

**2018-2019 REPORT OF FINDINGS AND RECOMMENDATIONS OF THE
HOUSING AND HEALTH SERVICES COORDINATION COUNCIL
("HHSCC" OR "COUNCIL")**

TEX. GOV'T CODE §2306.1096 has three subsections: (a), which lists the Council's duties, (b), which requires creation of a biennial plan, and (c), which requires by August 1 of each even numbered year a report to the Governor and the Legislative Budget Board ("LBB") of findings and recommendations. In prior biennia the Council has combined the Plan required by (b) and the Report required by (c) into a single document. This biennium the Council has separated these documents, and this document addresses (c), findings and recommendations to the Governor and the Legislative Budget Board. As the Plan is prepared and finalized, copies will be available from the Council by contacting Kali Adams at kali.adams@tdhca.state.tx.us or at 512.475.2953.

FINDINGS

Finding 1: Housing Needs for Populations Served by Service-Enriched Housing

The Housing and Health Services Coordination Council ("HHSCC" or "Council") finds that Texas, like the rest of the country, continues to experience an insufficient supply of safe, decent, affordable housing to meet existing need. Currently, there are approximately 531,388 units of affordable housing throughout the state¹. Competing for those units are approximately 2,906,807 Texans, age 16 and over, living below the poverty level (in 2018, the income for a family of four living in poverty is \$25,100 or less)² and of that 2,906,807 person number approximately 588,078 also experience one or more disabilities³. The number of Texas renter households with incomes at or below 50% of the Area Median Family Income ("AMFI") that are rent burdened, *i.e.*, paying more than thirty percent of their income on rent and utilities, is roughly 1,047,275⁴.

Significant subpopulations within the larger sector of low and moderate income Texans experience specific conditions that mean that in order for them to have good outcomes they need to be able to connect with specific services in addition to accessing stable housing.

These subpopulations (which are not mutually exclusive) include:

- Older Texans, many of whom have specific disabilities;
- Persons with disabilities in general, many of whom live on limited means such as Supplemental Security Income ("SSI");
- Veterans, including homeless veterans and veterans who have service-related injury or trauma;

¹ TDHCA, 2018 State of Texas Low Income Housing Plan and Annual Report

² Federal Register, Volume 83, No. 12, January 18, 2018 <https://www.gpo.gov/fdsys/pkg/FR-2018-01-18/pdf/2018-00814.pdf>

³ Census Bureau, ACS 5-year 2011-2015, Table S1811

⁴ 2010-2014 Comprehensive Housing Affordability Strategy ("CHAS") <https://www.huduser.gov/portal/datasets/cp.html>

- Homeless individuals and families;
- Persons living with behavioral health issues, including those with substance use disorders (“SUD”), intellectual and developmental disabilities (“IDD”), serious mental illness (“SMI”), and other mental health disorders.

The range of supportive services with which these subpopulations need to connect includes but is not limited to:

- Assistance with essential daily life activities such as eating, bathing, and dressing;
- Treatment for chronic diseases such as diabetes and hypertension;
- Treatment for alcohol or substance use disorders or dependency;
- Treatment for significant psychiatric disorders;
- Assistance in adapting to prostheses and other physical changes as a result of injury, including wounded warriors; and
- Habilitation services to enhance independent living skills.

Finding 2: Findings from the 2016-2017 HSP Academy

In the Report of Findings and Recommendations of the Housing and Health Services Coordination Council submitted to the Governor and the Texas Legislative Budget Board on August 1, 2016, Recommendation 3 from Council was to replicate the Housing and Services Partnership (“HSP”) Academy. In response to this recommendation, the 2016-2017 HSP and Technical Assistance was contracted for a second time to the Corporation for Supportive Housing (“CSH”).

The goal of the 2016-2017 HSP was to establish a Learning Collaborative across the Texas Health and Human Service Commissions’ (“HHSC”) Aging and Disability Resource Center (“ADRC”) housing navigators and other staff to increase knowledge and expand capacity to develop and identify housing and services for vulnerable populations. The HSP Academy included a combination of online and in-person trainings, written guidance, and virtual discussion on topics designed to promote expansion of supportive housing in Texas communities. The Learning Collaborative model seeks to deliver up-to-date content, share best practices, foster communications and relationships between providers, and build new partnerships.

The communities that participated in the 2016-2017 HSP Academy were diverse in geography, urban landscape, population size, housing market maturity, service capacity, infrastructure, and political/civic cultures. Despite these differences, findings showed that supportive and Service-Enriched housing in each region is impacted by five common challenges:

HSP Academy Finding One: *Landlord Networks willing to provide Supportive and Service-Enriched Housing*

Communities uniformly reported insufficient affordable housing which contributed to difficulty finding landlords willing and able to rent to target populations. In all communities, not just the larger cities, team members noted the challenge of increasingly steep rental prices and low

vacancy rates for affordable housing units. Landlords seek higher rental rates in the non-affordable market stating that HUD's Fair Market Rents are too low to compete with local current market conditions. Landlords also find required compliance paperwork and inspection processes burdensome. Also, many landlords lack an understanding of the special needs populations, avoiding populations who have been homeless or institutionalized, perhaps struggling with mental illness, addiction, developmental disability, or chronic health issues. Identifying units for individuals with a criminal history is particularly difficult.

HSP Academy Finding Two: Lack of affordable housing/ rental subsidies

Insufficient affordable housing stems from both a limit on resources such as capital dollars for funding new developments or for rehabilitation of existing substandard affordable housing units, as well as a shortage of rental subsidies/vouchers available. The previously mentioned barrier regarding landlord's willingness to accept vouchers impacts availability even when there is a supply of vouchers. Over the last several years the increased demand in the general rental market for higher income renters places increased stress on housing navigators and relocation specialists trying to connect with landlords.

HSP Academy Finding Three: Community Opposition to Affordable and Supportive Housing

Communities noted opposition from immediate neighbors, business communities, and in some instances local government responding to the concerns of their local constituents.

HSP Academy Finding Four: Time and Capacity

A system change required to bring SEH to scale would take time and enormous capacity. Making measureable progress on any single goal - developing resources, strengthening partnerships, raising awareness, garnering buy-in among stakeholders, demonstrating value, and making policy changes - requires continued investment of time and resources.

Finding 3: Barriers to Service-Enriched Housing

HHSCC has identified barriers and constraints which may limit Texas' ability to support and facilitate a pipeline of integrated, SEH opportunities for persons with disabilities and elderly Texans. Many of these constraints are beyond the control of any one state agency, but agencies such as those represented on HHSCC, are working to overcome these barriers.

Limited funding for SEH exists at both the housing level and the service level. The development and maintenance of SEH is costly and funds are limited. Current programs work to fully utilize funds that are available, but current and projected funding levels for programs that support SEH pose a challenge in increasing SEH availability to match the need.

Additionally, even when resources are available sometimes local attitudes such as “Not in My Back Yard” (“NIMBYism”) present challenges to moving forward with housing development. Furthermore, even when the housing has been constructed, there have been instances where owners have used leasing criteria that have posed obstacles to many tenants in need of SEH, such as leasing criteria treating certain criminal history matters, even if long ago and/or relatively minor, as disqualifying factors.

There are several factors of limited coordination that present barriers to SEH. One of the greatest barriers identified by HHSCC was ineffective and limited service coordination. There is untapped potential with service coordination to advance SEH. Housing developers fully understand the housing aspect, but according to at least one Council member few understand the intricacies of social service programs. Service and resource coordination between local healthcare and social service agencies, housing developers, owners, and property managers needs to be enhanced. Education for housing management will improve effective service coordination for tenants with disabilities and elderly tenants, particularly in terms of behavioral health services. Through increased coordination of care, housing tenancy support services can help reduce homelessness and decrease use of costly emergency services by providing timely intervention when a tenant is experiencing a health or behavioral health crisis and at risk of losing their housing. HHSCC suggests that TDHCA should consider developing training for management of state-funded affordable housing on referral and service coordination, and help make on site affordable housing managers aware of the local resources they may access should the need arise.

RECOMMENDATIONS

Recommendation 1: Recommendations from the 2016-2017 HSP Academy

The following are recommendations from the findings of the 2016-2017 HSP Academy (see Findings from the 2016-2017 HSP Academy).

HSP Academy Recommendations for Finding One: Landlord Networks willing to provide Supportive and Service-Enriched Housing

To increase the stock of landlords willing to take rent subsidies and provide Service-Enriched Housing, CSH recommended that local communities work towards the following:

- Creating Risk Mitigation funds to address landlord concerns by providing financial resources to offset supportive housing tenants’ damage to units and reduce the need for eviction.
- Developing communication and talking points to inform landlords of the value of the services and rent subsidies that are often available for vulnerable populations.

- Providing examples of marketing materials and activities to engage landlords as part of building and owner associations.

HSP Academy Recommendations for Finding Two: *Lack of affordable housing/ rental subsidies*

To combat the lack of affordable housing and rental subsidies, CSH recommended that local communities work towards:

- Understanding how to engage foundations, banks, local/state housing agencies and other potential funders to increase funding for the development of affordable housing in their communities and
- Building partnerships with public housing authorities which can expand the landlord networks, possibly increasing the availability of vouchers or rent subsidies, and are also possibly establishing lawful preferences for target populations.

HSP Academy Recommendations for Finding Three: *Community Opposition to Affordable and Supportive Housing*

To combat possible opposition (or even lack of active support) to affordable and Supportive and Service-Enriched Housing, CSH recommended that local communities work towards:

- Expanding opportunities to educate and present data on potential cost savings and positive outcomes and
- Becoming part of neighborhood block groups and safety efforts, highlighting potential security expansion that can benefit the community.

HSP Academy Recommendations for Finding Four: *Time and Capacity*

A system change required to bring SEH to scale would take time and enormous capacity. Making measureable progress on any single goal - developing resources, strengthening partnerships, raising awareness, garnering buy-in among stakeholders, demonstrating value, and making policy changes - requires continued investment of time and resources.

Recommendation 2: Suggested Recommendations for Council for the next Biennium

- HHSCC should work to address the identified gaps and strategies stated in the 2017-2021 Statewide Behavioral Health Strategic Plan and to support SBHCC's efforts as they work to ensure the coordination of housing and supportive services for Texas' behavioral health population.
- Over the next biennium, HHSCC should develop performance measures to track progress in:
 - The reduction or elimination of barriers in creating Service-Enriched Housing;
 - Increasing the coordination between state housing and health services agencies;

- Increasing the number of state housing and health services staff who are cross-educated or who have expertise in both housing and health services programs; and
- The provision of technical assistance to local communities by state housing and health services staff to increase the number of service-enriched housing projects.
- TDHCA should continue outreach to HHSCC and the public through the “HHSCC Notifications and Funding Opportunities” listserv.

Recommendation 3: Cross-Education and Coordination of Housing and Health Service Agencies

Develop a system to cross-educate selected staff in state housing and health services agencies to increase the number of staff with expertise in both areas and to coordinate relevant staff activities of those agencies

- Coordinate with service agencies to leverage training opportunities to cross-educate state and local housing and services agency staff.
 - The Council recommends that housing and services staff leverage training opportunities to cross educate staff and develop materials in various formats such as PowerPoint presentations, videos, face-to-face, Webinar, etc. to meet the needs of various target audiences.
- Coordinate relevant staff activities of state housing and health services agencies by continuing to support interagency coordination on workgroups and councils including but not limited to:
 - Statewide Behavioral Health Coordinating Council
 - State Community Resource Coordination Groups Workgroup
 - Re-Entry Task Force
 - Veterans Coordinating Council for Veterans Services

Recommendation 4: Study of Service-Enriched Housing in Texas

If the state finds it would be beneficial to gather data on potential savings of general revenue as a direct result of increased dedication of general revenue to the development of Service-Enriched Housing it should consider the commission of a study of this issue led by HHSC.

Recommendation 5: Promote Awareness of Service Coordination to Housing Providers

The state and local parties that oversee the creation and provision of service coordination need to consider the development of ways to promote broad geographic coverage and awareness, so that local housing providers can readily identify and link with the appropriate coordinators. For example, Aging and Disability Resource Centers (“ADRCs”) help people with disabilities identify and access long-term services and supports (“LTSS”). They also have responsibilities to provide housing navigation services. ADRCs should be encouraged to conduct training for public housing authorities and other housing providers, to better educate them about LTSS and facilitate cross-referrals.

Recommendation 6: Recommendations for TDHCA

- TDHCA regularly conducts training sessions for participants in the Housing Tax Credit Program (“HTC”), the Bond Program (“BOND”), and the HOME Investment Partnerships Program (“HOME”) to ensure compliance with all program requirements. These training sessions teach program regulations and will help ensure compliance when implementing TDHCA funded programs. TDHCA should consider incorporating training on referral and service coordination at these trainings commonly referred to as First Thursday Trainings. Trainings could include the benefits of service coordination to tenants and should encourage management to have readily available community resources for tenants, particularly for behavioral health services.

Recommendation 7: Recommendations for HHSC

- Consider partnering with TDHCA to provide health (including mental health) services training for developers’ property managers similar to TDHCA’s “First Thursday” trainings.
- Review current resources dedicated to coordinating housing efforts among state agencies and evaluate if a Housing Coordinator position should be created.
- Consider partnering with other health and housing stakeholders to develop a state supportive housing plan.
- Assess how managed care organizations are assisting members with obtaining and sustaining integrated, accessible, and affordable housing.
- Continue to explore ways in which Medicaid can cover housing tenancy support services.

Recommendation 8: Rule-based Tools

In order to promote a continuing focus on the development not only of more affordable housing but the development of more affordable Service-Enriched Housing, the state and local funding and assistance providers for such development need to consider the creation and use of appropriate rule-based tools as a way to promote more affordable housing developments that access local service coordination and, ultimately offer more service choices and options.