

Ohio Interagency Council on Homelessness and Affordable Housing Permanent Supportive Housing Policy Framework

1. Introduction/Rationale

State of Ohio PSH Goal

The Ohio Interagency Council on Homeless and Affordable Housing has adopted a goal of creating 6,000 new PSH housing opportunities over the next five years to help address high priority permanent housing and supportive services needs of the most vulnerable households with serious and long-term disabilities. These new PSH opportunities are essential for Ohio to address homelessness and chronic homelessness among Ohioans with disabilities and to promote and advance the community integration goals affirmed in the U.S. Supreme Court's *Olmstead* decision by reducing Ohio's reliance on expensive and unnecessary institutional settings. While this is an ambitious goal, and we need to continue to grapple with balancing our concerns for those currently homeless and those at risk of homelessness or institutionalization, it is achievable through this State of Ohio Permanent Supportive Housing Policy Framework. In addition, the need for preserving existing PSH is extremely critical, requiring mindfulness that the preservation of affordable housing units meeting the PSH definition is also necessary.

As we inaugurate the beginning of a new decade, Ohio state officials, advocates, and other PSH stakeholders have recognized the importance of acting at this opportune moment in time. Momentum is rapidly building for an array of new federal policy and resource opportunities that can help "take PSH to scale" in Ohio and other states. These federal opportunities include:

- A new U.S. Department of Housing and Urban Development (HUD) – U.S. Department of Health and Human Services (HHS) collaboration on evidenced-based housing and services approaches for vulnerable populations;
- The National Housing Trust Fund (NHTF) which could bring an estimated \$38 million in new federal funding to Ohio. The majority of this funding must be invested in permanent housing for the lowest income people;
- A new federal PSH Demonstration through the anticipated enactment of legislation to reform HUD's Section 811 Supportive Housing for Persons with Disabilities Program;
- New Housing Choice Vouchers targeted by Congress for PSH; and
- New Housing Choice Vouchers targeted by Congress for Homeless Veterans.

The State of Ohio must be prepared to act boldly and decisively with innovative and feasible PSH policies and collaborations, an alignment of state resources, and the leadership and local partnerships that can ensure the creation of PSH at scale across the state. While many states will

seek to “tap into” federal resources to create new PSH units, this State of Ohio PSH Policy Framework adopted by the Governor’s Interagency Council on Homelessness and Affordable Housing Ohio positions the state to maximize the leveraging of these and other valuable resources to create as many as 6,000 new PSH opportunities over the next five years.

The State of Ohio can achieve this goal by:

- (1) Improving the alignment of State of Ohio policies and resources for PSH expansion in order to leverage federal and local PSH resources; and
- (2) Initiating PSH resource collaborations and partnerships with local communities and Public Housing Agencies (State-Local PSH Partnerships).

State-Local PSH Partnership

Ohio has been a leader in PSH since 1987 when the State received three of nine Robert Wood Johnson Foundation grants to expand PSH for people with serious and persistent mental illness. There are communities across Ohio excel at creating this evidenced-based and cost effective housing model that saves taxpayers money and assists the most vulnerable people with disabilities to live and participate successfully in community life. These communities have succeeded largely because they have been successful in attracting and aligning resources for PSH from every level of government – including federal, state, county, and municipally controlled housing and services funding streams.

The State of Ohio cannot successfully initiate an expansion of the PSH model at the scale needed across the state by relying solely on state resources or the dedication of mission driven non-profits. Through the work of the Interagency Council, it has become clear that by adopting a PSH Framework and by initiating State-Local PSH Partnerships in communities across the state, the ambitious goal of creating 6,000 new PSH opportunities is within reach. To initiate these partnerships, the state must continue to target existing state resources and align critically important new resources to support future PSH development including:

- **Federal Low Income Housing Tax Credits (LIHTC)** - In its 2010 Qualified Allocation Plan, OHFA established a target pool of up to \$3 million of LIHTC to support PSH development;
- **Ohio Department Mental Health’s (ODMH) Community Capital for Housing Program** - ODMH’s capital funding currently provides resources to purchase, renovate or construct permanent supportive housing for persons with mental illness and their families.

- **Ohio Department of Developmental Disabilities’ Capital Housing Program** – ODODD’s capital funding currently provides resources to purchase, renovate or construct permanent supportive housing for persons with developmental disabilities receiving supported living services through the Home and Community Based waivers.
- **National Housing Trust Fund** – Authorized by Congress in 2008, HUD is seeking \$1.2 billion in funding for the NHTF in FY 2010 – which under a National Low Income Housing Coalition suggested formula would grant more than \$38 million in new federal affordable housing funding to Ohio. According to NHTF guidelines, at least 67.5 percent of NHTF funding must be spent on permanent housing for households at or below 30 percent of Area Median Income. As one mechanism to initiate State-Local PSH Partnerships across Ohio, the State of Ohio will commit a substantial amount of NHTF resources to the creation of new PSH units.
- **Ohio Housing Trust Fund** – The Ohio Housing Trust Fund is an extremely flexible source of funding with dedicated revenue from real estate recording fees. Historically, substantial resources within the Ohio Housing Trust Fund have been dedicated to addressing homelessness. However, the Ohio Housing Trust Fund has not necessarily been prioritized for PSH. Given the substantial body of rigorous research proving the cost effectiveness and successful outcomes achieved from the PSH model, the State of Ohio will ensure that Ohio Housing Trust Fund resources support the creation of PSH, including the financing of PSH operating subsidy and services “gaps” that cannot be addressed with other sources of funding.
- **New Federal Section 811 Demonstration Program** – Important PSH legislation now being considered by the Congress (H.R. 1675 and S. 1481) proposes an innovative PSH Demonstration program to spur the development of integrated Section 811 financed PSH units in properties financed with federal Low Income Housing Tax Credits, HOME funds, and other capital funding sources. The State of Ohio believes that this legislation as currently proposed could significantly advance the creation of PSH across Ohio and will work to position the State to compete successfully for these funds as currently proposed.

The PSH resources highlighted above represent major new opportunities that can incentivize and leverage an expansion of PSH across Ohio. Many other affordable housing and supportive services resources in Ohio are controlled at the state, county and local level, and have been identified in the Technical Assistance Collaborative’s *Report to the Ohio Interagency Council on Homelessness and Affordable Housing* dated June 29, 2009. These include federal Low Income Housing Tax Credits, state and locally controlled HOME funds, 90,000+ Housing Choice Vouchers administered by Public Housing Agencies, ODMH and ODODD Capital funds, Medicaid, and state/county resources targeted for community based supports for people with

disabilities in need of PSH. Strategies for leveraging these resources will be forthcoming from the PSH State-Local Partnership Workgroup.

2. State of Ohio Permanent Supportive Housing Definition

The State of Ohio has adopted the following definition of Permanent Supportive Housing:

- PSH is permanent, community-based housing targeted to extremely low income households with serious and long-term disabilities;
- PSH tenants have leases that provide PSH tenants with all rights under tenant-landlord laws. Generally, PSH provides for continued occupancy with an indefinite length of stay as long as the PSH tenant complies with lease requirements;
- At a minimum, PSH meets federal Housing Quality Standards (HQS) for safety, security and housing/neighborhood conditions;
- PSH complies with federal housing affordability guidelines – meaning that PSH tenants should pay no more than 30-40 percent of their monthly income for housing costs (i.e., rent and tenant-paid utilities);
- PSH services are voluntary and cannot be mandated as a condition of admission to housing or of ongoing tenancy PSH tenants are provided access to a comprehensive and flexible array of voluntary services and supports responsive to their needs, accessible where the tenant lives if necessary, and designed to obtain and maintain housing stability;
- PSH services and supports should be individually tailored, flexible, accessible by the tenant, and provided to the extent possible within a coordinated case plan; and
- As an evidence-based practice, the success of PSH depends on ongoing collaboration between service providers, property managers, and tenants to preserve tenancy and resolve crisis situations that may arise.

Ohio has adopted this definition because it reflects the evidenced-based PSH model that has been extensive and rigorous researched over the past fifteen years and has been determined to: (1) consistently achieve highly successful outcomes for PSH tenants; and (2) be cost effective when compared with the costs of homelessness and/or institutionalization. It should be noted that there are several other models that combine housing with services that – while not identical to the PSH model defined above – may have value in addressing the needs of certain vulnerable populations. These other housing/services models include transitional housing, short-term or medium-term

housing assistance with time limited services, assisted living for elderly households, senior housing, other service-enriched housing models for families, or other models which have requirements that are not consistent with the PSH definition.

3. Permanent Supportive Housing Criteria and Target Populations

The State of Ohio has adopted the following criteria and target populations for participation in PSH to ensure leveraging of federal resources to the greatest extent possible.

Income Requirements: PSH is targeted to extremely low income households (30 percent of AMI and below); and

Age: The PSH head of household is generally, but not exclusively 18-61 years old; and

Disability: A PSH household is a household in which a sole individual or an adult household member has a serious and long-term disability that:

- Is expected to be long-continuing, or of indefinite duration;
- Substantially impedes the individual's ability to live independently;
- Could be improved by the provision of more suitable housing conditions; and
- Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post traumatic stress disorder, or brain injury; is a developmental disability, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 USC 15002); or is the disease of acquired immunodeficiency syndrome or any condition arising from the etiologic agency for acquired immunodeficiency syndrome;

and meets one or more of the following eligible PSH populations:

- Households with serious mental illness or co-occurring mental illness and substance abuse who are homeless or at-risk of homelessness or institutionalization;
- Homeless households or those at risk of homelessness or institutionalization with serious and long-term disability directly related to abuse of alcohol or drugs;
- Households with serious intellectual or developmental disabilities acquired before the age of 22 including those with co-occurring mental illness, developmental disabilities, and

autism spectrum disorders who are homeless or at-risk of homelessness or institutionalization;

- Households with serious physical, sensory, or cognitive disabilities occurring after the age of 22 who are homeless or at-risk of homelessness or institutionalization;
- Households with serious disabilities caused by chronic illness, including but not limited to HIV/AIDS, who are no longer able to work and who are homeless or at-risk of homelessness or institutionalization;
- People ages 16 to 24 who have serious disabilities who are aging out of Ohio's foster care system and who are homeless or at-risk of homelessness or institutionalization; and
- People with serious and long-term disabilities who are being released from Ohio correctional facilities and who are at-risk of homelessness or institutionalization.

4. Permanent Supportive Housing Approaches and Models

The State of Ohio supports the creation of a range of permanent supportive housing approaches and models to meet the needs and housing preference of PSH tenants.

The main approaches to helping PSH tenants afford housing are:

- **Project-based rental assistance**, in which housing subsidies are tied to a particular unit and tenants who chose to live in those units pay a reduced rent;
- **Sponsor-based rental assistance**, in which a nonprofit agency receives support to buy or lease housing that is then leased to qualified tenants; and
- **Tenant-based rental assistance**, in which a tenant receives a voucher, entitling the tenant to a reduced rent, which can be used to rent a unit of the tenant's choice from a landlord who agrees to accept the voucher.

These three approaches can be used to provide services to tenants in two types of settings:

- **Single-site housing** is housing in which tenants who receive support services live together in a single building or complex of buildings, with or without onsite support services; and
- **Scattered-site housing** is housing in which tenants who receive support services live throughout the community in housing that can be agency-owned or privately-owned.

5. Examples of Permanent Supportive Housing in Ohio

I. Single-Site PSH Models

Tenant –Based Rental Assistance

Joey’s Landing is an 8 unit, new construction project in the City of Warren. This project provides subsidized housing to homeless adults with a mental health disorder. All of the tenants have a Shelter Plus Care tenant based voucher. Persons are referred to the project through their case manager and eligibility is determined through the Housing Specialist. Supportive services (case management and vocational services) are currently funded through the grant as well as operating costs such as property management fees, snow removal, lawn care, general maintenance and costs for the common laundry area. Key partners are Valley Counseling Services (mental health provider), Coleman Professional Services (mental health provider, employs the housing specialist and employment specialist), Trumbull LifeLines, the mental health and recovery board who is the owner of the project and the grantee for the Shelter Plus Care vouchers, and Sunshine, Inc. the property management company.

Sponsor-Based Rental Assistance

South Pointe Commons, on Cleveland's southwest side, is a mix of new construction and rehabilitation of an existing four-unit building comprised of 78 efficiency apartments, 4 one-bedroom apartments, and 2,000 square feet of retail that is occupied by a Mediterranean restaurant. The project serves adults who have who have experienced long-term homelessness and who suffer from disabilities that inhibit their ability to sustain housing. Rental assistance is provided through sponsor-based Shelter Plus Care administered through EDEN Inc. The Cleveland Housing Network (CHN) was the lead developer of South Pointe Commons and the project is co-owned by CHN and EDEN Inc. Mental Health Service is the lead service provider partnering with the AIDS Task Force of Greater Cleveland and the Louis Stokes Cleveland VA Medical Center.

Project-Based Rental Assistance

Southpoint Place Apartments, Columbus Ohio Eighty Apartments is comprised of 40 Townhomes for families and 40 studio apartments for single adults. A Permanent Supportive Housing development with site-based services for vulnerable single adults and families disabled by mental illness, substance addiction or histories of homelessness: 25 homeless and disabled single adults - 26 homeless and disabled families and 15 disabled single adults and 19 disabled families. There were twelve public and private funding sources including Project-based

Section-8 Rent Subsidy, HUD PSH and HOME, Equity from LIHTC Program, Franklin Co. ADAMH Board, Community Shelter Board and private contributions.

II. Scattered-Site PSH Models

Tenant –Based Rental Assistance

The **Ohio Department of Job and Family Services (ODJFS)** has developed partnerships with Public Housing Authorities in Ohio to set aside approximately 60 vouchers for people with disabilities who are approved for the HOME Choice program (federally known as Money Follows the Person Demonstration Program). The program assists people with disabilities who currently reside in a nursing home who wish to return to the community. ODJFS has designated Transition Coordinators to assist the consumer and work directly with the PHA in obtaining the Housing Choice voucher. Each consumer is supported by Medicaid waiver services (If necessary) to help support them in the community. ODJFS is currently partnering with Cuyahoga Metropolitan Housing Authority, Lucas Metropolitan Housing Authority, and Akron Metropolitan Housing Authority.

Sponsor-Based Rental Assistance

Columbiana County Mental Health Association (MHA) operates a Sponsor-Based Rental Assistance Program (SRA) serving 5 homeless individuals who have a severe and persistent mental illness. Participants reside in scattered site, one-bedroom apartments in sponsor-based units leased to the Sponsor Agency. All 5 units are located in Salem, Ohio. Contracts are signed between the sponsor agency, the Columbiana County Mental Health Clinic, and landlords to maintain these units for participants of this program only. The Columbiana County Metropolitan Housing Authority provides Section 8 vouchers. The Columbiana County Mental Health Clinic provides the support services.

Project-Based Rental Assistance

Miami Valley Housing Opportunities (MVHO) provides permanent supportive housing in a scattered setting with a total of 20 units comprised of five 4-unit apartments throughout the county. The project is made up on two-bedroom units located in suburban neighborhoods outside of Dayton. MVHO's acquisition and rehabilitation of the units was funded through the Ohio Department of Mental Health Capital Funds and Montgomery County HOME funds. MVHO owns and manages the properties that serve homeless, disabled families. The Dayton Metropolitan Housing Authority provides 20 Section 8 project-based vouchers.