

OMAHA

FIVE-YEAR HOUSING ACTION PLAN

PROJECT #2

EXTREMELY LOW INCOME PERSONS WITH A SERIOUS MENTAL ILLNESS

Prepared for:

***NEBRASKA DEPARTMENT OF HEALTH AND HUMAN SERVICES
NEBRASKA DEPARTMENT OF ECONOMIC DEVELOPMENT***

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OMAHA, NEBRASKA

FIVE-YEAR HOUSING ACTION PLAN

EXTREMELY LOW INCOME PERSONS WITH A SERIOUS MENTAL ILLNESS

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SECTION 1
INTRODUCTION -
PURPOSE & PROCESS

SECTION 1

INTRODUCTION - PURPOSE & PROCESS

THE PURPOSE- FIVE-YEAR HOUSING ACTION PLAN

This **Five-Year Housing Action Plan** allows the Nebraska Department of Health and Human Services (NHHS) and Economic Development (NDED) to address planning issues related to the provision of *safe and affordable housing for persons with a Serious Mental Illness (SMI) with extremely low incomes*, residing in the counties associated with the "Primary" community of **Omaha, Nebraska**, as identified in the Statewide Consumer Housing Need Study, completed for NHHS and NDED, in September, 2003. This SMI housing action planning process examines and identifies the most appropriate housing types, for a targeted 1,043 persons with SMI, for a five-year period 2003 to 2008, as presented in the Statewide Consumer Study. This SMI Housing Action Plan is intended to be approved, by consensus, by pertinent, interested groups and individuals involved in the Omaha SMI housing market area, including the Region VI Governing Board, local officials, consumers and services providers.

THE PROCESS- FIVE-YEAR HOUSING ACTION PLAN

NHHS retained the services of Hanna:Keelan Associates, P.C., Lincoln, Nebraska, to prepare the Omaha, Five-Year Housing Action Plan, for persons with SMI. Hanna:Keelan was assisted by the **Omaha Community Team**, comprised of representatives of federal, state and local leadership and housing funders and families, groups and individuals representing persons with SMI. The Action Plan was completed during the period of October, 2003 to July, 2004.

Hanna:Keelan was directed to study, analyze and determine the appropriate current and future affordable housing needs of persons with SMI, who are extremely low income, in the community of Omaha, Nebraska.

*process,
continued.....*

The Omaha SMI housing planning process included both a ***"qualitative" and "quantitative" research program***, in an effort to identify the types, number and location of **respite care/emergency shelter beds, group residential beds, residential units**, and housing programs, most appropriate, to enhance the quality of life for income qualified persons with SMI. Emphasis was placed on meeting the identified need for additional permanent housing with supportive services for persons who are extremely low income, with SMI issues.

*qualitative
process.....*

The ***qualitative research program*** included valuable input from the Omaha Community Team. The Team met on three occasions, to discuss and assess the housing and services needs of persons with SMI.

*quantitative
process.....*

The ***quantitative research program*** included utilizing statistical data available in the Statewide Consumer Study. This data was obtained via the U.S. Census, CHAS Tables and the Nebraska Mental Health Estimation Project, prepared by the Western Interstate Commission for Higher Education, with the assistance of Charles Holzer and Associates, University of Texas Medical Branch. The projection of data was completed by Hanna:Keelan, utilizing standard formats for trends/projections analysis. Provider and consumer surveys, as well as provider and consumer focus group meetings, conducted for the Statewide Consumer Study, provided qualitative information which was utilized in finalizing the trend/projection analysis.

SMI Defined

For purpose of this SMI Housing Action Plan, the following definitions for persons with SMI were utilized. *(1) Persons 18+years of age, (2) who currently have, or have at any time during the past year had a diagnosable mental, behavioral, or emotional disorder of sufficient duration to meet diagnostic criteria specified within DSM-IV or their ICD-9-CM equivalent (and subsequent revisions).*

**SMI defined,
continued.....**

This includes mental disorders such as schizophrenia (295), mood disorders, including bipolar and major depression (296), delusional disorder (297.1), shared psychotic disorder (297.3), brief psychotic disorder (298.8), and psychotic disorder NOS (298.9). Excluded are DSM-VI "V" codes, substance use disorders, and developmental disorders, unless they occur with another diagnosable serious mental illness. (3) That has resulted in functional impairment (i.e. basic daily living skills, instrumental living skills, functioning in social, family and vocational/educational contexts), which substantially interferes with or limits one or more major life activities. Note: Subsets of SMI include persons with a severe and persistent mental illness and persons disabled by severe and persistent mental illness.

**Statement of
Conditions**

Omaha, Nebraska, located along Interstate 80 corridor, is the largest community in the State, with an estimated 2004 population of 410,000. The City's population is projected to increase an estimated 1.2 percent, annually.

In 2000, Omaha had an estimated 165,731 housing units, with 5.43 percent, or 8,993 units vacant, of which 58.5 percent, or 5,260 were rental units. In 2004, an estimated 40.8 percent of the households are renters.

**REVIEW OF
STATEWIDE
FINDINGS/
CONCLUSIONS**

The **Statewide Consumer Housing Need Study** documented a five-year forecast of affordable housing needs of extremely low income persons with SMI. The Study predicted an **estimated 71,763 persons with SMI**, 19+ years of age, will reside in Nebraska by 2008. This will equal an estimated 5.5 percent of the total 19+ years of age population in the State. An estimated 88 percent of the **71,763 persons with SMI will reside in a household** (non-institutionalized/non-hospitalized) or be homeless.

*Extremely low
income SMI.....*

The **Statewide Study** concentrated on adults with SMI, residing in a household or homeless, at 50 percent of the Area Median Income (AMI) or less, for ages 19 to 21 years, and 30 percent of AMI or less for 22+ years of age adults. **An estimated total of 17,030 SMI adults (3,788, 19 to 21 years and 13,242, 22+ years) will be within these income categories, by 2008.**

*SMI with cost burden
housing problems.....*

An estimated 75 percent of the SMI adults, within the designated AMI categories, will experience cost burden/housing problems. This total is **12,763 SMI adults**; an estimated 2,698 at 19 to 21 years and 10,065 at 22+ years of age.

*Target SMI Housing
Need.....*

A **target SMI housing** need was identified in the Statewide Consumer Housing Need Study, which included **3,926 bed/units**, by 2008 an estimated 31 percent of the total estimated income eligible SMI adults (12,763) having cost burden/housing problems. The Study also identified three specific housing types; crisis/respite care- emergency shelter, group residential and residential units.

**Target Housing
Types.....**

The Statewide Consumer Housing Need Study identified the following **target housing types for persons with SMI**.

- ⇒ **Crisis/Respite Care Emergency Shelter** is a broad category which includes housing designed to provide temporary shelter and services to individuals with a serious mental illness, including homeless individuals. This includes respite care beds, meant to provide temporary, specialized care in an crisis situation or in the absence of a primary care giver, with services provided on a planned or unscheduled basis due to crisis or other events which arise. This category also includes emergency shelter beds for homeless individuals with a serious mental illness.

- ⇒ **Group Residential Programs** are facility-based, non-hospital or nursing facility programs for persons disabled by severe and persistent mental illness, who are unable to reside in a less restrictive residential setting. These facilities are integrated into the community and provide skill building in community living skills, daily living skills, self medication management and other related psychiatric rehabilitation services as needed to meet individual consumer needs. A group residential facility involves living with a group of people with 24 hour staff.

- ⇒ **Residential Units** include independent living units, such as apartments or single room occupancy housing. Staff is not located on site, however community support provides consumer advocacy, ensures continuity of care, supports consumers in time of crisis, provides skill training, ensures the acquisition of necessary resources and assists the consumer in achieving community and social integration.

Mental Health Services.....

The Statewide Consumer Study identified ***mental health services***, in addition to housing needs for persons with SMI. The following definitions and estimated costs apply to these services.

Mental Health Rehabilitation/Support/Recovery-

The estimated annual cost for Mental Health Rehabilitation/Support/Recovery utilizes an estimated average baseline cost of \$11,000 per unit/bed-occupant, per year. This would include costs associated with mental health rehabilitation and support services designed to promote recovery, such as day rehabilitation, community support, residential rehabilitation, Assertive Community Treatment (ACT), vocational support and related services.

- Occupants of crisis/respite care/emergency shelter beds would require an estimate average annual cost of \$12,700, per occupant, for mental health rehabilitation/supply/recovery services. Emergency shelter beds at \$6,000 per unit and Crisis/Respite Care Beds at \$39,500 per bed.
- Occupants of group residential beds would require an estimated average annual cost of \$36,000.
- Occupants of residential units would require an average annual cost of \$3,000.

Medical Treatment For SMI- The estimated annual cost for Medical Treatment for the Seriously Mentally Ill includes costs associated with medication expenses. An estimated average of \$5,800 per unit/bed-occupant, per year, was established; an estimated \$3,500 for the 19 to 21 years of age group and an estimated \$5,850 for the 22+ years of age group. All or part of the expenses for medical treatment services expenses may already be covered for a portion of the targeted population, by Medicaid or Medicare.

The definition and estimated costs for the identified target housing types and mental health services apply to all 34 "Primary" communities, in the State of Nebraska, including Omaha, Nebraska.

**REGION VI
SMI HOUSING
NEED**

The Statewide Consumer Housing Need Study identified a five-year SMI housing need of **1,507 units/beds**, to be situated in the following Region VI "**Primary**" communities; Omaha, Bellevue/Papillion/Ralston, Fremont, Plattsmouth and Blair. These communities are slated to provide housing for the SMI population in all of the five counties served by Region VI. The City of Omaha was identified as the "**Primary**" community to provide **1,043 units/beds**, to serve the SMI consumers residing in Douglas County.

**SMI Housing
& Economics-
Omaha**

By 2008, an estimated **357,600** residents, residing in Douglas County, represented by the community of Omaha, will be **19+ year of age**. An estimated **18,976** of this population will be diagnosed with a **serious mental illness**. An estimated 88 percent of this group, or **16,706; will reside in a household, or be homeless, or without permanent housing**.

Of the estimated 16,706, 19+ years of age, SMI residents, living in Douglas County represented by Omaha, an estimated 26.9 percent, or **4,505 residents**, will meet the **extremely low - to low income** criteria, established in the Statewide Consumer Housing Need Study. An estimated 75 percent of this groups, or **3,379**, will be **cost burdened, and/or have housing problems**

Of the **3,379 SMI Residents** identified as the group most needing affordable housing, a total of **1,043 units/beds** have been **targeted** to meet an estimated 30.8 percent of this need.

- A. **By 2008, Douglas County (Estimated) Population – 357,600 , 19+ Years of Age**
- B. **Total SMI, 19+ Years of Age - 18,976 (5.8% (A))**
 - 19-21 Years of Age – 2,063
 - 22+ Years of Age – 16,913

*housing
economics,
continued.....*

- C. Total SMI, in Households, 19+ Years of Age – 16,708 (88.0% (B))**
 - 19-21 Years of Age – 1,843
 - 22+ Years of Age – 14,863
- D. Total SMI, in Households, AMI – 4,505 (26.9%(C))**
 - 19-21 Years of Age, 0% - 50% AMI - 1,004
 - 22+ Years of Age, 0% - 30% AMI – 3,501
- E. Total SMI, 19+ Years, in Households, AMI, Cost Burdened/Housing Problem (CB/HP) – 3,379 (75.0% (D))**
 - 19-21 Years of Age, 0% - 50% AMI-CB/HP - 711
 - 22+ Years of Age, 0% - 30% AMI-CB/HP – 2,668
- F. Total SMI Targeted Household Need - (30.8% (E))**
 - 19-21 Years of Age, 0%- 50% AMI-CB/HP -212
 - 22+ Years of Age, 0% - 30% AMI-CB/HP- 831

*Targeted Group/
Housing Type.....*

A total of 212 units/beds have been identified for the 19-21 years of age SMI population group, for Omaha, by 2008. This would include three housing types; crisis/respice care- emergency shelter beds, group residential and residential units. The 22+ years of age SMI group will require 831 units/beds, by 2008, in Omaha, with residential units being the most needed type of housing, 605 units.

TARGETED GROUP/HOUSING TYPE

- **19-21 Year (0% - 50% AMI)**
 - Crisis/Respice Care/Emergency Shelter Beds - 27
 - Group Residential Beds - 67
 - Residential Units - 118
 - Subtotal 212
- **22+ Years (0% - 30% AMI)**
 - Crisis/Respice Care/Emergency Shelter Beds - 58
 - Group Residential Beds - 168
 - Residential Units - 605
 - Subtotal 831

TOTAL (UNITS/BEDS) 1,043

***Estimated Costs-
Housing and
Services.....***

The following identifies the estimated cost to both construct and operate the 1,043 SMI beds/units in Omaha, and the estimated costs associated with providing both mental health services and medical treatment to this group of consumers.

Target Household Need - Capacity Building, Land Requirements, Development Costs, Operating Expenses - Omaha

- 1. Housing Capacity Building Costs.....\$9,000
- 2. Est. Land Requirements..... 127.43 Acres
- 3. Est. Development Costs.....\$87,592,000
- 4. Est. Annual Operating Expenses....\$5,689,100

Target Household Need - Mental Health Services and Medical Costs - Omaha

- 5. Est. Annual Cost - Mental Health
Rehabilitation/Support/Recovery..\$11,644,849
- 6. Est. Annual Cost - Medical Treatment
For SMI.....\$5,603,350

**OMAHA
AFFORDABLE
HOUSING SUPPLY**

The Community of Omaha has an excellent supply of modern, affordable housing for persons and families of low- to moderate income. The majority of these affordable housing programs are funded by HUD and the Low Income Housing Tax Credit (LIHTC) Program.

The City of Omaha has an estimated 13,900 units of affordable housing. This includes LIHTC units, Public Housing units, Section 8 Vouchers, as well as Section 202 and 811 program units and other HUD funded affordable rental apartments, via mortgage insurance programs.

Public Housing units have an overall, estimated occupancy rate of 98 percent, while Section 8 rental assistance units have an estimated occupancy rate of 99 percent. Section 202 and 811 program units have an estimated occupancy rate of nearly 100 percent, according to recent estimates by Omaha HUD staff.

affordable housing supply, continued.....

NIFA compiled a LIHTC survey in December, 2003 and determined that units within the City of Omaha have a current average occupancy rate of approximately 90 percent.

Several LIHTC affordable rental apartment facilities have up to five units designated as "handicapped" units that would be occupied by persons with SMI, utilizing the HUD 202 and 811 programs. Likewise, HUD 202 apartment facilities constructed before 1993 could and do house persons with a disability(ies), including those with SMI. After 1993, all HUD "handicapped" units were constructed under the 811 program.

Community Alliance, of Omaha, has been the premier developer of housing for persons with SMI. The organization is soon to start construction of its seventh HUD program. Community Alliance will have a total of 85 HUD units in operation, by Summer of 2005. Tenants of Community Alliance's HUD programs are limited to paying 30 percent of their income for rent and utilities.

The "Primary" list of affordable housing programs for persons with SMI, in Omaha, includes the following:

Residential Units:

- ♦ Community Alliance I - 24 units
- ♦ Community Alliance II - 9 units
- ♦ Community Alliance III - 9 units
- ♦ Community Alliance IV - 18 units
- ♦ Community Alliance V - 8 units
- ♦ Community Alliance VI - 8 units
- ♦ Community Alliance VII - 9 units
- ♦ Robert Walters Manor - 8 units

Group Residential:

- ♦ Golden Manor Assisted Living - 2 Beds
- ♦ Omaha Supportive Living - 3 Apartments
- ♦ Princess Ann Assisted Living - 17 Beds

***affordable housing
supply,
continued.....***

Crisis/Respite Care/Emergency Shelter:

- ♦ Stephen Center (Dual Diagnosis) - 42 Beds
- ♦ Salvation Army-Transitional Residential Program - 10 Beds
- ♦ Spring Center - 10 Beds

The Great Plains Chapter of the Paralyzed Veterans owns and operates three HUD facilities for persons with a mobility disability.

The League of Human Dignity owns and operates a 12 unit affordable housing facility for persons with a physical disability.

Quality Living, Inc. owns and operates two affordable housing programs, totaling 30 units, for persons with head injury.

Mercy House is a 15 unit HUD 202 program for persons with a developmental disability.

Several other groups and organizations, in Omaha, provide varied types of affordable housing options to persons with SMI, including the Douglas County Community Health Center, Veterans Hospital, the Omaha Housing Authority, Spring Center, Salvation Army and private, long-term care, nursing home facilities.

local housing costs.....

Perhaps the primary indicator of housing costs, in a community, for persons/families at 50 percent of the area median income or less, are the current Fair Market Rents (FMRs) provided by HUD and administered by local Housing Authorities. The following table identifies the current FMRs for the respective Counties for the eight communities for which Five-Year Action Plans were completed, as Project #2 of SMI Housing Needs Assessment. Tenants utilizing rental assistance programs associated with FMRs would pay no more than 30 percent of their income for rent and utilities. The difference between what the tenant can pay, at 30 percent of their incomes, and the allowable FMR is covered by rental assistance.

FAIR MARKET RENTS AT 30 PERCENT OF INCOME					
<u>County</u>	<u>Efficiency</u>	<u>1-Bedroom</u>	<u>2-Bedroom</u>	<u>3-Bedroom</u>	<u>4-Bedroom</u>
Hall: (Grand Island)	\$304	\$400	\$533	\$701	\$786
Adams: (Hastings)	\$264	\$354	\$467	\$586	\$701
Buffalo: (Kearney)	\$273	\$395	\$495	\$617	\$747
Madison: (Norfolk)	\$259	\$341	\$451	\$584	\$712
Platte: (Columbus)	\$253	\$326	\$416	\$580	\$605
Wayne: (Wayne)	\$289	\$326	\$416	\$532	\$630
Lancaster: (Lincoln)	\$337	\$431	\$569	\$755	\$882
Douglas: (Omaha)	\$362	\$496	\$626	\$821	\$922

Source: www.huduser.org, 2004

SECTION 2
OMAHA COMMUNITY
PARTICIPATION PROCESS

SECTION 2

OMAHA COMMUNITY PARTICIPATION PROCESS

INTRODUCTION

community team.....

The development of the Omaha Five-Year Housing Action Plan, for persons with SMI, included the participation of a Community Team. The Community Team was comprised of 10 professionals representing local government and housing interests and federal, state and local housing funders. The Community Team met for three, four-hour sessions to discuss affordable housing needs, options and opportunities, in Omaha, for persons with SMI. The three meeting dates were November 12, 2003, December 15, 2003 and February 3, 2004.

COMMUNITY TEAM INPUT

Hanna:Keelan and the Omaha Community Team discussed a wide range of issues associated with persons with SMI including consumers' needs related to housing, employment and transportation. The following summarizes the pertinent points of the discussion.

- Rental assistance is a "big" part of the answer to affordable housing for persons with SMI;
- Mental health housing without services is meaningless;
- Omaha needs a continuum of services;
- The cost of housing is still a burden an individual with SMI must bare, even when services are provided;
- Omaha must look at every possible option to reach the target number of SMI beds and/or units; People must not be discharged from hospitals/institutions into homeless shelters;

*community
team input,
continued.....*

- Acute care hospitalization - people are discharged without any financial assistance to pay for housing or with Medicaid - they need a place to stay for a while after they are discharged;
- Some shelters don't want to deal with the 19-21 years age SMI group;
- Ideally, the discharging facility and the respite care/emergency shelter should work together and coordinate care, while sharing consumer information, so the shelter knows all of the consumers' needs (mental health, physical, etc.);
- Group Residential Facilities: maximum of 15 units to qualify for Medicaid reimbursement. The Zoning Regulation in Omaha makes a distinction between eight or less and 9 to 15 persons;
- Ideally, group homes should house 8 to 15 people (to qualify for Medicaid and make it economically feasible);
- Adult Foster Care Homes - don't have the necessary mental health services available;
- Service providers must be skilled in the housing discipline - capacity building is needed;
- Assisted Living Facilities - do not really include the needed services and costs are high;
- Most consumers and their families desire some type of independent housing;
- Proper SMI housing stock does not exist in Omaha;
- Need both new construction and rehabilitated housing - bring older units up to code;
- Could possibly look at renovating entire floors of buildings to create one or two floors for persons with SMI;

*community
team input,
continued.....*

- Consider purchasing an apartment complex and using it to house independent consumers (however, there is a desire not to congregate a large amount of people together);
- Could buy a larger apartment complex and develop a mixed use development (25 tenants with SMI out of 100 total tenants);
- Find developers who are willing to work with and for this population group;
- Rehabilitation makes sense, because there are many older apartment complexes, located east of 90th street, close to services and transportation routes (the vast majority of consumers want to live where there is access to public transportation and close to services, grocery stores, etc.);
- Rehabilitated housing for persons with SMI can't be used to meet the entire need in Omaha - some new construction will be needed;
- Housing should be geographically dispersed, east of 72nd Street, close to services and located on a bus route;
- West Omaha could provide land, however there may be issues with neighbors and the City would have to agree to change bus routes so there were transportation options;
- A need exists for Group Residential Housing;
- Housing could be located along Center Street;
- Housing programs must be 12 units or more, no higher than 20 to 24 units;
- The design of the apartment complex is essential to the consumers' needs;
- City money is tied up in various programs for a number of years;

*community
team input,
continued.....*

- Perhaps create some type of local Housing Trust Fund - should be State-funded;
- Look for earmarks, or money given specifically for use by Congressional Representatives;
- Mainstream Program for Persons with Disabilities - you can get up to 75 vouchers specifically for persons with disabilities;
- Use existing funding resources to subsidize rents for consumers in existing housing; not for rehabilitated or new construction;
- Many times only the slumlords will accept tenant-based rental vouchers;
- North Star - private ownership, services come through Region VI, but they must charge higher rents to cover operating costs;
- Look to the private sector for contributions - ask for specific amounts of money for specific things;
- Create an Omaha Housing Trust Fund - prioritize housing for the population with SMI;
- Mix rental assistance with LIHTC projects;
- Need to try SMI housing demonstration or pilot projects;
- HOME Funds - two-year program, \$500,000 per year for rental assistance, used for three groups: homeless, those at risk of homelessness and other disability types;
- The "Key" to successful SMI housing is project-based rental assistance;
- Create a SMI housing organization, like a Statewide Housing Partnership, that could administer its own subsidy;

*community
team input,
continued.....*

- Need \$20 million per year, just for housing assistance fund - this will take care of the affordability issue for the consumers;
- Could experiment with a 202 project specifically for seniors with SMI;
- There are people 60+ years of age in the Regional Centers with the need for long-term care/nursing care - possible Assisted Living/HUD 202 funding;
- Who could be approached to get involved in ownership/operation of such projects?
 - Holy Name Housing
 - Community Alliance
 - Immanuel
 - ENOA
- Omaha Housing Authority (OHA) - might be able to fund 75 to 100 units;
- State Community Assistant Act -
 - Increase credit from 40% to 100%.
 - Increase cap of \$250,000.
 - Usually has an impact of increasing a business's contribution, not causing a donation.
 - Expand benefits from business to individuals.
- Need separate funding stream for rental assistance;
- Need to encourage Omaha and Douglas County Housing Authorities to assist with housing for persons with SMI;
- Crisis Respite Care/Emergency Shelter - This is not a high priority - this piece will be driven by mental health reform;
 - Stephen Center
 - Existing Providers/Programs:
 - Salvation Army
 - Spring Center
 - Sub-Acute Step Down Program

*community
team input,
continued.....*

- Target group: residential beds and residential units;
- Need to develop both group and residential in a continued balance;
 - 20% / 80%
 - Supportive living
- Need to develop capacity of other Omaha organizations to develop housing; ie. Lutheran Family Services, Catholic Churches (particularly dual diagnosis) Quality Living, Immanuel, Mosaic;
- Create partnerships with experienced non - experienced SMI housing developers. Use the talents of:
 - Housing developers with service providers
 - Holy Name Housing
 - Private Developers
 - Omaha Economic Development Corporation
 - Family Housing Advisory Service
 - Omaha 100
 - South Omaha Affordable Housing
 - Local Shelter
 - Omaha Housing Authority

PRIORITIES

- **Respite Care/Emergency Shelter housing linked to persons with SMI discharged from hospitals;**
- **Residential Units and Group Residential Beds;**
- **Building the capacity of services providers to understand and become directly involved with housing for their consumers;**
- **Providers to work with families of persons with SMI to implement independent living housing;**
- **Rental assistance of some type for all needed SMI housing;**
- **Mix residential use rental facilities, which includes SMI housing units;**

GENERAL THEMES

The following identifies some **general themes** regarding the overall needs of the SMI population, in Omaha, as per the community participation process.

1. New SMI housing options should include both group residential beds and residential units.
2. Funding for SMI treatment and medical services need to match new housing programs.
3. Consumers with SMI need to have their own bedroom, be that in a group residential or residential (independent living).
4. New affordable housing options should first be available to persons with SMI that are currently inappropriately housed in housing either, or both too expensive or having condition problems.
5. Local non-profit, as well for-profit, governmental and quasi-governmental groups either/or both in the housing business or providing services for persons with SMI should participate/sponsor new SMI housing developments.
6. Consumers with SMI need additional employment options, with training. An effort should be made to double the current number of employed consumers in the next five years, local business, government and services providers should all participate in this effort.
7. Transportation options need to be increased, in Omaha, for persons with SMI. The availability of land, for new housing programs, not in the core area of Omaha, will dictate having a dependable means of transportation.
8. SMI housing should be expanded to West Omaha, with appropriate public transportation.
9. Develop mixed housing communities, including persons with and without SMI.

*general themes,
continued.....*

10. Create a local, Omaha community funding source for both rental assistance and supportive/medical services for persons with SMI.

SECTION 3
FIVE-YEAR SMI HOUSING
ACTION PLAN

SECTION 3

FIVE-YEAR SMI HOUSING ACTION PLAN

INTRODUCTION

The following **Action Plan** details a five-year approach to meeting the housing needs of extremely low income persons with SMI, residing in Douglas County, represented by the "**Primary**" Community of **Omaha**. A total of 10 individual SMI housing programs, if all developed, would accommodate an estimated 600 consumers.

MATRIX-SMI HOUSING PROGRAM PRIORITIES

The **Matrix** provided in this Action Plan list *Housing Program Priorities*, as prepared by Hanna:Keelan Associates, with input of the Omaha Community Team. Listed in the Matrix are individual housing programs, the purpose, and in some instances the location of the programs, potential coordination and funding sources for each program. Each housing program includes an estimated land requirement and budget for both development and mental health support and medical treatment.

The 10 proposed SMI Housing Program Priorities are profiled as followed:

1. Long-Term Supportive Living with medical and behavioral health, and/or personal support- maximum 50 beds.
2. One- and two- bedroom apartments with rent subsidy in Central Omaha, on bus routes-120 units.
3. Bellevue/Sarpy County location with supportive services - 20 units.
4. Omaha Group Residential - short-term treatment model - 90-120 days, -32 units maximum.

*SMI
housing program
priorities,
continued.....*

5. Group Homes, 8-10 persons. Total of four group homes, three in Omaha, one in Bellevue, new construction.
6. Co-op Type Apartments, with community space and staff. Four-to six units per building, 20-24 units per site, in Omaha, up to three sites-72 units maximum.
7. One- and Two Bedroom Apartments, with rent subsidy, at scattered sites throughout both new and existing neighborhoods in Omaha, on bus routes.-120 units
8. 20 Affordable Single Family Homes, three- and four bedroom units, for families with a member with SMI. Scattered site, in Omaha, for sale/rent (possible ownership/lease by local service providers), or lease - to-own. Down payment Assistance.
9. Mixed Population, Mixed Income Rental Program, consisting of varied rental types for independent living, up to 20 percent of developments for persons with SMI. SMI units managed or lease, or owned by local service providers. Estimated 50 to 70 units, up to three sites, one- and two bedroom units.
10. Established Homebuilder/Homes Repair Program for families with members with SMI, to allow for code improvements, with possible purchase-rehab-resale program; estimated 20 to 30 homes.

**PROPOSED
COORDINATION
of SMI
HOUSING PROGRAM**

This Five-Year SMI Housing Action Plan identifies **several groups/organizations to coordinate** proposed housing programs, in Omaha, for persons with SMI. Community Alliance and the Salvation Army, as well as both the Omaha and Douglas County Housing Authorities should take a lead role in facilitating the development of SMI housing, based upon their eligibility, and thus, accessibility to all major housing funding sources available, as well as their excellent experience in housing development and management. These groups could team with Region VI, or another SMI services provider in the community for supportive services.

FUNDING of SMI HOUSING

Local non-profit groups, such as Community Alliance, Mosaic, Lutheran Family Services, Salvation Army and the Omaha and Douglas County Housing Authorities are eligible candidates for the HUD Section 202 and 811 programs; two ideal programs to fund special populations.

The Community of Omaha should designate a local organization or team of professionals to monitor and insure the implementation of this SMI Housing Action Plan.

Several state and federal programs exist to fund housing for persons with SMI. The HUD Section 202 and 811 programs provide a "capital advance" to construct a housing program and an "operational subsidy" to assist in funding the operational costs of a housing program, for persons with SMI, to an eligible non-profit group.

HOME and Nebraska Affordable Housing Trust Funds provide "gap" financing, to assist in financing housing for special populations. These two programs are administrated by the City of Omaha (HOME Funds) and the Nebraska Department of Economic Development (NDED).

The **Nebraska Low-income Housing Tax Credits Program**, sponsored and administrated by the Nebraska Investment Finance Authority, accepts applications for housing programs to serve special populations. The **Midwest Housing Equity Group** has expressed interest in purchasing the tax credits awarded housing programs for persons with SMI.

The **Community Development Block Grant Program**, also administrated by the City of Omaha, is available for housing rehabilitation programs, which could benefit existing housing stock occupied by persons with SMI.

The **Federal Home Loan Bank and FannieMae**, also have funding products capable of total or partial funding of SMI housing program.

funding of SMI housing, continued.....

Locally, the City of Omaha should consider the use of **Tax Increment Financing**, to assist in financing land purchases, development costs and public improvements associated with the development of affordable housing for person's with SMI.

COMMUNITY & FUNDING STRATEGIES

The present State Administration has recently spent considerable amounts of both time and resources addressing the needs of persons with SMI. The “Nebraska Behavioral Health Services Act” (LB1083) was passed by the Legislature (Yes-44, No-2, Not Voting-3) and signed into law by Governor Mike Johanns, on April 14, 2004. LB1083 is the Governor’s major proposal to improve the availability and accessiblilty of high-quality community-based services for people impacted by behavioral health issues, including those who have or are at risk for mental illnesses and their families. The Behavioral Health Reform includes the closure of two of the three Nebraska State Psychiatric Hospitals (Hastings and Norfolk Regional Centers) and creates more community-based programs for treating behavioral health disorders (mental health and substance abuse).

The recently completed Statewide Consumer Housing Need Study focused on the need for affordable and appropriate housing for extremely low-income persons with SMI. Project #2, of this SMI housing planning process, addressed, specifically, a Five-Year Action Plan for developing housing for persons with SMI in eight Nebraska communities. These Action Plans, to be successful, will require the implementation of both community, capacity and funding strategies, complementary to the cause of SMI housing. The following should be considered.

funding.....

- Insure the continued set-a-side of the Nebraska Affordable Housing Trust Fund to provide both rental assistance and “gap” financing for the development of SMI housing.
- Other State funding programs, such as HOME Funds, Community Development Block Grant Funds and Low-Income Housing Tax Credits should have an annual set-a-side, specifically, for financing housing for persons with SMI.
- Funding efforts by local Housing Authorities to include a set-a-side for or a priority to persons with SMI.

community strategies.....

- Consider residential and supportive services land availability when conducting community comprehensive planning and zoning.
- Consider available local Community Development Block Grant reuse funds to assist in financing the development of SMI housing.
- Utilize tax increment financing in the development of housing for persons with SMI.
- Utilize a “community team” approach, comprised of individuals from all sectors of the community in the planning and development of both supportive services and housing for persons with SMI.

capacity building.....

- Strive to build the capacity of local and regional groups to understand and participate in developing housing for persons with SMI. This would include, but not be limited to private developers, housing authorities, community Housing Development Organizations, Community Development Corporations and Economic Development Districts, as well as local SMI service providers, including church organizations.

OMAHA, NEBRASKA
MATRIX OF TARGETED HOUSING PROGRAM PRIORITIES
EXTREMELY LOW INCOME PERSONS WITH A SERIOUS MENTAL ILLNESS
2003 - 2008

TARGET GROUPS & HOUSING TYPES	Omaha Douglas	Program #1	Program #2	Program #3
19-21 Years (0%-50% AMI)		Housing Activity - Purpose-Location Long-Term Supportive Living with Medical and Behavioral Health, and/or personal support. 40-50 beds at two sites.	Housing Activity - Purpose-Location One- and Two-Bedroom Apartments with Rent Subsidy in Central Omaha on Bus Routes, Possible Purchase/Rehab	Housing Activity - Purpose-Location Bellevue/Sarpy County Location with Supportive Services
Crisis/Respite Care/Emergency Shelter Beds	27	Potentially Purchase/Rehab Existing Nursing Home - Central Omaha. 24 Hour Staff; Management, Nurses Two Types of Long-Term, Level 1 and 2.	20+ Unit increments, Four Sites, Total - 120 units - Phase 1.	Apartments - 20 units, One- and Two-Bedroom Units, Transportation Necessary.
Group Residential Beds	67	Potential-Coordination	Potential-Coordination	Potential-Coordination
<u>Residential Units</u>	<u>118</u>	Region VI, Existing Mental Health Services Providers - League of Human Dignity for Medical and Personal Care.	Salvation Army, Community Alliance, New Providers Teaming with For-Profit Developers, Catholic Charities.	Community Alliance, Salvation Army, Lutheran Family Services.
SUBTOTALS (UNITS/BEDS)	212			
22+ Years (0%-30% AMI)		Possible Funding Sources	Possible Funding Sources	Possible Funding Sources
Crisis/Respite Care/Emergency Shelter Beds	58	Tax Exempt Bond Financing, Community Development Block Grant Funds, Nebraska Affordable Housing Trust Funds, Tax Increment Financing.	HUD Section 811/202 or HOME Funds, Nebraska Affordable Housing Trust Funds, Community Development Block Grant Funds, Low Income Housing Tax Credits, Midwest Housing Equity Funds, with Section 8 (Omaha Housing Authority).	HUD Section 811/202 or (HOME Funds), Nebraska Affordable Housing Trust Funds, Community Development Block Grant Funds, Low Income Housing Tax Credits, Midwest Housing Equity Funds, with Rental Assistance.
Group Residential Beds	168			
<u>Residential Units</u>	<u>605</u>			
SUBTOTALS (UNITS/BEDS)	831			
TOTALS (UNITS/BEDS)	1,043			
EST. DEVELOPMENT OPERATING COSTS				
1. Housing Capacity Building Costs	\$9,000	-----	-----	-----
2. Est. Land Requirements	127.43 Acres	1.5 to 4 Acres	25 Acres	2.8 Acres
3. Est. Development Costs	\$87,592,000	\$2,750,000	\$10,560,000	\$1,400,000
4. Est. Annual Operating Expenses	\$5,689,100	\$270,000	\$655,000	\$107,000
5. EST. ANNUAL COST - MENTAL HEALTH REHABILITATION/ SUPPORT/RECOVERY	\$11,644,849	\$700,000	\$1,440,000	\$240,000
6. EST. ANNUAL COST-MEDICAL TREATMENT FOR SMI	\$5,603,350	\$290,000	\$645,000	\$108,000

Source: Hanna:Keelan Associates, P.C., 2004

OMAHA, NEBRASKA
MATRIX OF TARGETED HOUSING PROGRAM PRIORITIES
EXTREMELY LOW INCOME PERSONS WITH A SERIOUS MENTAL ILLNESS
2004 - 2009

TARGET GROUPS & HOUSING TYPES	Omaha Douglas	Program #4	Program #5	Program #6
		19-21 Years (0%-50% AMI)		Housing Activity - Purpose-Location Omaha Group Residential – Short-Term Treatment Model, 90 to 120 days. 16 Units Maximum, Two Facilities, Total 32 Units.
Crisis/Respite Care/Emergency Shelter Beds	27			
Group Residential Beds	67	Potential-Coordination	Potential-Coordination	Potential-Coordination
<u>Residential Units</u>	<u>118</u>	Local Hospital Entities.	Existing and New Services Providers.	Existing and New Services Providers.
SUBTOTALS (UNITS/BEDS)	212			
22+ Years (0%-30% AMI)				
Crisis/Respite Care/Emergency Shelter Beds	58	Possible Funding Sources	Possible Funding Sources	Possible Funding Sources
Group Residential Beds	168	Tax Exempt Bond Financing, Nebraska Affordable Housing Trust Funds, HOME Funds.	HUD Section 811/202, Nebraska Affordable Housing Trust Funds, HOME Funds, Tax Increment Financing.	HUD Section 811/202, Nebraska Affordable Housing Trust Funds, HOME Funds, Tax Increment Financing.
<u>Residential Units</u>	<u>605</u>			
SUBTOTALS (UNITS/BEDS)	831			
TOTALS (UNITS/BEDS)	1,043			
EST. DEVELOPMENT OPERATING COSTS				
1. Housing Capacity Building Costs	\$9,000	-	-	-
2. Est. Land Requirements	127.43 Acres	4.85 Acres	1.3 Acres	7.9 Acres
3. Est. Development Costs	\$87,592,000	\$2,200,000	\$800,000	\$5,760,000
4. Est. Annual Operating Expenses	\$5,689,100	\$154,000	\$29,700	\$393,000
5. EST. ANNUAL COST – MENTAL HEALTH REHABILITATION/ SUPPORT/RECOVERY	\$11,644,849	\$370,000	\$361,000	\$805,000
6. EST. ANNUAL COST–MEDICAL TREATMENT FOR SMI	\$5,603,350	\$174,500	\$194,000	\$405,000

Source: Hanna:Keelan Associates, P.C., 2004

OMAHA, NEBRASKA
MATRIX OF TARGETED HOUSING PROGRAM PRIORITIES
EXTREMELY LOW INCOME PERSONS WITH A SERIOUS MENTAL ILLNESS
2004 - 2009

TARGET GROUPS & HOUSING TYPES	Omaha Douglas	Program #7	Program #8	Program #9
19-21 Years (0%-50% AMI)				
Crisis/Respite Care/Emergency Shelter Beds	27	Housing Activity - Purpose-Location One- and Two Bedroom Apartments with Rent Subsidy at Scattered Sites throughout Both Existing and New Neighborhoods in Omaha on bus routes, possible Purchase/Rehab. 20+ Unit Increments, Total – 120 Units – Phase 2.	Housing Activity – Purpose-Location 20 Affordable Single Family Homes, Three- and Four-Bedroom Units, for Families with a Member(s) with SMI. Scattered Site, in Omaha, for Sale, for Rent (Possible Ownership/Lease by Local Services Provider), or Lease-To-Own. Downpayment Assistance.	Housing Activity – Purpose-Location Mixed Population, Mixed Income Rental Program, Consisting of Varied Rental Types for Independent Living, up to 20 Percent of Development(s) for Persons with SMI. SMI Units Managed on Lease, or Owned by Local Services Providers. Estimated 50 to 70 Units, up to Three Sites, One- and Two- Bedroom Units.
Group Residential Beds	67	Potential-Coordination	Potential-Coordination	Potential-Coordination
<u>Residential Units</u>	<u>118</u>	Salvation Army, Community Alliance, New Providers Teaming with For-Profit Developers, Catholic Charities.	Nebraska Assistance Technology Partnership, Nebraska Housing Resources, Omaha Housing Authority.	Community Alliance, Omaha Housing Authority.
SUBTOTALS (UNITS/BEDS)	212			
22+ Years (0%-30% AMI)				
Crisis/Respite Care/Emergency Shelter Beds	58	Possible Funding Sources	Possible Funding Sources	Possible Funding Sources
Group Residential Beds	168	HUD Section 811/202 or HOME Funds, Nebraska Affordable Housing Trust Funds, Community Development Block Grant Funds, Low Income Housing Tax Credits, Midwest Housing Equity Funds, with Section 8 (Omaha Housing Authority).	Conventional Funding, Low Income Housing Tax Credits (CROWN), HOME Funds, Nebraska Affordable Housing Trust Funds, Midwest Housing Equity Funds.	Low Income Housing Tax Credits, Nebraska Affordable Housing Trust Funds, Tax Increment Financing, Conventional Financing, Midwest Housing Equity Funds.
<u>Residential Units</u>	<u>605</u>			
SUBTOTALS (UNITS/BEDS)	831			
TOTALS (UNITS/BEDS)	1,043			
EST. DEVELOPMENT OPERATING COSTS				
1. Housing Capacity Building Costs	\$9,000	-----	-----	-----
2. Est. Land Requirements	127.43 Acres	25 Acres	4.6 Acres	7.8 Acres
3. Est. Development Costs	\$87,592,000	\$10,560,000	\$3,126,000	\$6,300,000
4. Est. Annual Operating Expenses	\$5,689,100	\$655,000	\$356,640	\$385,000
5. EST. ANNUAL COST – MENTAL HEALTH REHABILITATION/ SUPPORT/RECOVERY	\$11,644,849	\$1,440,000	\$315,000	\$776,000
6. EST. ANNUAL COST–MEDICAL TREATMENT FOR SMI	\$5,603,350	\$645,000	\$162,000	\$380,000

Source: Hanna:Keelan Associates, P.C., 2004

OMAHA, NEBRASKA
MATRIX OF TARGETED HOUSING PROGRAM PRIORITIES
EXTREMELY LOW INCOME PERSONS WITH A SERIOUS MENTAL ILLNESS
2004 - 2009

TARGET GROUPS & HOUSING TYPES	Omaha Douglas	Program #10		
19-21 Years (0%-50% AMI)		Housing Activity - Purpose-Location Established Homebuilder/Home Repair Program for Families with a Member(s) with SMI, to Allow for Code Improvements, with Possible Purchase-Rehab-Resale Program; Estimated 20 to 30 homes.		
Crisis/Respite Care/Emergency Shelter Beds	27			
Group Residential Beds	67			
<u>Residential Units</u>	<u>118</u>		Potential-Coordination Nebraska Assistance Technology Partnership, Local Services Provider(s).	
SUBTOTALS (UNITS/BEDS)	212			
22+ Years (0%-30% AMI)		Possible Funding Sources Community Development Block Grant Funds, HOME Funds, Conventional Financing.		
Crisis/Respite Care/Emergency Shelter Beds	58			
Group Residential Beds	168			
<u>Residential Units</u>	<u>605</u>			
SUBTOTALS (UNITS/BEDS)	831			
TOTALS (UNITS/BEDS)	1,043			
EST. DEVELOPMENT OPERATING COSTS				
1. Housing Capacity Building Costs	\$9,000	-----		
2. Est. Land Requirements	127.43 Acres	-----		
3. Est. Development Costs	\$87,592,000	\$1,152,000		
4. Est. Annual Operating Expenses	\$5,689,100	-----		
5. EST. ANNUAL COST - MENTAL HEALTH REHABILITATION/ SUPPORT/RECOVERY	\$11,644,849	\$498,000		
6. EST. ANNUAL COST-MEDICAL TREATMENT FOR SMI	\$5,603,350	\$242,000		

Source: Hanna:Keelan Associates, P.C., 2004