



Lincoln Homeless Coalition Affordable Housing Task Force Essential Housing Report

October 2019

Introduction

The Lincoln Homeless Coalition serves as the federal Continuum of Care for the City of Lincoln. Last November a task force of the Coalition was formed to address the significant barrier of affordable housing. The committee had five meetings and developed this document to inform the city on housing challenges for our most vulnerable citizens.

We are pleased to report that in the last six years, homelessness has decreased 54% in Lincoln thanks to increased coordination led by the Coalition. While this is extremely encouraging it should be viewed with a note of caution. Changes in methodology and a new definition from HUD on homelessness may have caused that data to be somewhat skewed. As reporting has improved and more people have been made aware of services available we have seen the number increase on the weekly by name list of people who are homeless. Some persons have been on the list so long that they have “aged” into chronic homeless status because permanent housing is not available to them. Due to the lack of quality affordable housing we are seeing that number begin to climb again making this effort even timelier.

In the 2019 Point in Time Count 100 persons were identified as chronically homeless which is a 37% increase from 2018 (UNL-Center on Children, Families and the Law). The Affordable Housing Task Force was created to gather information about housing for residents at or below 30% of area median income (AMI). The Task Force dubbed this income level as “Essential Housing” because “affordable” is a broad term meaning different things to different people and since it provides shelter and safety to a population otherwise at greatest risk for homelessness.

The Task Force includes representatives from the following organizations:

- Bridges to Hope
- CEDARS
- Center for People in Need
- CenterPointe
- City of Lincoln, Urban Development Department
- Civic Nebraska
- Community Action Partnership Lancaster & Saunders County
- Department of Health of Human Services, Bridge to Independence
- Lincoln Housing Authority
- Lincoln Partnership for Economic Development
- Matt Talbot Kitchen and Outreach
- Nebraska Appleseed
- Nebraska Investment Finance Authority
- Nebraska Realtors Association
- NeighborWorks Lincoln
- Region V Systems
- South of Downtown Community Development Organization
- Veterans Affairs
- Realtors Association of Lincoln
- University of Nebraska Center for Children, Family, and the Law

Goal

The goal of this report is to provide the Lincoln Mayor's Office and affordable housing consultant with information and housing needs for our most vulnerable population: people living at or below 30% of area median income. The agencies of the Lincoln Homeless Coalition work together to prevent and end homelessness through **All Doors Lead Home Coordinated Entry** meetings to match individuals experiencing homelessness to the housing program of best fit. Our agencies utilize the **Housing First philosophy** partnered with Permanent Supportive Housing (PSH). PSH reduces the need for costly public services by providing people who are chronically homeless with permanent housing at a subsidized rate, along with supportive services to help them maintain their housing.



Research has shown PSH is more effective than shelters and transitional housing systems at housing the 'hardest to serve' individuals, who often struggle with complex and overlapping health, mental health, and substance use disorders. By demonstrating how this intervention saves taxpayers money, we can convince lawmakers that such investment will benefit their communities and constituencies.

Many times, the agencies struggle to find an apartment and landlords that are willing to house the person and/or provide an apartment at a sustainable cost to the individual. The goal of this document is to illustrate the need for additional rental units for Lincoln residents under 30% of AMI and to offer some suggestions at addressing that need.

Description of Population and Need

Our target population needs stable housing and employment; however, they experience barriers to achieving these due to a lack of connectivity. Single adults who are homeless in our community require economic and housing stability. This population of single adults are largely clustered in the downtown area, where there are limited affordable housing opportunities. Often these individuals are also facing a disability. For example, in 2016 in Nebraska, a person with a disability received SSI benefits equal to \$784 per month. Statewide, this income was equal to 20.2% of the area median income. A person with a disability receiving SSI would have to pay 64% of their monthly income to rent an efficiency unit and 78% of their monthly income for a one-bedroom unit. Families and individuals that pay more than 30% of their income are considered "cost-burdened" by the federal Department of Housing and Urban Development.¹

¹ https://www.hud.gov/program_offices/comm_planning/affordablehousing/

**From January 2017 to
December 2018**

4,116 persons were served
through a Lincoln Continuum of
Care housing program or
housing related and assistance
program*

3,286 Adults
830 children <18

40% Female

63% White

10.8% Hispanic

12% U.S. Military veterans

54% of adults reported no
earned income

37% of head of household with
earned income earned <\$1,000
per month

**these data do not include those in Lincoln
PHA Section 8 Housing-Center for
Children Families and the Law*

Many of the Lincoln residents below 30% AMI are unable to receive a Section 8 housing voucher due to long waiting lists, or due to ineligibility based on their history. Many are also recovering from substance use addiction, coping with mental health issues, or both. To prevent our most vulnerable residents from entering, or relapsing, into homelessness, we must provide adequate housing that fits their budget. Affordable housing that passes all inspections and is clean, safe, easily accessible, close to public transportation, and in a safe neighborhood is in high demand. Affordable housing may be subject to additional “area affordability” costs because they may be located where families have additional costs due to environmental, social, or transportation conditions. This housing may be inclusive of rental housing or home ownership opportunities. Partnerships could include owner-occupied rehabilitation, rental rehabilitation, affordable existing and new construction, as well as the promotion of home ownership.

Many of the residents at this income level have bad credit, a mixed rental history, little to no income and will only be able to stay housed with a combination of earned income, benefits, and subsidy. However, providing safe and affordable housing for this population saves the City of Lincoln money. In 2005-2006, the Lincoln

Homeless Coalition's Long Term and Discharge

Planning Committee worked with Lincoln Providers to quantify the costs associated with the top 13 housing utilizers of our emergency homeless system (Hospital, the jail, Ambulance Service, and detox). The total costs associated with these individuals was \$573,952 in a 12 month time period.

While not complete, an updated analysis on costs currently available for Lincoln is incorporated at the end of this report. Furthermore, exhaustive scholarly research in communities across the country has found that permanent supportive housing costs taxpayers significantly less than leaving people on the streets. These savings are due to the fact that people who are chronically homeless cycle in and out of expensive, taxpayer-funded emergency services (including emergency health care, shelters, jail, and the criminal justice system) during their homelessness. This service use drops drastically if quality, affordable and essential housing is available.

The link for *Everyday Homelessness Costs* flyer is below to serve as a reference.

The **FY2018 Continuum of Care Performance Measurement report** for Lincoln provided by Housing and Urban Development from our most recent application, showed that in most measures, Lincoln scores well in our efforts to prevent and end homelessness. However, placement into permanent housing is well below the national average at 22% compared to 41%. We must do better about creating opportunities to address this growing concern.

2019 Permanent Housing Bed/Unit Inventory for those that were formerly homeless.

Organization Name	Project	PIT Count	Total Beds	Utilization Rate
CenterPointe	Outreach Housing Project (3188)	8	9	89%
CenterPointe	Permanent Housing (2385)	36	36	100%
CenterPointe	Shelter + Care (2662)	4	5	80%
CenterPointe	Transitions Two (3015)	22	24	92%
CenterPointe	Vets PSH (2924)	11	11	100%
Matt Talbot	MTKO HOPE (3310)	28	28	100%
Region 5 Systems	Region 5 CABHI (3332)	29	29	100%
Veterans Administration	HUD VASH Program, Lincoln	141	180	78%
Permanent Supportive Housing		Sum : 279		
Catholic Social Services	St. Gianna Transitions (2876)	52	52	100%
CenterPointe	Glide (1178)	13	13	100%
CenterPointe	Transitions (2922)	8	8	100%
Central Nebraska Community Action Partnership	CNCAP Lincoln SSVF RRH (3436)	16	16	100%
Community Action Partnership of Lancaster and Saunders Co.	CAPLS NHAP/ESG RRH, Lincoln (3075)	7	7	100%
Community Action Partnership of Lancaster and Saunders Co.	CAPLS, CoC RRH, Lincoln	118	118	100%
Fresh Start	Fresh Start DOJ	7	7	100%
Friendship Home	Friendship Home, RRH(3379)	13	13	100%
Rapid Rehousing		Sum : 234		
Lincoln Housing Authority	Homeless Voucher Program	27	51	53%
People's City Mission	PCM Curtis Center (3382)	25	32	78%
Other Permanent Housing		Sum : 52		

Total Permanent Housing Units/Beds = 639

January 23rd 2019 PIT Utilization = 88.9%

Other known Affordable Housing Options not included in the Continuum of Care Housing Inventory are below

- **Section 8 Housing Choice Voucher Program** - The housing choice voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.

The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.

The **Lincoln Housing Authority (LHA)** receives federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. This unit may include the family's present residence. Rental units must meet minimum standards of health and safety, as determined by LHA. There are landlords in Lincoln that are not willing to work with the Section 8 voucher program due to inspection requirements, paperwork and assumed government oversight. LHA has offered a "signing bonus" to landlords in the amount of \$150 to new landlords willing to work with the Section 8 program. The Lincoln Homeless Coalition has a **Project Landlord and Consumers Engagement Committee** with the goal of attaining and maintaining landlord relationships. Despite both efforts, this is still a gap in our community.

A housing subsidy is paid to the landlord directly by LHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

The Lincoln Housing Authority has approximately 3,000 vouchers under lease at any given time. The numbers vary based on annual funding from HUD.²

- **Section 8 Project Based Housing Voucher**-- is a government-funded program that provides rental housing to low-income households in privately owned and managed rental units. The subsidy stays with the building; when the tenant moves out, the tenant no longer has the rental assistance. The following chart lists the apartment complexes in Lincoln that currently have project based vouchers. Many of these vouchers in Lincoln are targeted to the elderly/disabled population.

² https://www.hud.gov/topics/housing_choice_voucher_program_section_8

PROPERTY NAME	ADDRESS	TOTAL ASSISTED UNIT COUNT
ARC CAPITAL HOUSING	5609 S. 49th Street, Ste. 5	20
BURKE PLAZA	6721 L ST	89
FAIRFIELD WEST TOWNHOUSES	3621 N 3RD ST	50
GARDEN APARTMENTS	3500 PORTIA ST	23
GLENBROOK TOWNHOUSES	1600 KNOX ST	90
HUNTINGTON PARK	4000 HUNTINGTON AVE	42
CAPITOL VIEW TOWER APTS (L-E-W)	1700 J ST	101
L.H.D. HOUSING PROJECT	1701 P STREET	66
LHD HASTINGS	1701 P St	7
MALONE MANOR	737 N 22ND ST	50
MERCY NORTHGLEN APARTMENTS	1501-03 KNOX ST	12
MERCY WESTERN MANOR	2200 W Q ST	78
NEW 32	925 Knox St	32
PLAZA V (MOULTON APARTMENTS)	705 S 18TH ST	35
TABITHA VILLAGE	841 S 47TH ST	118
THE WALTER	5501 SEA MOUNTAIN RD	100
UNION MANOR	5211 CALVERT ST	56
MOSAIC HOUSING CORPORATION XII	6300 Y Street	10
OVERLAND TRAIL APTS (CENTERPOINTE HOUSING)	1300 D St	10
INDIAN CENTER	2000 N 28th St	48
CROSSROADS HOUSE	1000 O St	58

- State Housing Assistance Program** - The Nebraska DHHS Division of Behavioral Health administers the state's Housing Assistance program, which is designed to address the housing cost burden for extremely low income adults with a serious mental illness (SMI) diagnosis and for adults with a substance use disorders (SUD) or co-occurring disorders. The Housing Assistance program utilizes funding through the Nebraska state documentary stamp tax dollars to provide housing assistance to eligible individuals with an SMI (or co-occurring disorder), and state general funds to serve eligible individuals with either an SMI or an SUD (or co-occurring disorders). These resources can provide rental payments, utility payments, security and utility deposits, and other related costs and payments. The funds are administered through contracts with the six Regional Behavioral Health Authorities which all have Regional Housing Coordinators.

In Lincoln, Region V Systems administers this program. They have approximately 65 housing vouchers in Lincoln that are permanent supportive housing and 25 that are rapid rehousing. These vouchers are not prioritized for people who are homeless. They are prioritized for persons who are ready to

discharge from an inpatient mental health board commitment, psychiatric residential treatment program or at risk of entering either of those levels of care. In 2016, Lincoln committed 29 of their vouchers to the Cooperative Agreement to Benefit Homeless Individuals grant which is explained later in this document.

Lincoln Rental Occupied Units data

County Name

Lancaster

All Income Level Renter Households

County

47,815

In 2017, units rented to those HH at <30% AMI decreased by 632 housing units or -5% percent change from 2010; Furthermore, 94% of those households were paying more than 30% of their income.

Extremely Low Income (less than or equal to 30% of HAMFI) Households

Total ELI Renter Households	13,395
Affordable Units	6,600
Surplus or Deficit of Affordable Units	-6,795
Affordable Units per 100 Renter Households	49
Affordable and Available Units	3,570
Surplus or Deficit of Affordable and Available Units	-9,825
Affordable and Available Units per 100 Renter Households	27

Income by Cost Burden (Renters only)	Cost burden > 30%	Cost burden > 50%	Total	30%+ of Cohort	50%+ of Cohort	30%+ of Total	50%+ of Total
Household Income <=30% HAMFI	11,235	8,605	13,180	85%	65%	24%	18%
Household Income >30% to <=50% HAMFI	6,885	1,500	10,385	66%	14%	15%	3%
Household Income >50% to <=80% HAMFI	2,575	290	11,175	23%	3%	6%	1%
Household Income >80% to <=100% HAMFI	225	60	4,565	5%	1%	0%	0%
Household Income >100% HAMFI	200	75	7,305	3%	1%	0%	0%
Total			46,610				

City of Lincoln (2011-2015 Data)

HAMFI = Housing Area Median Family Income

Renter occupied housing units: 41,465 41% 47,164 43% 5,699 14%

< 30% AMI	Less than \$20,000:	13,594		12,962		-632	-5%
	Less than 20 percent	302	2%	139	1%	-163	-52%
	20 to 29 percent	1,076	8%	696	5%	-380	-32%
	30 percent or more	12,216	90%	12,127	94%	-89	4%

Source: City of Lincoln Department of Urban Development.

More on Barriers to Housing

The Lincoln Homeless Coalition enjoys excellent and productive relationships with many local landlords. However, many landlords will not accept housing vouchers, resulting in fruitless searches for market-rate housing. The City of Lincoln's Affordable Housing plan must include strategies for safe and adequate housing for residents earning less than 30% AMI. According to the Nebraska Investment Finance Authority's 2019 Profile of Nebraska, housing problems are defined as "overcrowding, cost burden, problems with kitchen and plumbing facilities."

Other barriers to housing people at or below 30% AMI include:

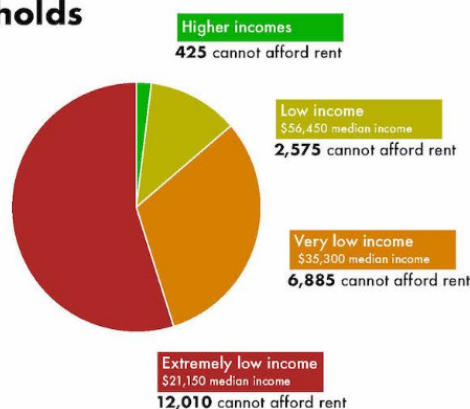
- The majority of voucher programs require meeting HUD definition of chronic homelessness which states: “A homeless individual or head of household with a disability that meets the HUD definition of a disability who (a) lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; AND (b) has been homeless and living in one of these places continuously for at least 12 months OR on at least 4 separate occasions in the last 3 years, as long as the combined occasions equal at least 12 months and each break in homelessness separating the occasions included at least 7 consecutive nights of not living in one of the aforementioned places.”
- If a person is institutionalized for longer than 90 days, they lose their homeless status. This affects persons discharging from the Lincoln Regional Center, the Lancaster County Jail, and Nebraska State Penitentiary. Because of this requirement, people reentering society from corrections are not included in homeless numbers; however, they will likely require some kind of rental subsidy or assistance to obtain housing.
- Couch surfing/doubling up can interfere with accurate numbers and ability to serve as they are not now defined as homeless.
- Potential participants can be skeptical and untrusting in regards to “the system” or agencies perceived to be governmental.
- Individuals in need surpass the amount of vouchers available.
- The eligibility criteria for a majority of programs includes a disabling condition (SPMI, SUD), which can limit the number served
- A need for additional funds exists for many households to pay for things such as damages, moving costs for VAWA protections, utility allowance assistance that cannot be covered with HUD dollars.
- Landlords may not be willing to rent to individuals/families utilizing a subsidy.
- Past evictions and/or criminal history can make it significantly harder to find housing
- The conditions of some of the rental units deemed affordable for our clients at or below the 30% AMI can be poor or unsafe.

The availability of adequate and affordable housing in Lincoln has become a crisis. In fact, **housing is unaffordable for 47 percent of Lincolniters that rent at all income levels.** Finding suitable, affordable housing is especially a struggle for low-income Lincolniters, who often must rent. Indeed, **91 percent of extremely low-income families spend more than one-third of their income on rent.** Many are living in unsuitable living conditions. In Lincoln, about 12,000 households are living with housing adequacy issues. Lincoln must address these issues before they become worse.

Lincoln households whose rent is unaffordable

This is a breakdown, by median income for a family of 3, of Lincoln households that pay more than 30% of their income for housing.

The majority are extremely low income



Source: South of Downtown Community Development Organization

Examples of housing development for people at or below 30% AMI

There are state and national programs designed for acquisition, rehabilitation, and new construction of housing units. Whether it is purchasing and redeveloping an already existing property or building a new apartment complex, targeting people at this extremely low income threshold can be difficult. There are some programs designed to help make this a reality that can be implemented. Lincoln faces a challenge in that there are not many plots of land where new construction can happen. The South of Downtown Housing Subcommittee has been working on the potential of community land trusts, housing rehabilitation and new construction as evidenced in their report. At this time, Lincoln does not have an inclusionary zoning policy that requires housing developments to set aside a certain number of units for affordable housing. This concept has been discussed at both the South of Downtown and Lincoln Homeless Coalition groups. Two programs that are resources for housing development are the Nebraska Investment Finance Authority's Low Income Housing Tax Credit program's CRANE process and the Nebraska Department of Economic Development's National Housing Trust Fund.

Collaborative Resource Allocation for Nebraska (CRANE) process for Low Income Housing Tax Credits and Affordable Housing Tax Credits

CRANE is a strategic allocation process between the Nebraska Investment Finance Authority (NIFA) and other collaborating resource providers and for-profit partners to accomplish difficult projects. The focus and primary purpose of CRANE is to encourage the development of affordable housing through long-term, housing development and community development strategies in Nebraska.

CRANE is a resource allocation strategy designed to encourage collaborative efforts among the multiple resource allocators, such as NIFA, Department of Economic

Development, HUD, local governments, non-profits and others, and their various programs.

The primary purpose of CRANE is to provide targeted resources for the development of affordable housing to eligible applicants (communities and alliances between for-profit and non-profit entities) who are able to demonstrate that, through a public process, they have assessed the needs of their particular community with respect to economic development, housing development, community development and special needs populations (i.e., people with mental or physical disabilities) and developed a plan to address those needs. NIFA provides the Low Income Housing Tax Credit and Nebraska Affordable Housing Tax Credit as a resource within the CRANE process.

Three examples of CRANE Projects in Lincoln are: People's City Mission Curtis Center, CenterPointe's Creekside Apartments and the Ambassador President Apartments.

National Housing Trust Fund (HTF) administered by the Nebraska Department of Economic Development

The HTF will focus on rental housing for households at or below 30% of Area Median Income for a period of 30 years. Funding for projects under the Targeted Needs and Permanent Housing categories may be applied for by a non-profit 501(c)(3), or 501(c)(4) housing or related organization, or a public housing authority. Eligible applicants will be required to comply with HTF requirement as well as demonstrate their capacity to carry out an eligible activity. Other housing programs may be used in conjunction with HTF funds. Eligible activities of the National Housing Trust include:³

- Acquisition and rehabilitation of housing to create rental housing for persons with extremely low-incomes.
- Rehabilitation or new construction of rental housing.
- Adaptive re-use of buildings for rental housing.
- Operating cost assistance and reserves.
- Nonprofits can apply with a developer and this is an open cycle through the Department of Economic Development.
- The HTF has Three Funding Categories:
- Collaborative Resource Allocation for Nebraska (CRANE)
- Targeted needs
- Permanent housing

³ <https://opportunity.nebraska.gov/program/national-housing-trust-fund-htf/>

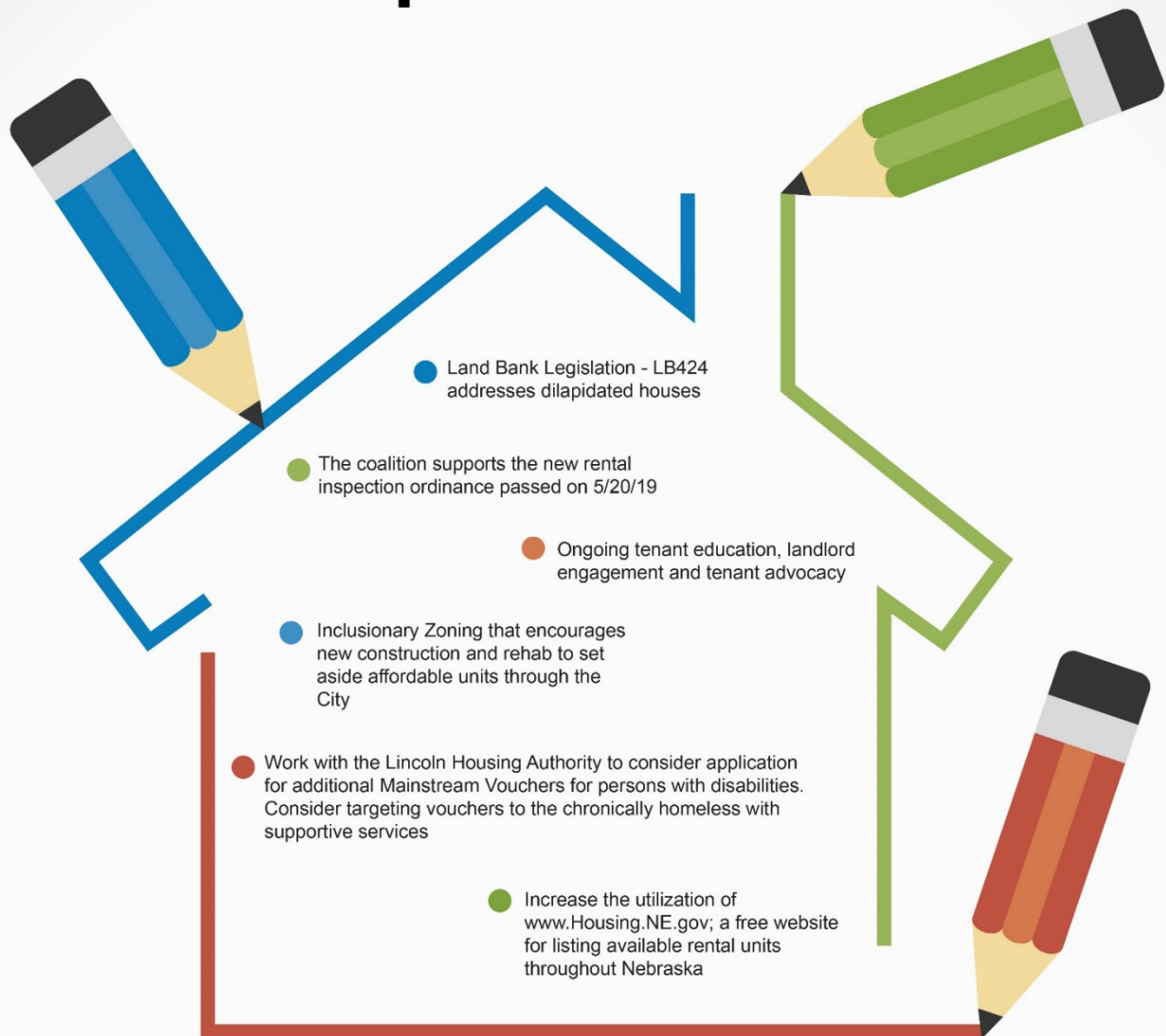
Community Examples

In our community, the Task Force recommends the following local action and potential models nationwide to replicate.



The Lincoln Homeless Coalition recommends expanding Matt Talbot Kitchen and Outreach's Landlord Liaison Project and supporting the continuation and possible expansion of Lincoln's Cooperative Agreement to Benefit Homeless Individuals (CABHI).

Action Steps



National Models of Housing and Services Collaborations dedicated to persons at or below 30% AMI

There are national models that provide a combination of housing and services that Lincoln can learn from and potentially adapt to our community. These programs focus on individuals who are chronically homeless and demonstrate a cost savings to their cities. There are also additional efforts that encourage partnerships with landlords that we can learn from. Some examples of projects throughout the country are:

- a. [Shelter House](#) - Iowa City
- b. [New Path Community Housing](#) - Boise Idaho
- c. [Safe Home](#) - Sioux Falls SD
- d. North Dakota's Housing Finance Agency's [Landlord Risk Mitigation Fund](#). This program guarantees a landlord up to \$2,000 for tenant damages. Funding is targeted to clients who are eligible to enroll in Medicaid Expansion and have an intellectual, developmental, physical, aging-related or behavioral health condition or be a youth exiting the foster care system.
- e. Minneapolis is ending single family zoning to provide more housing availability in all parts of the city. <https://www.nytimes.com/2018/12/13/us/minneapolis-single-family-zoning.html>
- f. Within Reach: Ambitious Federal Solutions to meet the Housing Needs of the Most Vulnerable People-www.opportunityhome.org –an area of increased focus is increasing affordable housing opportunities.
- g. New Orleans Housing First: <https://www.wbur.org/hereandnow/2019/02/19/new-orleans-reducing-homeless-hurricane-katrina>

See attached City of Lincoln Housing Fact Sheet

Conclusion

On behalf of the Lincoln Homeless Coalition we are pleased to submit this report and hopeful it can be used to influence the development and thoughtful consideration of any and all efforts to increase essential housing stock for those at or below 30% area median income, many of whom have no income at all. Significant progress has been made to reduce homelessness in our community. Lincoln earned the distinguished designation of ending Veterans Homelessness in 2018. Next on the priorities is ending Chronic Homelessness. We believe this is possible! Through collaboration and support from our city's leadership we can emulate what is being successfully implemented in other parts of the country. We can lead across the state and be a city that others will want to emulate. The time to act is now. Affordable housing is a current issue that must be addressed for all Lincoln's residents.

Thank you for your review of this important issue. If we can be of further assistance or answer any questions please reach out to the Affordable Housing Task Force Co-Chairs and Liaison.

Respectfully,

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