need for a good quality of life.

LONG-TERM GOALS:

Goal 1: Coordinate housing + services to maximize success of people with special needs in permanent housing.

Goal 2: Create enough housing for people with special needs, including housing linked to services and housing for the hard-to-house.

Goal 3: Improve access to housing + services, including outreach to the hard-to-house.

LONG-TERM STRATEGIES:

Strategies to Achieve Goal 1:

Coordinate housing + services to maximize success of people with special needs in permanent housing.

Coordination Strategies

These strategies address inter- and intra-jurisdictional issues. They express the SNC's recommendation that complexity be addressed at the administrative level, rather than leaving complexities for housing and service providers to sort out.

1. Establish an on-going interagency/interjurisdictional forum that coordinates, and brings resources to bear upon, housing and services targeted toward people with special needs.
2. Use data to inform process, make improvements, and show success. Align with existing information/resource systems.
3. Improve coordination across service systems for people who are or should be in more than one system.

Funding Strategies:

These strategies encourage a systematic approach to filling funding gaps as resources become available. They express the SNC's recommendation that all parties adopt a shared orientation of protecting special needs populations and individual clients.

1. Maximize mainstream resources (e.g. Medicaid, Medicaid Waivers, Federally Qualified Health Center status, U.S. Department of Agriculture food assistance, various housing and service block grants) to leverage local contributions to supportive housing for special needs populations.
2. Establish sustained coordinated funding mechanisms and administration.
3. Review rent assistance models that promote housing stability and assess effectiveness, ease of access, and whether priority special needs populations have been well served.

Service Delivery Strategies:

1. Within the service system, establish housing retention/stability goals and track outcomes for all special needs populations.
2. Within the service system, establish food security goals and track outcomes for all special needs populations.
3. Facilitate and support partnerships among implementers of supportive housing to ensure housing and service access for "hardest-to-house" people.

Strategies to Achieve Goal 2:

Create <u>enough housing</u> for people with special needs, including housing linked to services and housing for the hard-to-house.

1. Develop concrete goals and set targets for the following strategies for 3, 5 and 10 year periods.
2. Commit to supportive housing set-aside "express lane" in existing development pipeline for projects that propose to house and serve people with special needs. Administer pipeline under oversight of interagency body to ensure resource commitment, coordination, and accountability.
3. Establish shared timelines to implement consolidated funding cycles that package housing financing (including rent/operating subsidies) and services. Establish a proposal review committee that includes specific expertise in supportive housing development and operation.
4. Link services to the Housing Authority of Portland, community development corporations, and other key housing providers to better leverage and facilitate special needs occupancy of existing inventory.
5. Stimulate new development targeted to meeting identified gaps.

6. Create more service capacity to support increased level of housing development.
7. Develop some affordable housing with all services off-site so that, in the event of service cuts, housing will survive.
8. Establish policy regarding the conversion of Section 8 vouchers to project-based Section 8 to support the development of additional housing capacity.
9. Seek new competitive funding, such as the March 2003 proposal submitted jointly by the City of Portland, Multnomah County, and HCDC to the Corporation for Supportive Housing "Taking Health Care Home Initiative," which aims to:
   a. Institute financial incentives for projects that serve and house people who have multiple needs, have been homeless for the longest periods of time, and are at high risk of failing to sustain housing.
   b. Shift funding over time from projects and programs that do not support long-term permanent housing for homeless people with special needs to ones that do, without compromising the strength of the safety net.
   c. Provide housing to those not currently served by, or considered clients of, the mainstream service system.
   d. Reduce duplication and fragmentation between homeless systems and special need service system.
10. Support efforts to develop a stable local funding source for affordable housing, with a portion of revenues earmarked for supportive housing.

Strategies to Achieve Goal 3:

<u>Improve</u> <u>access</u> to housing + services, including outreach to the hard-to-house.

1. Offer each client, regardless of point of entry, a comprehensive and culturally competent service plan that includes access/placement/stabilization/retention resources for housing, service, and food security needs. This includes an integrated plan for clients discharged from facilities (*e.g.* jails, shelters, hospitals).

2. Design services so that they can be altered when client needs intensify or lessen.

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APPENDIX E: LETTER TO HAP

To: Rose Bak, HAP

From: Linda Kaeser, Chair
HCDC Special Needs Committee

Re: Using March 2003 RFP for Project- Based Section 8 to address current crisis of imminent displacement of residents of special needs facilities

Date: January 29, 2003

The HCDC Special Needs Housing Committee appreciates HAP's invitation to explore how HAP may assist in the community response to imminent displacement of residents of facilities that face down-sizing and closure due to inadequate service funding. The particulars of the financial difficulties facing facilities like the Taft, the Hoodview, and the William-Elaine have been well-documented in the press and at our committee meetings.

HAP has offered to use some of its Project-Based Section 8 resource to address this imminent crisis. HAP expects to have 250 Project-Based Section 8 vouchers available over the course of FY 2003-2004. The vouchers typically become available at the rate of 10 or 20 each month. The vouchers are issued for a one-year period. It is HAP's practice to renew them automatically for up to 10 years.

The Project-Based Section 8 resource is currently being allocated on a pilot basis using criteria established through an extensive public process. The criteria ensure that this resource is used to serve people who face significant barriers to securing housing on the open market. Currently, in HAP's selection process for allocating Project-Based Section 8, preferences are given to projects serving people at 0-30% MFI -- with an emphasis on 0-10% MFI; people with chronic mental illness; people with alcohol or drug issues; people with mobility or disability issues; people with criminal history; people with poor credit history; people with no rental history or a history of evictions; people who are victims of domestic violence; and people who require on-site services to live independently. Projects are also required to meet financial feasibility requirements, and project sponsors are required to be financially sound.

Members of the SNC met with HAP staff and reviewed the current criteria. SNC recommends that HAP augment its list of criteria for receiving an allocation of Project-Based Section 8 to include the following additional factor:

> "Housing projects serving people most at risk of inappropriate placement in institutions, such as jails, shelters, hospitals, nursing facilities, or on the street, with a priority for people who are at risk of

displacement due to the imminent closure or downsizing of their residences."

In some cases, this may mean allocating Project-Based vouchers to the facility slated for closure or downsizing. In other cases, this it might be appropriate to allocate Project-Based vouchers to other housing that could immediately accommodate a group of people at risk of displacement due to imminent facility closure or down-sizing. We believe that HAP's selection committee will be in the best position to make this judgment, based on the totality of information presented to it.

The SNC asks that HAP give projects satisfying this additional criterion preference over other projects.

The SNC also recommends that HAP make some alterations in its standard RFP process for allocating the Project-Based vouchers, as follows:

1. Do outreach to encourage proposals from facilities facing closure or down-sizing, as well as current and potential providers of special needs housing.
2. Hold a pre-bid orientation session to explain how Project-Based contracts work, the RFP, the allocation process and the selection criteria.
3. Offer technical assistance to prospective bidders, including site visits to assess whether a property would (or could) meet Section 8 program qualifications. If possible, provide referrals to a list of individuals with expertise in service funding to assist applicants in preparing a financially-feasible proposal.
4. Require bidders that intend to provide supportive services (*e.g.* case management, mental health, medical) to residents of the proposed project to submit a letter explaining the source of funding for those services with their application.
5. Use an impartial review committee that includes at least one person who is familiar with service funding.

Once again, we appreciate the opportunity to consult with HAP on this important issue.

cc: Multnomah County Chair Diane Linn
Mayor Vera Katz
Commissioner Erik Sten
Mayor Charles Becker
Tonya Parker, BHCD
Bill Van Vliet, HCDC
Rachael Duke, HAP
Paul Parker, HAP
Catherine Such, HCDC
Diane Luther, Multnomah County
Andree Tremoulet, City of Gresham
Andy J. Smith, Multnomah County

APPENDIX G: LONG RANGE GOAL MATRIX

VISION: IN MULTNOMAH COUNTY, PEOPLE WITH SPECIAL NEEDS HAVE DECENT STABLE AFFORDABLE HOUSING FOR THEMSELVES AND THEIR FAMILIES, ALONG WITH THE SUPPORT AND SERVICES THEY NEED FOR A GOOD QUALITY OF LIFE.

GOAL 1. COORDINATE HOUSING + SERVICES TO MAXIMIZE SUCCESS OF PEOPLE WITH SPECIAL NEEDS IN PERMANENT HOUSING.		
LONG TERM STRATEGIES	**POTENTIAL OUTCOMES**	**POTENTIAL TASKS**
Within the service system, establish housing retention/stability goals and track outcomes for all special needs populations.	By 2006, we will track housing outcomes for all special needs populations and use housing outcomes to evaluate programs and inform funding decisions.	Form goal-setting teams within each service sector, including housing expertise.
		To promote retention, expand access to appropriate levels of case management and wrap-around service for people whoa re already in housing.
		Create flexibility in funding to respond to unusual needs that can jeopardize housing stability.
		Assist clients to "transition in place" by providing varying levels of support to each client in his/her own home.
Review rent assistance models that promote housing stability, and assess effectiveness, ease of access, and whether priority populations are well served.	By 2004, we will fund models that promote housing stability. We will differentiate between transitional and permanent housing. We will have outcome data for people assisted.	Reprogram current rent assistance models to models that are most effective at promoting housing stability, offering easy access, and serving priority populations.

LONG TERM STRATEGIES	POTENTIAL OUTCOMES	POTENTIAL TASKS
Regulatory strategy to increase leveraging of local resources with state and federal resources. Maximize local match to increase Medicaid funds. Reduce or eliminate barriers among Medicaid Waivers (e.g. mental health, DD, and long-term care).	By 2006, a person with a high degree of functional disability will be qualified for wrap-around services. There will be no distinctions based on diagnosis to disqualify an individual from needed services.	Empower direct service staff to fund housing-related expenses out of service streams to meet housing goals
Build working relationships between housing and service providers by cross-educating and cross-communicating.	Greater housing accessibility and retention.	Promote concept of multi-disciplinary teams
		Develop model for coordination of case management among service providers focused on "high users of institutions" with multiple problems.
		Develop standardized training program. Improve training in services for housing providers; improve training in housing for service providers. Offer food security training to all.
		Explore ways to maintain stability in service/housing providers

LONG TERM STRATEGIES	POTENTIAL OUTCOMES	POTENTIAL TASKS
Complete shifts in budgets from back-end Solutions to front-end Prevention	By 2007, provide the funding for subsidized housing with easily available and accessible services. By 2007, **50%** of Special Needs populations, who are in need of permanent housing, will be housed in permanent housing with supportive services (including meals). By 2009, **60%** of Special Needs population, who are in need of permanent housing, will be housed in permanent housing with supportive services (including meals).	Research and articulate overall savings Develop political support and leadership Advocate for adequate funding levels to ensure success
Joint planning for each population to promote housing security, food security, health care, dental care, employment	City Commissioner of Housing and County Chair appoint ongoing planning group, composed of appropriate Division and Department Staff and Decision-makers, to develop plans and strategies for an integrated system for providing support services and housing.	Continue active engagement of all stakeholders: consumers, providers, funders, from all service and housing cylinders Expand access to food and nutrition services through housing models Improve linkages to workforce programs and employment that pays a living wage. Expand access to affordable child care.
Develop information system with multiple uses, e.g. accessing services, case management, tracking outcomes, (perhaps build on Housing Connections)	By 2004, have Homeless Management Information System in place with 50% of public and private agencies participating.	Develop information system for consumers. Develop information system for providers.

LONG TERM STRATEGIES	POTENTIAL OUTCOMES	POTENTIAL TASKS
Improve coordination across service systems for people who are or should be in more than one system	By 2004, have interagency agreements in place that permit information sharing with client consent among agencies.	
Create structure for accountability that includes the highest-level policy makers as well as the direct service providers. Monitor implementation	By 2004, designate a new or existing multi-jurisdictional body with the authority to promote and oversee collaboration efforts.	Ensure at least annual report-back on goals progress from Department heads to elected officials
		Explore creation of an inter-agency task-force with clear roles/responsibilities and methods of coordination.
		Explore designation of new or existing multi-jurisdictional authority to oversee collaborative efforts
		Provide continuing political leadership

GOAL 2: CREATE ENOUGH HOUSING FOR PEOPLE WITH SPECIAL NEEDS, INCLUDING HOUSING LINKED TO SERVICES AND HOUSING FOR THE HARD-TO-HOUSE.

LONG TERM STRATEGIES	POTENTIAL OUTCOMES	POTENTIAL TASKS
Link services to HAP, CDCs, private landlords and other key housing providers to better leverage and facilitate special needs occupancy at existing inventory	By 2005, develop a formal information, referral and support program for landlords, property managers and case managers serving residents with special needs. By 2006, have an inventory of locations (non-institutional permanent housing) that accept and are appropriate for persons with special needs Increase number of households assisted to become stable in permanent housing by 2005.	Modify existing models and programs (such as Fresh Start, Home Safe, etc.), to develop agreements with housing providers to house persons with special needs who are high-risk renters by reducing real and perceived risk. Educate landlords, housing providers, managers about renting to people with disabilities, and how to obtain assistance Provide service support to housing providers, owners, and managers to house hardest to house and other special needs populations.
Address underwriters' resistance to financing special needs housing	By 2004, establish relationships with three underwriters to participate in special needs housing pipeline.	Adopt strategies to make the case to underwriters about the financial viability of special needs housing. Educate underwriters on service systems and funding.

LONG TERM STRATEGIES	POTENTIAL OUTCOMES	POTENTIAL TASKS
Stimulate new development targeted to meeting identified gaps	By 2005, develop 400 new supportive housing units for people with special needs By 2004, create an implementation strategy for addressing identified supportive housing gaps. By 2005, develop technical assistance for assembling development and service funding packages.	Inventory existing housing resources to identify needs and gaps by population.
	.	Develop and prioritize targeted special needs production goals, by type and severity of disability, including co-occurring disabilities.
		Coordinate housing and service funding streams – where possible – to stimulate new development to meet specific targets. Fund viable models.

		Develop a variety of best practices and models for special needs housing that balance cost efficiencies and consumer preferences (e.g. efficiencies vs. one bedroom units; scattered sites vs. dense developments). Example: flexible mixed-use housing.
		Develop approval process that includes analysis of service needs/impact prior to funding development of project
		Track and report on inventory and progress toward goals
Attract more special needs housing developers with private capital to invest.	More special needs housing developers with private capital will be operating housing in Multnomah County.	Outreach to special needs housing developers regarding special needs housing goals, housing development and service funding availability, technical assistance, etc.
Increase number of available housing subsidies.	By 2007, 1000 more people with special needs with incomes of 0-20% MFI who require housing subsidies will get them. By 2010, 2000 people with incomes of 0-20% MFI who require housing subsidies will get them.	Explore reallocation of existing resources and development of new resources.
Maintain existing housing serving residents with special needs.	Housing resources and service systems have stable funding commitments.	Create systems that support quality asset management of units that house special needs populations. Coordinate services and services funding to maintain existing special needs housing.

LONG TERM STRATEGIES	POTENTIAL OUTCOMES	POTENTIAL TASKS
Establish new and increased funding for the development of special needs housing.	Twenty percent of new funding for affordable housing will be for special needs housing.	Work with allies on development of new housing resources (e.g. RETT, bond measures, more Section 8 vouchers) Seek set-asides of existing funds for special needs housing. Advocate at state and federal levels to have more funding allocated to housing for people with special needs.
Create more service capacity to support increased level of housing development	By 2006, system will have the capacity to provide necessary services to 600 additional people.	Work with allies on development of new service resources. Explore ways to use potential expanded funding for affordable housing to pay for services (e.g. underwrite increased operating expenses.) Lobby at state and federal levels to have more funds allocated to services for people with special needs.
For interim period, appoint City/County ombudsman to facilitate development of special needs housing by addressing housing/service funding coordination issues.	Ombudsman facilitates development of special needs housing through 2006, while larger systems change work builds.	
Develop community support for special needs housing	Reduced neighborhood resistance to siting special needs housing, and increased public support for funding special needs housing.	Educate neighbors: door-to-door, at community centers, caring communities, parks, neighborhood associations, etc.

LONG TERM STRATEGIES	POTENTIAL OUTCOMES	POTENTIAL TASKS
Better integrate current homeless system clients with mainstream housing.	By 2005, 20% of all people who have experienced homeless ness for one year or longer will be place in housing with appropriate service supports. By 2007, shelter count will show reductions in numbers of people sheltered and numbers turned away.	Consolidate homeless delivery systems with special needs delivery systems where appropriate to merge housing access and support services
		Move funding from “back” end (shelter, hospital, jail) to “front” end (housing and services).
		Develop “front-end” system. Coordinate/consolidate resources across departments (state, county, city) in order to streamline effort and use of dollars.
Provide housing to those not currently served or considered to be “clients” of the mainstream service system.	By 2010, have outreach methods in place to make housing opportunities available to these “non-clients.” Decrease street count of homeless people from 2003 levels by 20% in 2005, by 50% in 2007, and maintain low numbers of people on the street for future years.	Devise methods to reach these individuals and offer them permanent housing
Reduce duplication and fragmentation between homeless systems and special needs service system	By 2005, increase provider access to mainstream funding by 25%. By 2006, reduce homeless- specific funding for special needs services by same amount.	Implement integrated Housing First model across all systems of care

LONG TERM STRATEGIES	POTENTIAL OUTCOMES	POTENTIAL TASKS
Shift some of budget from end-line services (jails/hospitals/shelters) to homeless prevention services that show success in attaining housing and health outcomes	By 2005, invest enough housing and service dollars to create a pipeline of 400 supportive housing units. By 2006, house an additional 250 “hard to house” chronically homeless individuals through ”Housing First” model. By 2007, shift resources from savings in hospitals, jails, and shelters to supportive housing models. By 2007, reduce reliance of homeless services on CDBG public service dollars by 25% and allocate savings to special needs housing development.	Develop small prevention demonstration project out of end-service budget lines to show cost-effectiveness Track success and expand as appropriate Develop demonstration project of a coordinated/ consolidated interdepartmental system to streamline provision of services to clients at risk of homelessness. Track success and expand as appropriate.
Create better coordination between mainstream service providers and permanent long-term providers for persons poised for transition out of institutions	By 2005, implement cross-system comprehensive discharge plan that ensures housing stability for 60% of homeless people released from institutions. By 2007, increase to 75%.	

GOAL 3: IMPROVE ACCESS TO HOUSING + SERVICES, INCLUDING OUTREACH TO THE HARD-TO-HOUSE.		
LONG TERM STRATEGIES	**POTENTIAL OUTCOMES**	**POTENTIAL TASKS**
Design comprehensive and culturally-competent screening and assessment tool, including a housing need assessment component, for use by social service agencies	By 2006, demonstrate a comprehensive screening and assessment tool in selected populations. By 2010, 100% of people with special needs accessing County services will have been screened and assessed using the comprehensive tool.	Examine current assessment models: ADS, Cascadia, CAP, etc. Develop model assessment protocol Coordinate entry for services (DD, MH, ADS) and housing as much as possible (e.g. single point of application, single application, comprehensive needs analysis).
Offer clients a comprehensive service plan that includes access/placement/ stabilization/retention resources for both housing and social service needs. Service plans will be client-centered and culturally competent Comprehensive service plans will include food security, intervention services, life skills training, and remedial literacy as needed	By 2010, 100% of special needs applicants accessing county services, regardless of point of entry, will have a comprehensive service plan that includes access/placement/ stabilization/retention resources for both housing and social service needs. This includes an integrated plan for clients discharged from facilities. By 2004, develop agreements between housing and service providers to facilitate coordinated service plans. By 2006, all partners will use one resource database for all resources, including DD, MH, ADS, DV	Explore ways to jointly administer housing rent subsidy programs and service programs (e.g. Medicaid), so that individuals eligible for services would also receive rent subsidies. Align flexible housing and rental assistance funds with service delivery systems.

		Create and map inventory of available resources
Have funding follow the client.		Identify the current funding configurations for typical populations
		Map the movement of the individual and the funding streams through types of housing
		Chart and evaluate the impacts of such a potential change.
Conduct outreach and marketing that reaches special needs clients where they are, using non-traditional partners such as courts, hospitals, and retailers	By 2008, 80% of people with special needs will know how to access services	Identify and map non-traditional partners. Develop culturally competent informational materials about available resources, with culturally specific content as needed. Develop kiosks, web sites, storefront displays, and public event booths.
Offer “safe haven” and low barrier shelter. Increase respite	By 2006, there will be 100 units of safe haven and low barrier shelter. By 2006, there will be 15 medical respite beds available in the system.	

MEMORANDUM OF UNDERSTANDING

PORTLAND-VANCOUVER INCOME LIMITS FOR YEAR 2003 AND THE FAIR MARKET LIMITS FOR 2003 EFFECTIVE IMMEDIATELY

Median Income Percentages Year 2003

FY 2003 **65,800**

Household Size	30%	50%	60%	80%	100%
1	13,800	23,050	27,650	36,850	46,050
2	15,800	26,300	31,600	42,100	52,650
3	17,750	29,600	35,550	47,400	59,200
4	19,750	32,900	39,500	52,650	**65,800**
5	21,300	35,550	42,650	56,850	71,050
6	22,900	38,150	45,800	61,050	76,350
7	24,500	40,800	48,950	65,250	81,600
8	26,050	43,450	52,100	69,500	86,850

(Based on the HUD Portland Area Median Income as of December 31,2002: **$65,800** for a family of four. Figures are rounded to the nearest $50.00).

These new guidelines should be used to determine program eligibility and to track beneficiaries. Most BHCD programs are tracked at 30% (very low income), 50% (low income) and 80% (moderate income).

For questions about applicability of these guidelines to particular programs or funding agreements, please contact your Program manager.

FAIR MARKET RENT FOR 2003

BEDROOM SIZE	FMR
0	$ 508

1	$ 625
2	$ 771
3	$1,073
4	$1,164

APPENDIX I: ACRONYMS

Acronym	Description
ADS	Aging and Disability Services, Division of Dept. of County Human Services
AFCH	Adult Foster Care Home
ALF	Assisted Living Facility
ADL	Activities of Daily Living
A&D	Alcohol and Drug
AMI	Area Median Income
BHCD	Bureau of Housing and Community Development, City of Portland
CDBG	Community Development Block Grant
CEBN	Emergency Basic Needs
CFC	Oregon's Consolidated Funding Cycle
CM	Case Management
DCHS	Multnomah County Dept. of County Human Services
DCJ	Multnomah County Dept. of Community Justice
DD	Developmental Disability
DHS	Department of Human Services, State of Oregon
EMO	Ecumenical Ministries of Oregon
ESRD	Emergency Services
FFS	
FHLB	Federal Home Loan Bank
HAP	Housing Authority of Portland
HCDC	Housing and Community Development Commission
HELP	State Homeless Federal Funding
HOME	The name of a grant. Not an acronym.
HUD	U.S. Dept of Housing and Urban Development
IRCO	Immigrant and Refugee Community Organization
JOIN	Organization that places homeless people into housing.
LIHTC	Low Income Housing Transfer Credit
MCCJ	Multnomah County Criminal Justice
MFI	Median Family Income
MH	Mental Health
MHS	Mental Health System
NARA	National Alliance of Rehabilitation
NOFA	Notice of Funding Availability (Federal)
OCF	Office of Children and Families (no longer exists)
OHCS	Oregon Housing and Community Services
OHP	Oregon Health Plan
PATH	Mental health homeless program
PDC	Portland Development Commission
RASP	Rental Assistance Support Program
RCF	Residential Care Facility
RFP	Request For Proposal

SNC	Special Needs Committee
SNF	Skilled Nursing Facility
SSD	Social Security Disability
SSI	Social Security Income
SRO	Subsidized Rent Occupancy
TIF	Tax Increment Financing
TSU	Multnomah County DCJ Transition Services Unit