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**Finding a Home: Houston  
Report on Housing for  
Adults with Mental Illness**

Harris County Housing Task Force

June 2004



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## Executive Summary



Food, clothing and shelter have long been described as the basic needs of human life. Yet finding safe and affordable housing can prove elusive for people of limited means in Houston, which has a more limited array of housing options than cities a fraction of its size. Housing is an even more critical need for individuals with severe and persistent mental illness. Research has shown that safe housing, with wrap around supports, provides overall better mental health outcomes, by increasing quality of life and decreasing costly crisis interventions and hospitalizations. Such wrap around supports include things like education, transportation, skills training, medications, counseling, case management, employment assistance and training, substance abuse treatment and opportunities to socialize. With stable, permanent housing, people with mental illnesses are able to achieve other important life goals, including improved health, education, job training, and employment. While there is some cost to the development of such housing, the cost of inaction is great. These costs not only include crisis mental health services and hospitalizations, but other more intangible costs such as loss of work force capacity, physical health issues, endangerment of child welfare, criminal justice system involvement, and many other ramifications that have a negative impact on the local and national economy.

At present, various public and private agencies provide support services in a loosely coordinated fashion that can theoretically be accessed by people with severe and chronic illness. In reality, the nature of the illnesses suffered by this population makes it extremely difficult for them to navigate the “system” and to access the services they need – housing, counseling, peer groups, employment and income assistance. The result is that a substantial portion of this population ends up either on Houston’s streets, under its bridges, or in its jails or emergency rooms. Many commit suicide or simply die on the streets. What we are proposing is a system of supported housing complexes spread across the community that will bring services closer to the people who need them. Every scrap of evidence we have found leads to the conclusion that this approach is vastly more effective, and far less expensive than the crisis-oriented model we now employ.

Unfortunately, access to affordable housing for people with mental illnesses is becoming increasingly difficult. Not only has the gap between income and housing costs grown, but also the existing supply of affordable housing has been reduced due to federal housing policies. Furthermore, while there are a number of organizations and agencies that focus on housing issues or mental health issues in the Houston area, there is no one entity for which housing for persons with mental illness is its primary focus. The Harris County Housing Task Force is an interagency group consisting of consumers, family members, community leaders and agency representatives. The goal of the task force is to create the organizational capacity to implement a long range plan to solve the critical problem of housing for individuals with mental illness in Houston.

Despite the serious nature of the problem, no formal data currently exist to document unmet housing needs for individuals with mental illness. Extrapolating from national and local data, the Harris County Housing Task Force estimates that approximately 14,000 individuals with mental illness currently have critical unmet housing needs. This number, which includes homeless individuals, individuals who are “underhoused” (i.e. living in unacceptable conditions), individuals unable to achieve independence from their families because of the need for shelter, and individuals who migrate in and out of the criminal justice system, is likely an underestimate. Ironically, despite this large need, there are drastically few housing options available, and virtually none that provide the kind of supports necessary to effectively manage serious mental illness in the community. As far as we know, there is only one facility in Houston that provides housing and supports dedicated to persons with mental illness. It has only 40 beds, and only an exceedingly small percentage of Houston’s mental health consumers have the private funding to afford to live there. Harris County MHMRA has approximately 300 housing slots dedicated to persons with mental illness (including both residential programs and rental subsidies), but most of those are only appropriate for persons who are psychiatrically stable enough to live independently. Furthermore, recent budget cuts have resulted in significant decreases in the amount of support services available in those limited sites. There is often a long waiting list for this limited capacity. Furthermore, many of these facilities are considered to be “transitional,” meaning that residents must find new housing after a relatively short period of time living there.

From there, the options decrease significantly. Houston has about 270 subsidized single resident occupancy apartments. Chicago, Los Angeles and San Diego have thousands. Persons with mental illness must compete with the elderly and persons with physical disabilities for this limited number of units. In fact, an informal survey revealed that only about 15% of those units are occupied by persons with mental illness. While there are a number of licensed assisted living facilities and unlicensed personal care homes in Houston, most do not accept persons with mental illness, and none accept persons without some sort of income, such as social security disability. These facilities are generally unacceptable for persons with mental illness, in that they do not provide the treatment and support specific to the needs of persons with mental illness. Worse yet is the number of persons with mental illness moving in and out of approximately sixteen homeless shelters, which provide neither supports nor safety for this vulnerable population.

While federal funding for housing for persons with mental disabilities has diminished in recent years, there remain a number of funding options. Yet the City of Houston often does not submit competitive applications for available federal funding sources. Furthermore, none of the funding sources we were able to identify encompass both the physical structure of housing and the wrap-around supports necessary for persons with mental illness to live successfully and reach their full potential in the community. This report provides an overview of the various funding sources available, and ways to leverage those funds. Interagency efforts, such as the one led by the Harris County Housing Task Force, tend to be looked upon favorably in competition for housing funds. Funds specific to the service component of our

housing efforts must be actively sought, in conjunction with ensuring the most effective use of existing service providers to fulfill those functions.

Several communities across the country have demonstrated success in improving the array of housing alternatives available to mental health consumers. In general, they accomplished this through a four-part plan that includes organization, planning, development and management. The success of these initiatives depends upon the mental health community seeing itself as developers rather than users of housing resources. Examples of these successes are included in the body of this report.

Using the information described above, the Harris County Housing Task Force makes the following recommendations:

**Formation of a non-profit corporation dedicated to the development and acquisition of housing for persons with severe and persistent mental illness.**

The roles and functions of this corporation would include:

- Expansion of housing capacity, with wrap around support services, in Houston for persons with mental illness;
- Coordination of planning efforts;
- Maintenance of a housing data base for persons with mental illness;
- Fund raising for housing development;
- Monitoring implementation of this housing plan;
- Building community support for housing efforts for persons with mental illness;
- Prioritization of housing development projects; and
- Oversight of property management.

Board members of this organization would include persons with expertise in real estate, finance, and mental health issues.

**Within the next three years, the housing non-profit corporation will oversee the development of one congregate living facility with wrap around supports, as well as one hundred single room occupancy units, designed to balance wrap around supports with residents' desire for independent living.**

**Within the next ten years, through the work of the housing non-profit corporation, the Houston community will fully eradicate the unmet need for 14,000 persons with mental illness. This will be achieved through the development of a wide variety of housing options that incorporate the wrap around supports critical to allowing persons with mental illness achieve success in the community.**

## Introduction

Research consistently shows that having choice in housing helps people cope with stressful situations, increases feelings of competence, improves academic performance and improves compliance with medical treatment.<sup>1</sup> Yet, individuals with mental illness rarely have those kinds of choices. The Harris County Housing Task Force is an interagency group sponsored by the Mental Health Association of Greater Houston, and funded by Harris County Mental Health and Mental Retardation Authority, through Harris County Commissioner's Court. This task force was charged with developing a comprehensive housing plan for individuals with mental illness in the Houston community. Participants on the task force include consumers, family members, Harris County MHMRA, NAMI, the Coalition for the Homeless, The Gathering Place, the City and County Housing Departments, Housing and Urban Development, and others. The goal of this task force is to take a comprehensive view of the types of housing needed by individuals with mental illness in Harris County, and to develop a long-range plan about strategies to fill unmet needs. ***The goal of this task force is not to create another isolated "program" or plan, but to create the organizational capacity to fully implement a plan of action.***

## Inventory of Target Populations

While it is difficult to arrive at specific data about the number of persons with mental illness in Houston who have housing needs, there are a few things that we know.

### Homeless

Conservative estimates are that there are approximately 10,000 homeless individuals in Houston at any one time. While specific local estimates are not available regarding how many of those individuals have mental illness, national estimates reflect that approximately 40% of homeless individuals have mental health problems, and 20-25% suffer from severe and persistent mental illness. This means that there are approximately 3,900 homeless individuals with mental health problems at any one time in Houston, and 2,000-2,500 of those individuals suffer from severe and persistent mental illness.<sup>2</sup> Yet, only 1,151 of the 14,000 adult outpatients served by MHMRA last year described their situation as "homeless." Because there are no other mental health services in the community for indigent persons, this probably means that the other 1,400 of the 2,500 estimated homeless persons with serious mental illness in Houston are likely not receiving any mental health services at all. The Houston Coalition for the Homeless, an interagency collaborative that provides resources for the homeless is undertaking comprehensive research into this issue, so better information will be available soon.

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<sup>1</sup> Srebnik, D., et.al., Housing Choice and Community Success for Individuals with Severe and Persistent Mental Illness, Community Mental Health Journal, Volume 331, Number 2, April, 1995.

<sup>2</sup> National Resource Center on Homelessness and Mental Illness.

## **“Under-Housed”**

The magnitude of the housing problem, however, is far greater than is evident on our city streets. Many more individuals with mental illness are “under-housed,” living in situations in which their basic and/or health care needs are not met. While this is also hard to quantify, we do know that among the more than 14,000 adult outpatients served by MHMRA in the past year, approximately 1,223 indicated that they lived in an assisted living facility or personal care home. We have found no assisted living facilities or personal care homes that provide adequate mental health services, and most are described by consumers as hazardous and stressful places to live.

Many individuals with mental illness also live in homeless shelters, which is even more hazardous, with frequent complaints of assaults and stealing. While there are over 2000 homeless shelter beds in the Houston area, it is not possible to quantify how many of those shelter beds are occupied at any one time by individuals with mental illness. Anecdotal evidence, however, reflects that it is a high proportion. Yet, no mental health services are provided in those facilities. Perhaps saddest of all, individuals with mental illness are often reticent to enter shelters because of increased vulnerability to victimization. They choose, instead, to live unsheltered on the streets.

The Technical Assistance Collaborative and Consortium for Citizens with Disabilities documented in 2002 that Houston ranks as one of the 132 housing markets in the country with average rents for one bedroom apartments above 100% of monthly SSI disability benefits. Specifically, persons receiving SSI disability would have to pay 106.1% of their benefits each month just for rent in a small apartment. In fact, SSI benefits of \$545 per month only equate to an hourly wage of \$3.14. Furthermore, while SSI benefits between the years 2000 and 2002 rose only 6%, rent for a one-bedroom apartment during that same period in Houston rose 12%. The National Coalition for the Homeless has found that the average rent for a two bedroom apartment in Houston is \$709 per month. Sadly, an individual earning minimum wage would have to work 106 hours per week to afford rent alone in such an apartment.

Worse yet is that many individuals with the most severe mental illnesses are not receiving any federal or state benefits. In fact, approximately 25% of the current MHMRA caseload does not receive social security income. The application process for social security disability income is cumbersome and tedious, and persons with severe mental illness have significant difficulty navigating the process. Ironically, the application also requires the provision of an address to send payments to, which many of these individuals don't have.

## **Dependent on Families**

Although far from ideal, many individuals with mental illness continue to live with their families of origin. This is problematic in a number of ways. First, a majority of mental health consumers indicate that independence is an important part of their quality of life.<sup>3</sup> While this is not always realistic or possible, living in the family home tends to

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<sup>3</sup> In a 2002 survey of 254 Harris County MHMRA consumers, 54% indicated that independence was “extremely important.”

perpetuate the perception of both the parents and the consumers of child-like status. The ability to live independently varies with individuals, and varies over time, so housing options must be varied to accommodate changing needs. Parents who care for children with mental illness often struggle with the difficult balance between paternalism and autonomy. This situation becomes even more problematic as the parents age and can no longer provide for the day to day care of their children. Despite these problems, 50.5% of adult outpatients served by Harris County MHMRA last year indicated that they were dependents in the family home.

**Criminal Justice Populations**

Many individuals with mental illness in the Houston community have been, or are, in contact with the criminal justice system. Often this is due to minor crimes, such as criminal trespass, but it still significantly impacts their ability to obtain and maintain stable housing. National estimates reflect that approximately 16% of individuals in jails and prisons have severe mental illness. While documented Harris County estimates are lower, most knowledgeable persons interacting with these systems believe the 16% figure reflects under-identification of persons with mental illness in the local jails. Individuals with mental illness who have come into contact with the criminal justice system have even greater hurdles around obtaining housing, as they generally have a lack of resources, and have significant difficulty in obtaining and retaining employment. While this is a significant problem, it is quite telling that there is no specific data available about housing for this largely unpopular population, who are often “lost to follow up.”



***The average daily census of the Harris County Jail is 8,000 people. Applying well researched national statistics, an estimated 16%, or 1,280, of those individuals have severe and persistent mental illness.*** It is quite likely that these individuals have a serious need for housing support. Furthermore, Harris County Community Supervision specialists estimate that approximately 40% of the 451 probationers who are on specialized mental health case loads in Houston have inadequate housing and live in unacceptable conditions.

**Total Inventory of Unmet Need**

Summarizing the estimates described above, the Harris County Housing Task Force estimates a total unmet housing need for individuals with mental illness in Houston of 13,838 persons.

Homeless	3,900
Underhoused	1,223
Dependent on Families	7,255
Criminal Justice Population	1,460
<b>TOTAL UNMET NEED</b>	<b>13,838</b>

It must be stated that this estimate is not scientific, and probably includes some duplicated numbers. For example some homeless individuals may also move in and out of the criminal justice system. It must also be said, however, that experts in the field strongly believe that this estimate of need is likely a vast understatement.

## Costs and Implications of Inaction



In 2001, a five year study conducted by the University of Pennsylvania Health System examined 10,000 homeless persons with mental illness in New York City. Half of these individuals were placed in government funded housing with mental health assistance. The researchers concluded that the cost of providing housing and mental health services to these individuals was only “slightly more than leaving them to fend for themselves.”<sup>4</sup> By providing safe housing with mental health supports, the researchers saw decreases in other costs, such as state psychiatric hospital costs, reduction in costs to city shelters, reduction in costs to the City Health Department and decreases in inpatient Medicaid costs.

***The failure to provide stable housing and supports to persons with mental illness in Houston not only has human costs, but economic costs, as well.***

With stable, permanent housing, people with mental illnesses are able to achieve other important life goals, including improved health, education, job training, and employment. While there is some cost to the development of housing and supports for persons with mental illness, the cost of inaction is great. These costs not only include crisis mental health services and hospitalizations, but other more intangible costs such as loss of work force capacity, physical health issues, endangerment of child welfare, criminal justice system involvement, and many other ramifications that have a negative impact on the local and national economy. The decision becomes whether to “pay now, or pay later.”

## Critical Role of Housing in Recovery<sup>5</sup>

Obtaining independent housing with access to services in the community is a primary goal and value shared by people with mental illnesses. Having one’s own residence—whether it is an apartment, a furnished room or a house—is the cornerstone of independence for people. When a person has a safe, decent and affordable home, he or she has the opportunity to become part of the community. With stable, permanent housing, people with mental illnesses are able to achieve other important life goals, including improved health, education, job training, and employment.

<sup>4</sup> Kaiser Daily Health Policy Report, May 02,2001.

<sup>5</sup> Language in this section is borrowed from the NAMI Housing Tool Kit, published as part of the Targeted Technical Assistance project of the National Association of State Mental Health Program Directors, and the Division of State and Community Systems Development of the Center for Mental Health Services.

Unfortunately, access to affordable housing for people with mental illnesses is becoming increasingly difficult. Not only has the gap between income and housing costs grown, but also the existing supply of affordable housing has been reduced during the past decade. As the availability of affordable housing decreases, the complexity of creating housing increases. Public mental health agencies and the mental health community in general face the challenge of ensuring that people with mental illnesses have access to safe, affordable, independent housing, even as housing resources become less available and more difficult to access and use.

Creating decent, affordable housing for individuals with mental illnesses and their families requires a commitment on the part of public mental health authorities, housing officials, service providers, families, and consumers of mental health services. *There is no one model of housing that will meet the needs and preferences of all people with mental illnesses. An array of housing choices is optimal, as individual needs change with time.* Having choice in housing plays a critical role in the successful integration of individuals with mental illness into the community. The symptoms of mental illness, including paranoia, anxiety, depression, active hallucinations and delusional thought processes often interfere with the ability to maintain stable housing. Furthermore, these symptoms tend to be unpredictable and recurrent. When symptoms occur, individuals may engage in behaviors that threaten their housing stability. They may disturb neighbors, miss rent or utility payments, or neglect their housekeeping to such an extent that they are evicted. If symptoms become severe enough to warrant hospitalization, rent may go unpaid, resulting in the loss of housing. Many people with mental illness also have difficulty developing and maintaining social relationships. This can lead to loneliness and isolation, as well as conflicts with the family, landlords, employers and neighbors.

## **Development of a Long Range Plan**

One of the major barriers to improving the availability and array of housing options for persons with mental illness is that no one entity in the community has a specific focus on housing for individuals with mental illness. There are many entities that address housing, and many entities that address mental health problems, and, although some housing providers serve persons with mental illness, there is no constructive focus on the interface between housing needs and mental health needs. The goal of Housing Task Force is to identify what we have and what we need, and to learn from other communities that have successfully addressed the problem of inadequate housing for individuals with mental illness. In this document, the Task Force has developed a 3 year plan and a 10 year vision with which we hope to significantly improve the array and availability of housing for individuals with mental illness by creating the organizational capacity for expanded housing in the coming years.

In 1986, the Robert Wood Johnson Foundation Program on Mental Illness introduced a funding program to stimulate the development of housing for people with severe mental illness. They began this program with nine demonstration sites. A certain shift in philosophy occurred in those demonstration sites as a result of that program. In the past, the mental health communities had seen themselves as *users* of housing resources, resulting in competition for funding among a wide variety of constituency groups such as people with low incomes, those with physical disabilities and the elderly. The concept that evolved from the Robert Woods Johnson grant program is that mental health communities must think of themselves as *developers*, not merely *users* of housing services. The Developmental Model of Housing, sponsored by the Housing Center at the University of Maryland uses a four-step approach:

## Organization

The first step in the developmental model involves organizing a comprehensive approach to developing, acquiring or leasing housing for people with severe mental illness. This involves convening a task force with a broad base of constituents to coordinate a community-wide housing agenda for persons with mental illness. The Harris County Housing Task Force is currently serving that function. One of the recommendations embodied in this report, however, is to formalize this organizational infrastructure through the formation of a non-profit corporation focused around improving the array of housing for persons with mental illness in Houston. The roles of this non-profit organization will be:



- Expansion of the capacity of housing, with wrap around support services, in Houston for persons with mental illness;
- Coordination of planning efforts;
- Maintenance of a housing data base for persons with mental illness;
- Fund raising for housing development;
- Monitoring implementation of this housing plan;
- Building community support for housing efforts for persons with mental illness;
- Prioritization of housing development projects; and
- Oversight of property management.

Board members of this organization would include persons with expertise in a variety of fields, including, at a minimum real estate, finance, and mental health issues.

## Planning

In the developmental model of housing, planning has two key components: 1) preparation of a housing data base, and 2) development of a comprehensive housing plan. This housing plan is both a strategy for development and a public policy statement. Furthermore, federal government funding sources in recent years tend to favor combining existing programs into multi-agency grants, so communities with a comprehensive housing plan have an advantage in securing funding sources. This document serves as preliminary version of such an inventory and comprehensive

housing plan. As stated above, one of the roles of the Housing non-profit corporation would be to update and maintain this data base and plan.

## **Development**

Housing Development is a complex process that involves a number of key decision points. One missed step can have a negative financial impact on the project or development entity. Listed below are some of the important activities that must be performed on each project:

- **Determination of the Type of Project Development**  
Consideration must be given to the potential risk and liability exposure for each type of project and prioritize identified needs and gaps in filling those needs. This will result in a decision about what type of project to develop, with a plan to either hire staff or contract the functions to an outside development firm to perform the development steps.
- **Site Selection**  
This would include locating affordable and suitable land from a willing owner, determining available of utilities and appropriate deed restrictions, reviewing the site for availability of amenities and supportive services, performing other typical real estate due diligence on the property.
- **Project Financing**  
The next step will be to determine feasibility, property acquisition, project scheduling, loan/subsidy source identification and alternatives, loan applications and presentation.
- **Construction Management**  
Once the type, site and financing have been arranged, an initial walk through inspection will be required to determine construction feasibility, design oversight, cost estimation, specifications and bidding, and construction management.
- **Project Management**  
Project management requires oversight of the entire development process, including responsibility to meet deadlines, organize meetings, and keep all team members in communication and on track.
- **Property Management**  
Once the property has been developed, the decision must be made about whether to self-manage the property, or hire a property management company to manage the project and the required administrative oversight and paperwork of the project.



These steps assist in answering certain key questions such as project development costs (including the sources and uses statements, subsidy amounts, rate of return, income stream, debt services, operating cost, and potential rental rates), and other factors with regard to whether and when to proceed with a particular project. These questions must be answered and provided by a development team of professionals trained and/or experienced in development, real estate, finance, management, and grant oversight if grant funds are utilized in the project. We also plan to have input from professionals with experience in the delivery of social and/or supportive services to advise on the support service needs and design of the project to enhance the delivery of supportive services. All nine of the Robert Woods Johnson sites opted to form non-profit corporations, the Boards of which were composed of individuals with expertise in residential real estate development. We plan to replicate this method of plan implementation.

- **Management**

Property Management is unique in that it has a significant impact on the long term success and stability of a project. This function is significantly magnified when the tenants are individuals with severe and persistent mental illness. The property management staff will not only have to address the typical day-to-day maintenance and operational aspects of a multifamily project, they will also have to be ready and able to deal with any and all issues associated with providing housing to individuals with mental illness. This could include everything from working with neighbors who don't want the project in the neighborhood to assisting individuals who are in full crisis, needing hospitalization.

The Board of the proposed non-profit corporation will carefully determine all available property management options (e.g. self-management, joint partnerships, independent fee management companies) for each type of proposed project development. Most of the RWJ sites hired a full time mental health housing coordinator to serve this function, but it will be up to the judgment of the non-profit corporation Board members as to how best to handle management of these properties in the Houston area.

The brutal reality is that the implementation of a strategic housing plan for individuals with mental illness in the current funding climate is challenging, to say the least. Although pursuing federal funding through collaborative planning strategies is advantageous, available housing funding for this purpose is extremely limited at this time. Most of the nonprofit organizations that have been successful in the housing development business were organized in the mid-1980s, when funding was much more available. Even in that climate, it has taken many years and much effort to expand the array of housing. Furthermore, there are no known funding streams that anticipate the full array of wrap around services needed for persons with severe and persistent mental illness.

The Task Force acknowledges that this is an uphill battle, but one that must be undertaken. Our goal is to create a plan that is detailed and realistic, and to continuously monitor our efforts realistically, so that feasible and sustainable expansion of the available housing pool will be accomplished.

## **Integration with Other Initiatives**

Much work has been done, and is currently being done, in the area of housing in Houston. In order to be successful, the Task Force must coordinate with, and integrate into, when possible, these efforts. For example, the City of Houston is developing a “City Plan to End Homelessness.” The work of this task force will comprise the mental health portion of that plan. Other current initiatives impacting our planning process include:<sup>6</sup>

- The Land Assemblage Redevelopment Authority is a joint venture of the city, county, school district and community college to make development of housing affordable. Once established, the authority will have the power to foreclose on tax delinquent properties and maintain an inventory of lots for residential purposes. These properties will be sold at or below market rates to qualifying agencies to expedite the development of affordable housing.
- Houston Home Town Program provides down payment and closing cost assistance for acquisition of existing and newly constructed residential units.
- HOPWA Tenant-Based Rental Assistance Program uses scattered sites to house approximately 475 individuals and families affected by HIV/AIDS. A total of 100 scattered site transitional and permanent units will be financed through the rental assistance program.
- The Enhanced Enterprise Community is an approximately twenty square mile area comprised of the Central Business District and nine central city neighborhoods. The Houston’s Enhanced Enterprise Community was created to 1) expand the supply of affordable housing by increasing opportunities for homeownership, improving existing homes and stabilizing and/or upgrading existing multi-family properties; 2) expand and/or create new businesses through the revitalization of commercial corridors and to provide EEC businesses with access to technical assistance and business development; and 3) implement programs that benefit children and youth , creating linkages and partnerships among social service agencies, educational institutions crime prevention organizations, health providers and the business community for provision of nurturing support to sustain families.

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<sup>6</sup> As identified in the 2003 Consolidated Plan submitted to HUD, and Houston/Harris County Continuum of Care Application, 2003.

- The Coalition for the Homeless/City of Houston/Harris County Collaborative is the lead agency in a multi-faceted, innovative partnership that works with city and county officials to coordinate social services and foster collaboration among Houston area service providers. The Homeless Services Coordinating Council was established by the Coalition in 1993, and this coordinating body ensures that the homeless community's voice is heard and major components of the Continuum of Care processes, such as the Gaps Analysis and the Homeless Services Demands Survey, are accomplished.
- In the site of the former Day's Inn on Main at Blodgett, a new housing initiative for veterans in recovery is being developed as public private partnership of U.S. Vets Initiative and a private development corporation called Cloudbreak. This program a number of services for the residents, including job training, education and alcohol and drug rehabilitation services. Eligible veterans are those recovering from homelessness, and must have 90 days of sobriety. Most residents are referred to the program by substance abuse treatment providers. The program has a continuum of care for residents, who start in a more supervised, service intensive arrangement, and move to independent housing on the premises to help them stabilize and eventually move on to fully independent living elsewhere.

## **Inventory of Current Housing Resources for Individuals with Mental Illness**

The Task Force has learned through the development of this report that there is currently no comprehensive inventory of housing options for individuals with mental illness in Houston. Even the experienced professionals who serve on the task force were unable to locate and quantify existing housing resources. In light of this, and other factors, identifying and securing safe housing is a particularly daunting task for individuals with severe and persistent mental illness.



In our attempts to develop such an inventory, we examined two types of housing: 1) housing dedicated to individuals with mental illness, and 2) housing developments that are not dedicated, but are willing to accept individuals with mental illness.

### **Housing Dedicated to Individuals with Mental Illness**

Housing dedicated to persons with mental illness in Harris County is extremely limited. According to Harris County Mental Health and Mental Retardation Authority, the current resources are as follows:

- Two facilities with a total of 40 apartment units for persons with mental illness and very low income, although some income is required. These facilities are only available for persons who are psychiatrically stable and able to live independently.
- One facility with 25 slots that provides transitional housing for persons who are homeless and mentally ill. This is only temporary housing, and persons who are coming out of the hospital or jail are not eligible. Funding is not required.
- One 16 bed facility for individuals with both a mental health and substance abuse diagnosis. This is a self-funded program, so either Medicaid, Medicare or other third party funding must be available. This is also transitional housing.
- Approximately 220 slots for persons who qualify for rental assistance/supported housing. These individuals must also be psychiatrically stable enough to live independently. Persons receiving this assistance must pay 30% of their income.

Although these facilities are dedicated to persons with mental illness, recent budget cuts have resulted in significant decreases in the level of supports provided at these facilities. None of them provide the full array of supports needed, such as employment assistance, transportation, educational services, counseling and therapy, medications, substance abuse treatment or social opportunities.

There is one private facility in Houston that provides an array of support services, but the cost of this facility is \$3,200/month for supervised living, \$2,400 a month for supported living and \$1,800 per month for independent living. Even though there are only 40 beds in this facility, persons come from all over the country to live there, as it is a model program and there are relatively few mental health consumers in Houston who can afford these prices.<sup>7</sup>

## **Housing Developments and Programs Not Dedicated to Persons with Mental Illness**

### **Programs for Persons with Disabilities, including Mental Illness**

There are approximately 270 subsidized single resident occupancy apartments in Houston that house persons with a variety of disabilities. Chicago, Los Angeles and San Diego have literally thousands.<sup>8</sup> Persons with mental illness must have some sort of funding available to access even this limited number of units, and must be able to live independently. Furthermore, persons with mental illness must compete with the elderly and persons with physical disabilities for access to this housing. An informal survey of facility administrators revealed that only about 15% of those units are occupied by persons with mental illness. Specific mental health services are not

<sup>7</sup> Based upon interview with Grover Shaunty, Director of A Counseling Place.

<sup>8</sup> Mike Snyder, "City Denied Access to Funds for Homeless," Houston Chronicle, 02/04/2003, P. 19.

provided, and certainly not the level of wrap around supports needed for persons with serious mental illness. There are also approximately 250 beds available for persons with various disabilities in larger group homes, which also fail to provide needed treatment and supports.

The Women's Home is a non-denominational, multi-ethnic, non-profit United Way agency for women with substance abuse problems, including those with a dual diagnosis of mental illness and substance abuse. The home provides residential care, psychiatric services, psychotherapy, vocational training and spiritual development for up to 18 months, and it serves approximately 70 women annually.

### **Licensed Assisted Living Facilities**

The Texas Department of Human Services maintains an online data-base of licensed assisted living facilities in the state of Texas. These facilities are licensed as Type A facilities (appropriate for persons that need very minimal assistance), Type B facilities (for individuals that need greater levels of assistance—usually elderly or mobility impaired), or Type C facilities (four person homes for adult foster care.) While there are thousands of facilities listed in that registry, most of those facilities do not accept individuals with mental illness, and none accept individuals who do not have a funding source, such as social security income. In fact, an informal survey of MHMRA caseworkers and hospital continuity of care workers revealed that only about ten licensed assisted living facilities regularly accept persons with mental illness. Many persons with severe and persistent mental illness do not have Medicaid or SSDI benefits, so they are ineligible for even these limited slots. While Harris County Social Services does provide a stipend of \$109.50 per month for some consumers, these licensed facilities will not accept such a low payment for rent. **The total bed capacity for the facilities most often used is 219, but persons with mental illness must again compete with the elderly and otherwise disabled individuals for access to this limited number of available beds.**

**Many licensed assisted living facilities are perceived to be dangerous by residents with mental illness.** Nevertheless, there is little turnover in these facilities because: 1) the facilities do not want residents to leave as they provide a consistent, government sponsored, source of income; and 2) there are few, if any, housing alternatives for these individuals. Furthermore, there are generally no mental health services provided in these facilities, leaving residents with mental illness at a high risk of missing their medication or appointments, resulting in an exacerbation of the illness. When the symptoms of the illness, such as paranoia or hallucinations, become acute, these individuals are often ejected. Once ejected, they are almost never allowed to return to that particular facility, making the array of potential housing resources even more restricted.

### **Transitional Living Facilities and Shelters**

According to the Texas I&R Network, there are 37 transitional living facilities in Harris County, but only two of those facilities<sup>9</sup> even mention mental illness in their program descriptions. Of the sixteen homeless shelters listed, none provide mental health services. There are 39 low cost housing options listed, and while many of them have specific target populations (elderly, mobility disabled, HIV, young mothers, chemical dependency), none mention mental illness as even a partial focus.

### **Unlicensed Board and Care Homes**

There are also numerous unlicensed board and care facilities in Harris County, and, although it is against TDMHMR regulations to “place” mental health consumers in such facilities, these individuals live in those facilities for the lack of other available options. **An informal survey of mental health caseworkers revealed that there are at least 15 unlicensed facilities that currently house individuals with mental illness, but we expect that is a vast underestimate.** Because these facilities are unlicensed and not reviewed, living conditions are described as deplorable and dangerous for anyone and much more so for vulnerable individuals with mental illness.

In summary, there are very few options for persons with mental illness in Houston that are in need of housing. Most of the options that do exist provide no mental health treatment, and virtually none that provide wrap around support services, except for those with significant financial resources.

## **Inventory of Funding Sources**

The Task Force identified a number of funding sources that could be used to expand the existing housing capacity for individuals with mental illness in Houston. None of these funding sources, however, provide for the array of support services necessary for individuals with mental illness to live successfully in the community. Funds specific to the service component of our housing efforts must be actively sought, in conjunction with ensuring the most effective use of existing service providers to fulfill those functions.

Most of the funding sources for expansion of housing capacity come from federal sources. While application for those funds is quite complex, applications representing interagency collaboration are viewed favorably. The following represents an inventory of funding sources that could potentially be leveraged to develop housing for individuals with mental illness.

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<sup>9</sup> Magnificat House, supervised living especially for adults with mental illness, and Women’s Home, a transitional living program that offers therapy, job training, and shelter to restore women to self sufficiency, which targets drug addicts and the mentally ill.

## **U.S. Department of Housing and Urban Development (HUD)**

### **Shelter Plus Care (S+C)**

Shelter Plus Care provides rental assistance combined with social service supports for people who are homeless and have a disability, particularly those people with serious mental illness, chronic alcohol and/or drug problems, and AIDS or related diseases, and their families. S+C funds a variety of housing options such as apartments, group homes and individual units for those who do not have families. S+C grants require that support services be offered in conjunction with the housing; however, the community must secure funding from sources other than S+C to fund the support services. These support services must be of at least equal value to the rental assistance provided by HUD through the S+C grant.

Funds provided by S+C are allocated for the following four types of housing assistance:

- Tenant-Based Rental Assistance that contracts directly with the tenants who qualify as low-income;
- Project-Based Rental Assistance that contracts directly with the building owner;
- Sponsor-Based Rental Assistance that contracts with a nonprofit organization; and
- Single Room Occupancy (SRO)-Based Rental Assistance that contracts with a public housing authority.

The grantee must match rental assistance with services.

### **The Supportive Housing Program (SHP)**

SHP provides supportive housing and support services to people who are homeless. SHP funds can be used to create transitional housing, implement permanent supportive housing for people with disabilities, and provide support services that are not offered in conjunction with SHP-funded housing.

Some activities that can be funded through SHP include: acquisition, rehabilitation, construction or leasing of structures that can be used for supportive housing, operating costs of supportive housing and support services. SHP grants must be renewed every three years.

### **Section 811 Supportive Housing for Persons with Disabilities**

Section 811 is designed to increase rental opportunities with support services to enable persons with disabilities who are very low-income to live independently in the community. The program provides interest-free capital advances to nonprofit organizations to construct or rehabilitate rental housing with support services for very low-income persons with disabilities who are at least 18 years old. The advance remains interest-free and need not be repaid as long as the housing remains available for very low-income persons with disabilities for a minimum of 40 years. In addition, the program provides rental assistance for residents in the housing.

Residents pay 30 percent of their adjusted gross income in rent and Section 811 pays the difference between the monthly approved operating cost and the rent received from the tenant.

Houston currently has three 811 programs dedicated to persons with mental illness. Tomball Pines is a facility in Tomball, TX with 22 apartment units for persons with mental illness who are psychiatrically stable, and able to live independently. Pecan Village is a similar facility in Baytown, TX with 18 apartment units. The third, currently under development, is called Villas at Bayou Park Apartments. It will contain 18 units for individuals with a chronic mental illness, who are capable of living independently and meet guidelines of very low or low income.

### **The Section 8 Moderate Rehabilitation Program for Single Room Occupancy (SRO) Dwellings for People Who Are Homeless**

The Section 8 SRO program provides rental assistance for the development of Single Room Occupancies for people who are homeless. Through periodic competitions, Section 8 funding is awarded to Public Housing Agencies (PHAs) and nonprofits for up to 10 years, which allows the project sponsor to find a long-term financial commitment for project development. Private, non-profits are encouraged to contract with local PHAs to administer the subsidy. Tenants must be otherwise eligible for Section 8 rental assistance. Local examples include New Hope Housing, 1414 Congress, DeGeorge, and SHED. Success of these programs is determined, in large part by on site services.

### **Section 8 - Housing Choice Vouchers**

The Housing Choice Vouchers program is the federal government's major program that provides assistance to very low-income families, older adults and people with disabilities who seek to obtain decent, safe and sanitary housing in the private market. The participant is free to choose any housing that meets the program's requirements and is not limited to units located in subsidized housing projects.

Public Housing Agencies (PHAs) receive federal funds from HUD to administer the Housing Choice Vouchers. Once a family has found suitable housing, the owner agrees to rent under the program, and the PHA approves the housing according to its health and safety standards, the PHA pays the housing subsidy directly to the landlord. The family is responsible for covering the difference between the actual rent charged by the landlord and the subsidy.

Housing Choice Voucher eligibility is determined by individual PHAs based on family income, assets and family composition.

### **Home Investment Partnership Program (HOME)**

HOME provides grants to states and localities to fund activities such as building, buying and rehabilitating affordable housing for rent or ownership, and provides direct rental assistance for low-income individuals and families. HOME is the largest federal block grant, allocating \$1 billion per year, to state and local governments. It is designed exclusively to create affordable housing for low-income households.

HOME allows communities to design and implement housing options tailored to community needs; emphasizes partnerships among all levels of government and private sectors; and offers technical assistance activities. The HOME program requires grant recipients to match 25 cents of every dollar in program funds to mobilize community resources in support of affordable housing.

Eligibility for the HOME program varies with the nature of the funded activity. Assistance is based on the HUD-adjusted median family income for the specific localities. HUD develops the income limits. The lower income limit is set at 80 percent and the very low-income limit is set at 50 percent of the median income. Both Houston and Harris County receive these moneys for housing, which they both primarily use for home buyer program down payment assistance.<sup>10</sup> At least 15% of HOME funds must go to Community Housing Development Organizations (CHDOs).

### **HUD's Public Housing Program**

Public housing was established to provide decent, safe rental housing for eligible low-income families, older adults and people with disabilities. HUD administers federal aid to local housing agencies (HAs) that manage the housing for low-income residents at rents that they can afford. HUD furnishes technical and professional assistance in planning, developing and managing these developments.

HAs determine public housing eligibility based on:

- Annual gross income;
- Qualification as a family, an older adult or a person with a disability; and
- U.S. citizenship or eligible immigration status.

### **HUD-VA Supported Housing Program (HUD-VASH)**

HUD-VASH is a supported housing program jointly sponsored by HUD and the Department of Veterans Affairs (VA). The goal is to provide permanent housing and ongoing treatment services to people who are homeless, who are veterans, and who have mental illnesses, substance use disorders or both.

HUD's Section 8 Voucher Program has designated 1,780 vouchers worth \$44.5 million for this harder-to-serve population. VA staff at 35 sites provides outreach, clinical care and ongoing case management services. Rigorous evaluation of this program indicates that this approach significantly reduces days of homelessness for veterans with serious mental illness and substance use disorders.

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<sup>10</sup> \$13 million to the City and \$3.2 million to the County in FY 2002.

### **Community Development Block Grants (CDBG)**

Community Development Block Grants can be used for property acquisition, economic development, public services, neighborhood revitalization, parks, etc. Both Houston and Harris County receive these “block grants.” One time grants are preferred, and both Houston and Harris County “re-program” left over funds each year.<sup>11</sup> Much of the CDBG funds acquired by the city are used for projects, other than housing.

### **Emergency Shelter Grants (ESG)**

Emergency shelter grants can be used for shelter renovation, construction, operating costs and social services. They may also be used for prevention of homelessness through short term utility payment security deposits, first monthly rent, and tenant legal services. The City of Houston, Harris County and the State of Texas each receive these funds.<sup>12</sup> The City of Houston funds are administered by the Child Care Council. Some local agencies apply for, and receive emergency shelter grants from the city, state and country.

### **Housing Opportunities for Persons with AIDS (HOPWA)**

HOPWA provides housing assistance and supportive services for persons with HIV/AIDS. Both Harris County and the City of Houston administer HOPWA funds.<sup>13</sup>

### **Section 221(d) (3)**

Section 221(d)(3) insures mortgages for the development of multifamily rental properties through new construction or substantial rehabilitation. Several types of 221 can be either for profit or non-profit. The mortgage insurance translates to a lower interest rate.

- Housing located in city of Houston Enterprise Zones receives bonus points in all applications.
- The City of Houston has unexpended bond money for housing.
- The City wants housing developers to submit proposals and then allow the city to draw upon eligible/available sources for the project. Projects in revitalization areas have political edge when supported by district Council Member.
- Tax Credits are an attractive multifamily housing development HUD program. Tax Credits administered by Texas Department of Housing and Community Affairs. Very competitive.

### **Center for Mental Health Services (CMHS) Programs**

#### **Homeless Programs Branch**

The Homeless Programs Branch serves the treatment, support services and housing needs of people who are homeless and have mental illnesses. The branch administers programs to assist states and localities in making services available such

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<sup>11</sup> \$36 million to the City and \$11.3 million to the County in FY 2002.

<sup>12</sup> \$1.2 million to the City and \$400,000 to the County in FY 2002.

<sup>13</sup> \$4.6 million to the City and \$0 to the County in FY 2002.

as mental health treatment, medical treatment, substance abuse treatment and legal assistance as part of transition efforts from homelessness.

### **PATH – Projects for Assistance in Transition from Homelessness**

PATH is a formula grant program administered by CMHS within the Substance Abuse and Mental Health Services Administration. PATH provides funding to states and territories that offer community-based services for people who are homeless or at risk of becoming homeless.

PATH funds can be used by providers to offer essential services such as outreach, screening and diagnostic treatment, community mental health services, case management, alcohol or drug treatment, habilitation or rehabilitation, supportive and supervisory services in residential settings, and referrals to other needed services. In addition, the funding may be used to fund limited housing assistance such as minor renovations and repairs to existing housing or one-time rental payments to prevent eviction.

### **Private Funding Sources**

Other communities that have been successful in innovative housing strategies have been successful in leveraging foundation and private industry dollars to support their efforts. These private funds are often used to provide the services and supports that supplement a successful housing initiative for persons with mental illness. This requires a good deal of advocacy and education within the community, which would be one of the roles of the new non-profit corporation.

## **National Best Practices**

### **Vinfen**

Vinfen is a private, non-profit human service organization that provides housing and other services for persons with psychiatric and other disabilities. Since its inception in 1977, Vinfen has offered these services to help consumers and their families attain the highest possible level of independence and quality of life. Vinfen has sites throughout Eastern Massachusetts in both rural and urban settings. Vinfen provides housing resources to approximately 1,100 individuals. Housing services include:

- **Supported Housing:** permanent, affordable housing where people live in their own homes and flexible mental health services are provided separately. Supported housing comprises 40-45% of Vinfen housing.
- **Specialized Treatment Facilities:** Vinfen provides residential services for individuals who request assistance for special needs.
- **Congregate Living Services:** Vinfen offers opportunities for individuals, including those who request high levels of staff support, to live in a group setting. Support services provided include day and employment services, clubhouse services, respite, peer support, hospital diversion, and outpatient psychiatric care.

Vinfen has multiple strategies to help people remain stable in housing once they access it. Their focus is on psychosocial rehabilitation, so they typically develop long term supportive relationships with people, aimed at teaching skills, offering supports and resources, so that people can live successfully in the community.

Vinfen has done little in the way of complicated housing development, sticking more to a traditional course of leasing/purchasing commercial mortgages. Vinfen has been successful in raising money for housing from federal grants, bond issues, and private development opportunities, but the vast majority of the residential dollars come from state contracts (housing through the Department of Mental Health paid for by the commonwealth of Massachusetts). In fact, the funding for Vinfen programs is so rich (\$30,000-\$50,000 per bed per year, with often a one to four staff to consumer ration) and state oriented that the model is difficult to apply to Houston. Furthermore, Vinfen is a huge service provider, and not specifically dedicated to housing, as we believe is our need in Harris County. Nevertheless, the varied approach of the housing model is something to consider replicating.

### **The Green Door**

Founded in 1976, Green Door is a nonprofit organization in Washington, D.C. whose central mission is to help persons with mental illness achieve independence and self-sufficiency by providing a supportive, non-institutional setting. Green Door's 19 member Board of Directors includes the founder of the program, two Green Door clients, and 16 local residents. Green Door's goal is to create a comprehensive community based support system to help people with mental illness move from institutional to neighborhood living. This support system includes case management, job training, education, family support, relocation assistance and structured socializing.

Green Door runs 11 group homes and leases or sublets 35 apartment units for its members. Members live in these off site units and come to the Clubhouse to receive program services. Although group homes and apartments are used as permanent housing, members are encouraged to move into private sector housing. The target population of Green Door is men and women who are disabled by chronic mental illness. The membership is 53% male, 69% African American, 3% Hispanic, 1% Asian and 27% "other." Green Door serves over 300 active members, and has served over 1,500 people. Most members are referred by the District of Columbia's Commission on Mental Health Services. Green Door housing is scattered throughout the city, and neighborhoods are selected based upon their safety, affordability, location and zoning regulations. Green Door group homes and apartments provide permanent member housing, while housing for dual diagnosis individuals (mental illness and substance abuse) is transitional, with an average length of stay of three to twelve months.



Members come to the Green Door Clubhouse to receive services, including job training and placement, GED classes, substance abuse services, support groups, structured socialization and recreation, and family support. Members and staff are responsible for daily Clubhouse operations.

Green Door manages the clubhouse, all of the group homes and some apartments. Other apartments are managed by the owner landlords. Generally, Green Door contracts with apartment owners for member housing and works closely with apartment management on behalf of its members. Most members pay up to 30% of their gross monthly income for rent, food and utilities. Rent is subsidized by the Department of Housing and Urban Development's Section 8 Program, Commission on Mental Health Services Assistance Program, and the District of Columbia's Tenant Assistance Program. Other funding sources include District of Columbia's Rehabilitation Services, U.S. Department of Education, U.S. Department of Housing and Urban Development, and private contributions.

### **Thresholds**

Thresholds is a nonprofit corporation in Chicago, Illinois that provides a wide array of psychiatric rehabilitation services, including a large housing component. The agency has more approximately fifty housing developments in the Chicago area totaling about 800 beds. The Thresholds Residential Program offers a variety of community housing including supervised group homes and independent living apartments for people with severe mental illness. The level of clinical supervision depends on individual needs. Residents are taught basic living skills including diet, hygiene and money management. Many residences also offer opportunities to develop friendships through communal living and shared activities. Services include rehabilitation stabilization services, individual and group counseling, client centered consultation, medication monitoring, crisis intervention, psychosocial rehabilitation and skill enhancing activities.

Thresholds is less richly staffed and funded than Vinfen (\$26,000/bed/year and a staff of ten that manage 50 units.) They also have taken more of a developmental approach than Vinfen, using the strategy of creating limited partnerships and tax credits. Again, Thresholds, like Vinfen, is not dedicated to housing alone.

### **Mental Health Housing Development Corporation**

The Mental Health Housing Development Corporation is a nonprofit housing corporation established in 1989 in Fort Worth, Texas, with the specific mission of developing and managing housing for persons with mental illness. The organization evolved from an evaluation and planning process that began in 1988 and included a broad spectrum of nonprofit, government and private sector representatives. A 24 member task force delivered a three year plan in 1989 and formed a nonprofit development entity, MHHDC, to develop affordable housing integrated into the community. MHHDC's 9 member board includes individuals with expertise in real estate, property management, building construction, risk management, accounting, law, and family members of individuals with mental illness.

MHHDC's first project was Hanratty Place, a 32 unit apartment building with one and two bedroom apartments of permanent housing. There are 18 one bedroom and 14 two bedroom apartments. Hanratty Place offers affordable housing both the persons with mental illness and to the general renter market. Fifty percent of the residents have mental illness and fifty percent do not. The project provides on site support services to assist all residents. Tarrant County MHMR provides intensive case management and life skills training for residents with mental illness. MHHDC and MHMR developed a Memorandum of Understanding that defines the roles of property management and support services staff, and also spells out guidelines for confidentiality, interagency communications and fiscal and administrative responsibilities. MHHDC manages Hanratty Place, and it hires a resident manager, supervised by MHHDC's director, to handle all property management functions. Maintenance and repairs are contracted out. MHMR has placed two full time support staff members on site in space provided by MHHDC.

Development costs for Hanratty Place totaled \$507,000, and property acquisition cost was \$155,000. Funding sources included Tarrant County Housing Finance Corporation, Fort Worth Rental Rehabilitation program, local bank assistance, and foundation grants.

MHHDC now has a second property, Spanish Gate Apartments, with 98 units. Twenty five percent of the units are targeted for persons with mental illness. In addition to the development and operating costs at these two facilities, MHHDC covers administrative costs for its system-wide advocacy work and new development through grants from local foundations, and income from property management fees and developer fees. MHHDC's financial goal for administrative expenses is to become self-sustaining through the generation of property management and developer fees as new projects are developed.

### **Columbus, Ohio—Community Housing Network**

Organized in 1987, the Community Housing Network is a non-profit corporation dedicated to the development of housing for persons with disabilities. Although the organization was able to obtain significant federal and state funding at its inception, which is not likely to be replicable in Houston at this time, it, nevertheless, is seen as a model in the housing field. Like the other organizations described, the success of the Community Housing Network is tied to a very specific and detailed planning process, driven by entities with specific knowledge of funding and development. They currently are listed as the lead agency for six supportive housing projects, with a total of 158 Units, some of which are dedicated to persons with severe mental illness, and others dedicated to persons with substance abuse issues or dual diagnosis.

## Ten Year Vision and Three Year Plan

The ten year vision of the Harris County Housing Task force is to totally eradicate the unmet housing needs of the 14,000 persons identified in our target population. This must obviously occur in incremental fashion, supervised by the non-profit housing corporation. Within the next three years, however, we plan to develop an additional capacity of one congregate living facility and 100 single residence occupancy units, designed to balance needed supports with residents' desire for independence. The initial development costs of these units are estimated to be \$9,250,000-\$13,500,000, with total property management/operational costs estimated to be \$690,000-810,000 per year. Ongoing support services, specific to the needs of persons with mental illness, are estimated to range from \$7334 per consumer per year, to \$13,200 per consumer per year, depending on the acuity of the illness, as will be described below. Details of the recommended array of proposed housing development are provided below.



Not all of the 14,000 persons with mental illness in Houston with unmet housing needs, have the same needs. In fact, we estimate that the individuals in our target population fall roughly into four categories, based upon the acuity of the illness and support needs. Furthermore individuals move between these categories over time, as their psychiatric conditions stabilize and exacerbate. For this reason, a wide array of housing options is necessary. In an attempt to quantify and prioritize these varied needs, we arrived at the following estimates.

### **Level 1: Acute Mental Illness**

We estimate that approximately 7% or 938 persons in our target population suffer, at any one point in time, from acute mental illness. This includes:

- Individuals with active psychiatric symptoms that cause severe distress, or create an imminent risk of harm to self or others;
- Individuals recently discharged from a psychiatric hospital; and/or
- Homeless individuals not currently engaged in mental health services.

Individuals with acute mental illness have the highest support needs, including:

- On site supervision;
- Assistance with medication administration;
- Medications;
- Monthly psychiatric services;
- Daily case management;
- Weekly supportive psychotherapy;
- Transitional supports; and
- Provision of food and daily living supports.

These individuals are generally best served in congregate living situations, because of the levels of supervision necessary, but some may be able to be maintained in alternate living situations, with the support of an Assertive Community Treatment Team. As stated above, there is very little current housing capacity in Houston for persons with acute mental illness who are not generally capable of independent living.

The Harris County Housing Task Force recommends that 35 additional beds should be developed/acquired for persons in Level 1 over the next three years. The initial development cost of this goal (relating to the actual building costs) is estimated to be \$ \$1.75 million to \$3.5 million, with ongoing property management costs are estimated to be \$192,500 to \$210,000 per year. Ongoing support costs for the above listed support services is estimated to be \$13,197 per consumer per year.

### **Level 2: Fragile, Less Acute**

We estimate that approximately 40% or 5,418 individuals in our target population, at any one time, suffer from psychiatric illness that is not currently acute, but is still in a state of fragility. This would include:

- Persons with active psychiatric symptoms, but who are not in immediate danger of hurting themselves or others;
- Persons at risk of exacerbation of their illness to acute levels; and
- Persons who have very little or no community support.

These individuals need somewhat less in the way of constant supervision, but more in the way of support services than persons with acute mental illness. For example, these individuals might be more able to take advantage of the types of support services that helps move them to a higher level of independence. The services needed might include:

- Daily case management;
- Assistance with medication administration;
- Medications;
- Monthly psychiatric services;
- Social opportunities;
- Counseling;
- Skills training;

- Transportation; and
- Substance abuse treatment, where applicable.

The Harris County Housing Task Force recommends that additional bed capacity for persons in Level 2 should be increased by 25 units over the next three years. The initial development cost of this goal (relating to the actual building costs) is estimated to be \$1.25 million to \$2.5 million, with ongoing property management costs estimated at \$112,500 to \$150,000 per year. Ongoing support costs with regard to the above listed support services is estimated to be \$11,500 per consumer per year.

### **Level 3: At Risk of Becoming Fragile**

We estimate that 10% or 1,442 persons in our target population suffer from mental illness that is not currently fragile, but is at risk of becoming fragile. These persons do not need supervision, but need close access to mental health services and supports to move toward more independent living. These persons include:

- Persons whose psychiatric symptoms are stable, but who are still in need of support to avoid exacerbation of the illness; and
- Persons with few natural community supports.

While the need for some of the more intense services, such as frequent psychiatric visits and assistance with medication administration decreases for this group, the needs for supports that lead to greater independence increases. These individuals may desire to live in congregate settings to avoid social isolation, or they may prefer living in individual housing units. We anticipate that services needed for this group would include:

- Routine case management;
- Medications;
- Psychiatric visits every 3 months;
- Social opportunities;
- Counseling and/or therapy;
- Skills Training;
- Transportation;
- Substance abuse services, where applicable;
- Employment assistance and training; and
- Educational services.

The Harris County Housing Task Force recommends that additional bed capacity for persons in Level 3 should be increased by 25 over the next three years. The initial development cost of this goal (relating to the actual building costs) is estimated to be \$1.25 million to \$2.5 million, with ongoing property management costs estimated to be \$112,500 to \$150,000 per year. Ongoing support costs for the above listed support services are estimated to be \$7,334.00 per consumer per year.

### **Level 4: Semi-Independent**

We estimate that 43%, or 5,894 persons in Harris County, are individuals whose psychiatric conditions have been stable for a sustained period of time, and who are able to manage most daily living skills. These individuals need more in the way of natural community supports, in order to maintain this level of independence.

Services needed might include:

- Routine case management;
- Medications;
- Psychiatric visits every 3 months;
- Social opportunities;
- Counseling/Therapy;
- Skills Training;
- Transportation;
- Substance abuse services, where applicable;
- Employment assistance and training; and
- Educational Services

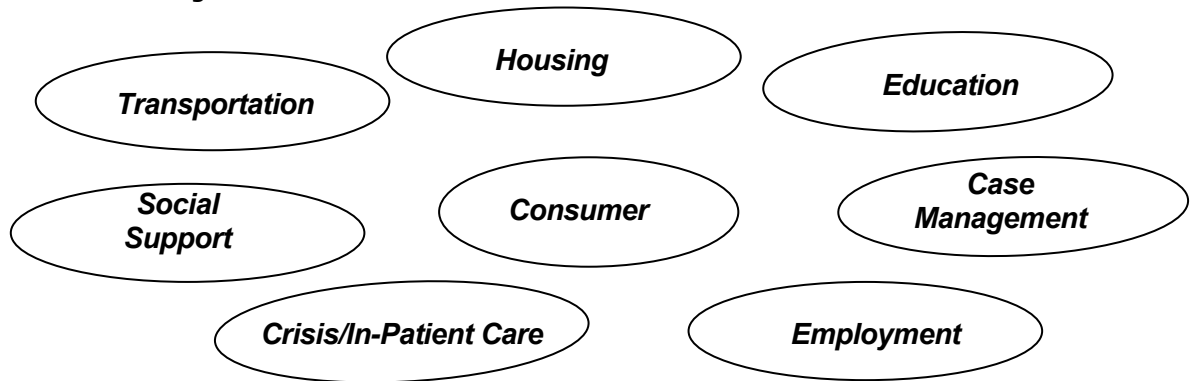
The Harris County Housing Task Force recommends that additional bed capacity for persons in Level 4 should be increased by 50 over the next three years. The initial development cost of this goal (relating to the actual building costs) is estimated to be \$5 million, with ongoing property management costs estimated to be \$275,000 to \$300,000 per year. Ongoing support costs with regard to the above listed support services are estimated to be \$7,334 per consumer per year, or a total of approximately \$43,226,596 to totally address the unmet need.

### **3 Year Vision: Implementation Plan**

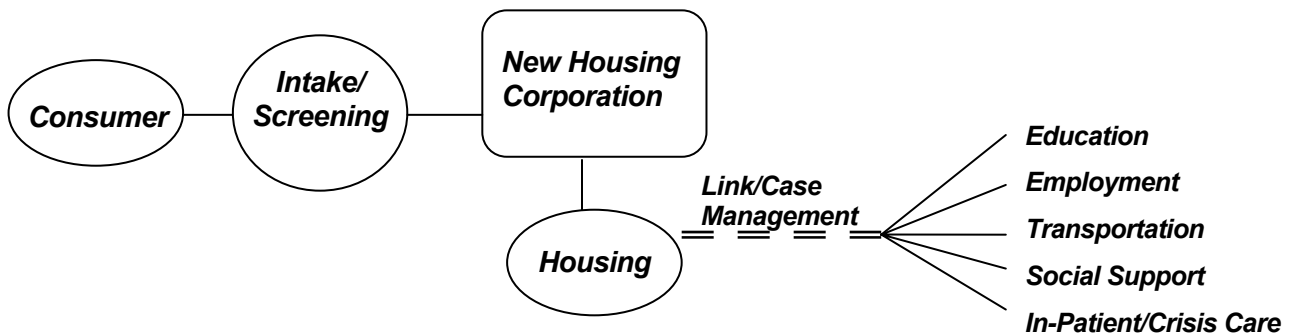
<b>Level</b>	<b># Beds</b>	<b>ALOS</b>	<b>Individuals Served/Year</b>	<b>Individuals Served/3 Years</b>
1	35	0-8 Months	105	315
2	25	8-12 Months	30	90
3	25	1-2 Years	25	50
4	50	2-5 Years	50	72
<b>TOTAL # SERVED</b>			<b>210</b>	<b>527</b>

When appropriate housing programs are provided, consumers are able to optimize the support of other services such as education, employment, case management, social supports, and transportation. The proposed new housing corporation will create new housing programs and will assist other public and private organizations in identifying new funds for the provision of support services.

**Current Reality**



**Proposed Model**



**First Year Operating Costs of Non-Profit Corporation**

The task force has been fortunate enough to secure “pro-bono” legal assistance in the formation of the housing non-profit corporation. First year operation of this non-profit corporation is estimated to be, as follows:

<b>Budget Item</b>	<b>Estimated Expense</b>
Salary: Executive Director	\$80,000
Salary: Part Time Support Staff	\$15,000
Benefits and Taxes	\$19,000
Insurance	\$3,500
Supplies	\$1,000
Telephone	\$500
Printing	\$1,500
Postage	\$500
Meetings and Conferences	\$1,000
Travel	\$1,500
<b>TOTAL</b>	<b>\$123,500</b>

The task force intends to pursue funding and in kind donations to support the first year of operation of this non-profit corporation.

## **Conclusion**

The Harris County Housing Task Force acknowledges that total elimination of the unmet housing needs for persons with mental illness in Houston over ten years is a lofty vision. It is, however, in our view, quite possible, if we engage the Houston community in a collaborative effort to solve this critical problem. Other communities across the country, and in Texas, have been successful in greatly reducing unmet need, using the methods and recommendations articulated in this plan. We are confident that the Houston community will rise to the challenge.

## Housing Task Force Members

Brad Raffle, Baker Botts  
*Chair*

Chuck Badrick, Shell Oil  
Herb Bateman, The Gathering Place  
Reagan Burch, Volunteer  
Jack Callahan, Advocacy, Inc.  
Rose Childs, MHMRA  
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Psychiatry Clinic  
Evelyn Johnson, NAMI Houston  
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Carolyn Hamilton, NAMI West  
Houston  
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Phil Napolitano, Volunteer  
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Esmeralda Pena, Homeless Houston  
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Betsy Schwartz, MHA Houston  
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