

**COMMONWEALTH OF PENNSYLVANIA  
OFFICE OF MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES  
DEPARTMENT OF PUBLIC WELFARE**

**COUNTY MENTAL HEALTH/ SUBSTANCE ABUSE HOUSING PLAN**

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**COUNTY PROGRAM:** Lehigh County Health Choices

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**SUMMARY OF COUNTY HOUSING PLAN:** *(County Programs utilizing Re-investment to expand their supportive housing programs are permitted to request this Housing Plan be a multi-year plan. However, if a County wishes to add Reinvestment funds to Supportive Housing in 2008 and beyond a County must update this Plan to identify and all changes in their overall approach including changes in how funds are proposed to be allotted. Please identify the estimated number of housing units/subsidies to be developed (a planned range is allowed), what financing strategies you are employing including how you will meet OMHSAS guidelines for affordability.)*

**I. REINVESTMENT REQUEST:**

*(Please complete Attachment B-Housing Budget Worksheet to display budget from all sources to the extent known when submitting this Plan).*

**1. Capital Funding**  
Amount:..... \$3,500,000

**2. PHFA Project Based Operating Subsidy**  
Amount:..... \$1,000,000

**3. Rental Subsidy**  
Amount:..... \$1,169,802

**3a. Bridge Subsidy Program**  
Amount:..... \$345,802

**3b. Master Leasing Program**  
Amount:..... \$824,000

<input checked="" type="checkbox"/>	<b>4. Program Management / Clearinghouse</b> Amount:.....\$580,000
<input checked="" type="checkbox"/>	<b>5. Housing Support / Support Services</b> Amount:.....\$100,000
<input checked="" type="checkbox"/>	<b>6. Housing Contingency Fund</b> Amount:.....\$300,000
<b>Total Reinvestment Request.....\$6,649,802</b>	

**II. ANALYSIS OF EXISTING AND POTENTIAL RESOURCES AND LOCAL CAPACITY:**

In order to develop a strategic use of reinvestment funds for supportive housing, it is important to identify existing, potential, scarce or resources that are available in your market area. Please highlight any unique funding opportunities (funding or real estate market) opportunities that you would like to take advantage of as part of this plan.. Please complete Attachment A to identify current available resources or attach your current resource inventory if one exists and includes all of the information included on Attachment A.

**1. Capital Funds, Rental Subsidies, Loans:** *Identify city/ county housing development resources used for multi-family rental housing or local housing trust funds, PHA resources such as Section 8 subsidies or other rental subsidies, HUD McKinney-Vento Homeless Assistance, Section 811, Federal Home Loan Bank, Past use/ current or planned requests for Low Income Housing Tax Credits and/ or PennHomes funding:*

The following is an outline of several of the major sources of capital, operational and service funding that will be carefully reviewed, in order to take full advantage of opportunities to expand and support permanent supportive housing. These programs include, but are not limited to:

- **Community Development Block Grant (CDBG)** funding amounts increased this year, as Lehigh and Northampton counties were designated urban counties with funding direct from HUD and not through the state. CDBG funds can be used for property acquisition and rehabilitation of dwelling units occupied by households with incomes at or below 80% of median household income. Under certain circumstances, CDBG funds can also be used for new construction of affordable housing.
  - Lehigh County Community Development Block Grant (CDBG) funds to address the needs outlined in the 1st five year CDBG Strategic Plan are anticipated to be approximately \$1.4 million, for each of the next five years.
- **Federal HOME funds** are distributed in the Lehigh Valley via formula grants to States and localities that communities use—often in partnership with local nonprofit groups—to fund a wide range of activities that build,

buy, and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. Currently, federal HOME funds are distributed to projects in the Lehigh Valley through the Commonwealth. Lehigh and Northampton are working to qualify for direct HOME grants from HUD, which would increase the allocation of dollars to the counties.

- Lehigh County currently does not have a HOME program, but anticipates a program next year since HUD based CDBG communities usually are funded in their second year of operation.
- The City of Allentown will receive \$989,181 in HOME funds from HUD in 2007 (7/1/07 – 6/30/08). \$600,000, per year for the next three years, will support funding of the Hope VI – Hart Program. (See #1 Capital Investment)
- **Public Housing Authorities/ Section 8 Housing Choice Voucher Program and Homeownership Voucher Program:** HUD assists in making safe and quality housing in the private rental market affordable to very low-income families by reducing housing costs through direct rent subsidy payments to landlords. The funding source is HUD and is administered through the Commonwealth of Pennsylvania and local public housing authorities.
  - The Lehigh County Housing Authority has 1,593 vouchers, a waiting list of 823, and operates 289 public housing units, with one person utilizing a homeownership voucher. The Lehigh County Housing Authority also administers a McKinney-Vento Shelter + Care program which provides rental assistance to 22 homeless persons with mental illness.
  - The Allentown Housing Authority currently has 1,800 people on its Section 8 waiting list, which includes a local and domestic violence preference. There are no preferences for the disabled and the PHA does not participate in the Housing Choice Voucher Homeownership Program. The turnover rate is approximately 12 vouchers per month.
- **HUD Section 811- Housing for People with Disabilities:** HUD provides interest-free capital advances to nonprofit sponsors to help them finance the development of rental housing such as independent living projects, condominium units and small group homes. The capital advance can finance the construction, rehabilitation, or acquisition with or without rehabilitation of supportive housing. The advance does not have to be repaid as long as the housing remains available for very low-income persons with disabilities for at least 40 years.

- There have been no applications for HUD 811 in Lehigh County in recent years. In view of the opportunities presented by the Section 811 Program, provider agencies will be encouraged to apply in the next round (April 08) for scattered site independent PSH units. Technical assistance and support will be made available under this plan to each applicant.
- Under this years HUD 811 Program there were 20 units (\$2,576,410) available in the Lehigh Valley area, although there were no local applications for these funds. It is anticipated that funding will remain the same for FFY 2008.
- **Federal Home Loan Bank (FHLBP):** The FHLBP provides readily available low-cost funding and opportunities for affordable housing and community development to 335 member financial institutions in Delaware, Pennsylvania and West Virginia. Each year, FHLBP sets aside approximately 10 percent of its net income to fund the Affordable Housing Program (AHP). In 2007, the FHLBP will distribute AHP funds in two funding rounds. (3/29/07 and 9/27/07) AHP funds are increasingly being channeled toward projects that provide special-needs populations — such as the mentally/physically disabled, frail elderly, persons with HIV/AIDS, persons recovering from drug/alcohol addiction or victims of domestic violence — with counseling, vocational and educational services, medical support and other forms of assistance, in addition to housing. The AHP provides grants and loans that can be used for:
  - Single- and multi-family housing
  - New construction and rehabilitation
  - Rental and owner-occupied homes
  - Scattered-site housing development projects
  - Transitional and single-room-occupancy housing
- **Lehigh County Trust Fund:** Lehigh County's Department of Community and Economic Development has established the goals of the Affordable Housing Program to improve housing conditions and housing stock for home owners and renters, by increasing the availability of affordable housing through development and preservation and establishing new partnerships. The Department of Community and Economic Development has created a formal housing advisory committee, consisting of individuals with expertise in regional housing programs, finance, administration, government and planning to help provide guidelines on how to use the funds. The Lehigh County raises revenue to enable County residents to purchase or rent quality residential housing through fees charged by the Recorder of Deeds for recording deeds and mortgages under the Act of April 8, 1982 (P.L. 310, No. 87), referred to as the Recorder of Deeds Fee Law.

- The LCTF is currently funded at approximately \$1.6 million, (proposals have been received and most of the funding has been obligated for this year).
- **HUD McKinney-Vento Homeless Assistance:  
2007 Continuum of Care Objectives:**
  - In 2007 open and begin occupancy of 22 beds for chronically and non-chronically homeless individuals with mental illness funded in 2006 through the Lehigh Valley Assertive Community Team (LVACT) Housing Supports Program.
  - In 2007 open and begin occupancy of tenant-based rental assistance for 22 chronically homeless persons with mental illness by Lehigh County Conference of Churches, funded in 2006.
  - Encourage providers of Permanent Supportive Housing and Shelter Plus Care programs to occupy new and vacant units with chronically homeless individuals.
- **Federal Low Income Housing Tax Credits: (FLIHTC):** PHFA allocates federal Low-Income Housing Tax Credits (LIHTC) to generate private investment equity for rental ventures. This program provides owners of, and investors in, affordable rental housing developments with tax credits that offer a dollar-for-dollar reduction in their tax liability. The credit may be taken for up to 10 years. Tax credits are usually sold to investors with the proceeds used to cover project costs. Application is competitive. Tax credits are set aside regionally.
  - PHFA administers a \$24 million annual tax allocation for the Commonwealth of Pennsylvania.
  - Lehigh MH/MR proposes to participate in the PHFA tax credit program to take advantage of any opportunities for PSH expansion.
- **Penn HOMES Program:** PHFA provides permanent financing for rental projects through the Penn HOMES Program. It offers interest-free, deferred payment loans to support the development of affordable rental housing for lower-income residents. Financing is structured as primary or secondary mortgage loans. Eligible sponsors include for-profit or nonprofit entities.
  - Funding for 2007 is approximately \$20 million.

- Developers may receive up to \$22,500/unit in Penn HOMES financing but increase their chances of receiving financing if requesting a lower per-unit amount. Application is through an annual competition. Applications in the next round are due December 14, 2007

**2. Housing Development Capacity:** *Availability of local organizations who can develop affordable rental housing in a competitive environment and assessment of the need for capacity building for affordable housing development*

There are a number of organizations in Lehigh County who have had success in developing rental housing for special needs populations. Additionally, there are organizations that have the desire to create supportive housing, but lack the organizational infrastructure and capacity to do so.

Lehigh County MH/MR has contracted with the Corporation for Supportive Housing to work with local organizations in order to strengthen their capacity in developing PSH.

Valley Housing Development Corporation (“VHDC”), a 501(c)(3) non-profit housing development corporation has been providing housing development services to Lehigh County MH for over 18 years. In 1991, VHDC developed Gordon Street Apartments which is a 20-unit independent housing development for persons with mental illness. VHDC is the recipient of three McKinney-Vento Supportive Housing Programs which currently provides tenant-based, scattered-site housing for 71 homeless persons with mental illness. CHDC has been administering these SHP Programs since 1994. In addition, VHDC operates an 18-unit Single Room Occupancy (“SRO”) for persons with mental illness. VHDC has been the primary provider of affordable housing in Lehigh County, having developed over 1,300 units of affordable housing for families, the elderly and the disabled.

**3. Housing-Related Administration and Management:** *Potential organizations who can act as administrator of rental resources, manage contingency funds, housing clearinghouse, selection and waiting list management and tenancy facilitation. This organization is separate from housing development organization(s) if housing development funds are to be managed at local level to avoid conflict of interest.*

There are several potential organizations that could assume the above functions and a Request for Proposals will be issued by the county to select an organization that can best fulfill these objectives. (See #5 - Objectives for Program Management/ Clearing House)

**4. Services Capacity:** *Potential mainstream or specialty providers who can provide housing support as a stand alone or integrated service. Does the County have CTTs ACT or other comparable services that can also be identified as services that provide a “clinical home”; describe progress on Peer Services implementation..*

Lehigh County currently has three agencies providing CTT or ACT Team services

to approximately 300 consumers. They are Resources for Human Development /ACT, Northwestern Human Services/CTT and Elwyn Behavioral Health/ACT. Peer support services have been a vital part of team service delivery for the past eleven years. Some aspects of housing support are integrated in team services.

Lehigh County MH/MR plans to establish a housing support team consisting of Certified Peer Specialists. The Lehigh Valley Consumer / Family Satisfaction Team (CFST) are actively involved in the development of a Certified Peer Specialist team. We plan to develop our housing support team with Certified Peer Specialists from the Lehigh Valley CFST.

Lehigh and Northampton counties along with Magellan Behavioral Health began planning for the expansion of peer support services in December 2006. The application for Lehigh and Northampton Counties to participate in the 2007 Peer Specialist Training and Technical Assistance Initiative was recently accepted by the review committee. Lehigh and Northampton Counties were each given 7 training slots. We anticipate the training schedule will be finalized in the near future.

The Lehigh Valley Consumer/Family Satisfaction Team has been working with Lehigh and Northampton counties to develop a Certified Peer Specialist team. The CFST plans to establish a subcontracting relationship with a licensed mental health agency to serve as the enrolled MA provider and be responsible for administrative and clinical oversight. The Consumer/Family Satisfaction Team would be a direct service provider of peer support services.

The Bi-County Recovery Committee consisting of consumers, family members, providers and county staff identified the need for a Peer Mentoring Program. Committee members felt this service was critical because many consumers could not meet the qualifications for certified peer specialists. This program can also provide a career ladder for consumers interested in becoming certified peer specialists.

### **III. LOCAL PLANNING/ COUNTY MH/MR PROGRAM STAFFING**

1. Please describe your Local Housing Opportunity Team (LHOT) or other local housing planning effort that serves a similar purpose. Identify what role the LHOT (or other group) will play in the implementation of this Plan. Please briefly describe the membership of the team/group by title or representation.
  - The Lehigh Valley Local Housing Options Team (“LHOT”) meets on a regular basis, sharing information related to mental health housing related initiatives in the county. The LHOT is represented by key county, municipal and non-profit mental health, housing and advocacy organizations in the county. A representative from Lehigh County MH/MR attends the

meetings. A Steering committee will be formed to plan and implement the Lehigh County Mental Health Housing Plan and a number of agencies represented on the LHOT will participate on this group. The LHOT will also be involved in the planning and implementation of the plan. (See attached Attachment C for the full listing of LHOT member organizations).

- The Lehigh Valley Planning Commission (LVPC) was formed by Lehigh and Northampton counties in 1961 to create a comprehensive plan to guide orderly growth in Lehigh and Northampton and the 62 municipalities in the Lehigh Valley. In April 2007, the LVPC issued a comprehensive affordable housing plan the “Strategic Housing Plan for the Lehigh Valley” includes a concise list of recommended actions, with significant resources available to invest in these initiatives, e.g., as note above, CDBG, HOME, etc.
2. Please identify other local or state housing planning processes (i.e. Continuum of Care planning process) that either County MH/MR staff or other local stakeholders have actively participated. Describe the entities that have participated and the extent of involvement.
- The Northeast Regional Homeless Advisory Board is represented by non-profit/ non-public agencies and identifies regional and local homeless issues, implements the Continuum of Care (CoC) action plans; and monitors, reviews and ranks projects funded through the CoC. (See attachment C for full agency membership listing)
  - The Clubhouse Housing Committee is comprised of Clubhouse members and staff. They have been exploring housing opportunities for members and other consumers residing in Lehigh County. Clubhouse members and staff are conducting a consumer housing choice survey and focus groups to assist in planning PSH under the plan. Corporation for Supportive Housing consultants are providing training and oversight of this process.
  - Community Healthcare Alliance (CHA) is a bi-county (Lehigh and Northampton County) committee of stakeholder members of mental health and substance abuse services, service providers, the County’s managed care organization (Magellan Health Services), and each respective County’s HealthChoices staff. The CHA provides a forum for stakeholders and network providers to offer input and share ideas with the County staff and MCO. Members have expressed support for the advancement of a comprehensive housing project.
  - In order to insure representative stakeholder representation in planning, coordination and implementation of the Lehigh County Mental Health Housing Plan a new advisory group will be formed with representation from the above committees. The committee shall be referred to as the Lehigh County Mental Health Housing Advisory Committee. (LCMHAC)



3. OMHSAS expects that the planning process used to develop the County Housing Plan be consumer driven. Please describe how your County involved MH/MR consumers in developing proposed Housing Plan and how consumers will be involved in the ongoing implementation and evaluation of the program approaches. If the County has not already conducted a housing choice or preference survey to better assess what types of housing opportunities consumers prefer; please make arrangements to complete such a survey as part of the implementation of your housing plan. Please describe results and/or plans. Please indicate if you need technical assistance to complete this survey/ needs assessment.
- Consumers consistently voice their preference for a decent stable place of their own to live. Independent, decent, safe and affordable community-based housing linked to flexible community-based supports is desired by consumers as an essential ingredient to foster and support their own journeys towards recovery. This strategy proposes a true and full partnership with the consumer in which services /support incorporates assessment and reassessment of the needs, goals, and preferences of the individual. A consumer and community advisory board will be established to ensure responsive program design, structure and services. The strength and proven efficacy of this initiative will be services that are consumer driven and directly support the foundations of the Wellness and Recovery Model. The program will utilize an approach that emphasizes hope, personal consumer responsibility, self-advocacy and empowerment, increased self awareness and education, and the skills to develop and maintain a meaningful and effective support system.
  - The Bi-County Mental Health Planning Committee consisting of consumers, family members, providers and county staff meet on a monthly basis to collaborate on all aspects of mental health planning. This committee will remain actively involved in the housing planning process. Members of this committee will serve on the Lehigh County Mental Health Housing Advisory Committee.
  - Consumers and family members will participate on the Lehigh County Mental Health Housing Advisory and will assist in the development of expanded housing opportunities and housing supports.
  - Lehigh County MH/MR has initiated planning for a comprehensive consumer housing choice survey and a series of consumer focus groups to better understand the perspective of mental health consumers, who have the greatest stake in influencing the size and direction of the mental health service system. The most important aspect of the survey is the potential for all stakeholders, consumers, families, administrators, and practitioners to coordinate their efforts toward shared goals to better meet important consumer needs by prioritizing services, improving provider training, and coordinating advocacy.

4. Please identify your lead staff person to implement this plan and identify where this individual is located within the organization. Attach an organizational chart if available.

- County staff as follows:
  - Lynn Kovich, Director, Lehigh County Department of Human Services
  - Administrator, MH/MR/D&A/Health Choices, (The Administrator's position is vacant as of 9/5/2007; and is to be filled as soon as possible.);
  - Marjorie Kovacs, Deputy MH Administrator; and
  - Don Panto, Health Choices Coordinator,

The identified staff will serve as the leads in implementing the plan. We believe this management team will provide the strongest leadership and commitment to the successful planning, implementation, administrative oversight and follow-up on the plan.

Attached (as Attachment D) is an organizational Chart for Lehigh County MH/ MR.

- Additionally, Lehigh County has contracted with the Corporation for Supportive Housing, which is a recognized leader in the country in promoting, developing and supporting permanent supportive housing. CSH will be extensively involved in the planning, coordination and implementation of the plan.
- Lehigh MH/MR will regularly review and monitor plan implementation and give consideration to hiring a full time Lehigh County MH/MR - PSH Coordinator, if it is determined that the position is necessary in order to achieve successful implementation.

#### IV. IDENTIFICATION OF PRIORITY CONSUMER GROUP INSTRUCTIONS:

**IDENTIFY UP TO FOUR** priority groups (who are MA eligible) for these targeted housing resources. You have a choice of listing them all as "high" priority or may be listed in descending priority order; please indicate which method you are using. Counties can choose to identify the priority group by age, type of disability/need or other designation. In the rationale for priority, please discuss why the priority group is "most in need" of permanent housing to be created by this initiative. Provide local or state data and statistics to support your priority consumer targeting plan. Keep in mind that Reinvestment funds must be targeted to address the "unmet need" for permanent supportive housing among MA eligible persons in your County. In the rationale for priority, please describe any strategic, systems considerations for identifying a priority consumer group.

## Priority Group 1:

### Rationale for Priority:

Lehigh County will provide equal priority for the MA eligible populations identified below: This includes people who have a serious and persistent mental illness who are:

- Currently in Community Rehabilitation Residences (CRR), whose housing and service needs can be more appropriately met in PSH;
- Young adult, (Age 18-23) transitional population;
- Forensic population transitioning out of Lehigh County Prison;
- Homeless, or at risk of homelessness.

Priority populations include people who may have extremely high rates of poverty, a desire to live in normal housing, a need for long-term supports and services in order to live as independently as possible and a desire for greater personal control, autonomy, and choice in their living situation.

**Priority group #1 includes people with serious and persistent mental illness who are currently in Community Rehabilitation Residences (CRR), whose housing and service needs can be more appropriately met in PSH.**

Supportive housing has had demonstrated effectiveness in working for people who face complex life challenges—individuals and families who have very low incomes and have a serious or persistent mental illness. PSH has reduced emergency room and inpatient care (medical, psychiatric and substance abuse), jail, police, emergency medical services, the court system, in addition to being more cost effective for the mental health delivery system than transitional and other residential programs.

- Lehigh County MH/MR currently has 118 consumers in Community Residential Rehabilitation (CRR) programs. It is estimated that 40 consumers would be able to move into affordable permanent housing with the availability of housing and the right supports.
- 18 consumers reside in an Enhanced Personal Care Boarding Home (PCBH) developed with CHIPP funds who have consistently expressed a high degree of satisfaction with this PCBH.
- 15 consumers are in Personal Care Boarding Homes and require additional support services (funded with CHIPP dollars).
- The Community Support Plan initiative evaluating all residents of Allentown State Hospital who have been there for 2 or more years

shows the following stats on housing needs. 59 Lehigh County residents were evaluated with the following results:

- 35%-CRR or Enhanced CRR
  - 22%-Personal Care Boarding Home or Enhanced Personal Care Boarding Home
  - 17%-Specialized Long Term Structured Residence
  - 12%-Nursing Home
  - 5%-MR Residential Program
  - 3%- community apartment with supports
  - 3%-Traumatic Brain Injury specialized residential program
  - 3%-Specialized Sexual Re-Offense Prevention
- 76 discharges from Residential Treatment Facilities (RTFs) from 7/1/06 to 6/30/07. (15 were transfers to alternate RTFs)

**Priority Group 2:**

**Rationale for Priority:**

**Priority #2 includes young transitional adult population, (Age 18-23), who suffer from serious or persistent mental illness and are in need of PSH.**

Nationally, rates of homelessness among young adults are alarming. These burgeoning rates prompted a recent documentary expose entitled “Aging Out.” This documentary depicted the inherent struggles that youth face as they age out of the current child welfare system into adulthood. What it brought to light was the fact that countless youth are entering adulthood, void of the appropriate supports and linkages.

Health Choices has provided services 2,223 members within the 18-23 year old demographic since the programs inception in 2001 (an average of 371 members served per year). In the most recent period from April 2006 through March 2007 (12 months), 795 members within this specialty population have had claim experience (over two times the average over the 6 years). It is reasonable to conclude that this is a growing population within the membership with service utilization, each of which is in need of permanent housing. (Claims

from April 2006 through March 2007 included 66 members utilizing crisis intervention, 7 members using emergency room services, 127 members using inpatient services, and 111 utilizing RTF levels of service.). On the average, 33 members per month "age out" of children's services, and are in need of stable residency (permanent housing) to adequately promote assimilation, and affiliation.

Programs established under this plan to address the needs of the young adult transitional population will be designed to promote greater independence, and include the following:

- Meeting mental and physical health needs;
- Developing and sustaining family supports and/or other adult supportive relationships;
- Developing and sustaining peer and other social relationships;
- Improved understanding of housing alternatives (Permanence Affordability, and Landlord/Tenant Issues);
- Ensuring acquisition and retention of critical personal identification documentation (Birth certificate, Social security card);
- Improved financial literacy (Personal budgeting, Banking services, Credit);
- Completing necessary education and/or training and understanding and exploring employment and career alternatives;
- Understanding and relying upon local transportation and community resources;
- Identifying and developing recreational interests;

### **Priority Group 3:**

#### **Rationale for Priority:**

**Priority population #3 includes the forensic population who are transitioning out of Lehigh County Prison:**

Prisons and jails are no place for people who are suffering from serious and persistent mental illness, and increasingly the criminal justice and mental health systems are focusing attention on this critical issue. Lehigh County established

TEAM MISA in March 2005. The team consists of representatives from the District Attorney’s Office, Public Defender’s Office, County Mental Health Office (Deputy MH Administrator and Forensic Case Manager), Director of Pre-Trial Services, Adult County Probation Supervisor and Lehigh County Prison’s Deputy Director of Treatment, Mental Health Coordinator and Assistant Director of Corrections. This multidisciplinary team meets weekly to review cases of people with mental illness and/or substance abuse that have been charged with a crime. The vast majority of cases reviewed involve current incarceration and pre-sentence status. The goal is to provide recommendations to the courts that address mental health and/or substance abuse treatment needs, community safety and acceptable home plans. TEAM MISA data for fiscal year 06/07 showed that 41 out of 104, or almost 39%, did not have appropriate housing options.

Released inmates face extraordinary obstacles in securing appropriate housing in the community—especially housing in the inmate’s community of origin that is affordable, located near employment opportunities, and in “safe” neighborhoods. Investing resources in comprehensive outpatient treatment programs and permanent supportive housing have demonstrated effectiveness as jail diversion and treatment strategies.

It is difficult to estimate the number of state and county prisoners that face homelessness upon release from incarceration. Shelter and services providers report more than 50% of homeless clients have spent 5 or more days in a city or county jail in their lifetime, which may initially have been a result of their homelessness.

**Priority Group 4:**

**Rationale for Priority:**

**Priority population #4 includes people who are suffering from or persistent mental illness and are homeless or at risk of homelessness.**

Without a stable place to live and a support system to help them address their underlying problems, (serious mental illness, substance abuse, disorder, chronic medical condition, etc.), most homeless people bounce from one emergency system to the next--from the streets to shelters to public hospitals to psychiatric institutions and detoxification centers and back to the streets--endlessly. While services are necessary to help tenants maintain stability, being housed is an essential first step in addressing these conditions that often have gone untreated for many years. Therefore, the combination of housing and supportive services creates a synergy that allows tenants to take steps toward recovery and independence. In supportive housing, people can live with stability, autonomy,

and dignity.

- It is estimated that at least a third of the people living on the streets and in shelters have a severe and persistent mental illness.
- FY06/07 there was 5,885 active adults in the Lehigh County mental health system and 230 or 3.9% were homeless at time of intake. This includes people in shelters and rescue missions.
- The number of chronic homeless individuals identified in the Point in Time count for 2007 was 67.

**Supportive Housing Impact on Homelessness\*:**

- Decreases of more than 50% in tenants' emergency room visits and hospital inpatient days; decreases in tenants' use of emergency detoxification services by more than 80%; and increases in the use of preventive health care services.
- Increase of 50% in earned income and 40% in the rate of participant employment when employment services are provided in supportive housing, and a significant decrease in dependence on entitlements – a \$1,448 decrease per tenant each year.
- A study of almost 5,000 homeless individuals with mental illness placed in supportive housing through the NY/NY program confirmed that nearly 80% remained housed a year later, with 10% moving on to independent settings.

\*Corporation for Supportive Housing Research Initiatives

**2007 Continuum of Care Objectives:**

- In 2007 begin occupancy of 22 units for chronically and non-chronically homeless individuals funded in 2006 through the Lehigh Valley Assertive Community Team (LVACT) Housing Supports Program.
- In 2007 begin occupancy of 22 units of Tenant-Based Rental Assistance for the disabled and chronically homeless, funded in 2006, through the Lehigh County Conference of Churches.

**V. PERMANENT SUPPORTIVE HOUSING (PSH) APPROACH:**

Please complete the templates provided below to describe your PSH Program approach. If you do not plan to incorporate one or more of the objectives below in your PSH Approach,

please indicate that by simply writing in “Not Applicable” in the first block of the objectives table (below). The County should consider each of these objectives in developing their local housing plan. These objectives are also described in the OMHSAS Paper on Utilizing Health Choices Reinvestment Funds to Develop Permanent Supportive Housing that was distributed in November 2006. Remember to think strategically in your planning of Reinvestment funds across the program strategies. Select the program strategies that take full advantage of opportunities in your local area as well as effectively leverage both Federal and State affordable housing resources. In particular, some type of rental subsidy is necessary for people living on very low fixed incomes and it is expected that each county will have an objective to offer some type of rental subsidies. You are not expected to dedicate Reinvestment funds to support all program objectives. However, there is an expectation that a County will need a structured program management function as well as dedicated housing support services in order to manage and support the PSH opportunities (i.e. either targeted units or tenant-based rental subsidies) developed by the Plan

In designing your program approach to develop permanent supportive housing in your community, the County must ensure that the housing created by following approaches is consistent with the OMHSAS permanent supportive housing definition:

Supportive housing is a successful, cost-effective combination of affordable housing with services that helps people live more stable, productive lives. Supportive housing works well for people who face the most complex challenges—individuals and families who have very low incomes and serious, persistent issues that may include substance use, mental illness, and HIV/AIDS; and may also be homeless, or at risk of homelessness.

**A supportive housing unit is:**

- Available to, and intended for a person or family whose head of household is experiencing mental illness, other chronic health conditions including substance use issues, and/or multiple barriers to employment and housing stability; and may also be homeless or at risk of homelessness;
- Where the tenant pays no more than 30%-50% of household income towards rent, and ideally no more than 30%;
- Associated with a flexible array of comprehensive services, including medical and wellness, mental health, substance use management and recovery, vocational and employment, money management, coordinated support (case management), life skills, household establishment, and tenant advocacy;
- Where use of services or programs is not a condition of ongoing tenancy;
- Where the tenant has a lease or similar form of occupancy agreement and there are not limits on a person’s length of tenancy as long as they abide by the conditions of the lease or agreement; and
- Where there is a working partnership that includes ongoing communication between supportive services providers, property owners or managers, and/or housing subsidy programs.

**Supportive Housing is:**

1. Safe and Secure
2. Affordable to consumers



3. Permanent, as long as the consumer pays the rent and honors the conditions of the lease.

**Supportive Housing is linked to support services that are:**

1. Optional. People are not required to participate in services to keep their housing, although they are encouraged to use services
2. Flexible. Individualized services are available when the consumer needs them, and where the consumer lives.

## **1. Objective for Capital Investment (i.e. Housing Development Fund)**

### ***Describe the need and opportunity for using Reinvestment funds for Housing Capital financing to create targeted permanent supportive housing units?***

There is a lack of decent “affordable” housing units available for low and very low income households. Although federal and State supported “affordable” housing agencies are producing housing every year, in many instances this new supply of housing is not affordable to people with extremely low incomes. Given the severe housing crisis, it is critical that our limited resources are effectively leveraged to expand housing for people with disabilities with incomes as low as Supplemental Security Income (SSI) benefit levels.

Our goal under this strategy is to utilize the Reinvestment fund as a capital resource to take full advantage of Federal, State, local and private sources of capital, operational and service funding. As a source of one time funding to support capital projects and / or operating funds, the Reinvestment Fund provides a significant opportunity to partner with our Public Housing Authority and other affordable housing developers in creating new supportive housing opportunities. Partnerships and collaborations are necessary in view of both the magnitude and complexity of various housing programs, but as well to promote understanding and insure the social, service and support needs of people with disabilities are addressed.

Additionally, it is our both our opportunity and objective in this plan to creatively utilize a mix of various housing/ service models including scattered site integrated models and shared living that maximize consumer choice and preferences in housing and support services.

- The demand for subsidized housing exceeds the supply. The five public housing authorities that cover the Lehigh Valley have a total of 6,024 applicants on their waiting lists for Section 8 vouchers and public housing units. The overall public housing occupancy rate of 98% reflects a critical undersupply of affordable rental housing units.
- The majority of very low income households, both renters and homeowners, are cost burdened, spending more than 30% of their income on housing. In 2000, 66.2% of 26,348 very low income households that rented were cost burdened. In 2000, 60.7% of the 20,662 very low income households who were homeowners were cost burdened.
- Development projects underway by the public and private non-profit sectors in Lehigh County will result in a reduction in the number of affordable housing units. Of the 616 affordable housing units that are proposed or planned over the next several years, almost three fourths are connected to projects that will actually reduce the number of affordable housing units. Demolition associated with housing construction by the Allentown and Easton Housing Authorities under the HOPE VI Program will eliminate a total of 659 units from the region’s affordable housing inventory.
- Existing affordable rental housing may be converted to market rate housing, at the expiration of affordable time periods. (Obligations will end for 688 nits by year end

and another 577 units between 2008 and 2012. Given current market conditions, owners have strong financial incentives to convert the units to market rents and thus terminate their affordability status.

***Describe the strategy for using Reinvestment funds to support a Housing Development Fund?***

***Housing Development Strategies include:***

**Hope VI –The HART Project -\$2,000,000:**

Lehigh County will develop a formalized relationship through a Memorandum of Understanding with the Allentown Housing Authority and Penrose Properties, L.L.C, to set aside 20 units, serving 26 people, in the Hope VI project currently underway at the former Hanover Acres / Riverview Terrace project in Allentown (HART). The units will be one bedroom, (14 units) and two bedroom (6 units) apartments that will be purchased for approximately \$100,000 per unit and then made available to eligible consumers of mental health and substance abuse services for 30% of their income, but not less than \$50 per month.

**Leveraged Permanent Supportive Housing (PSH) Initiative -\$1,500,000:**

These funds will be utilized to expand affordable housing capacity to address current unmet need for community supportive housing. Funding will be set aside to take full advantage, “leverage,” public and private sources of capital, operational and service funding in order to expand permanent supportive housing opportunities.

- Lehigh County will issue a Request for Proposals (RFP) that will support projects that will serve at least one of the four priority populations identified above.
- Applicants for capital funding will be given preference in accordance with their ability to leverage other sources of funding in support of projects, e.g., HUD 811, HUD McKinney Vento Homeless Assistance Programs, HOME, Community Development Block Grant, Section 8 tenant and project based resources, State Housing Mortgage Finance Agency resources, trust funds, tax credits programs, tax-exempt bonds, private debt/grants, etc. These programs provide significant capital and operational resources; however, many of these programs require matching resources, which the Reinvestment Fund can provide.
- It is anticipated that 20 to 30 beds will be created utilizing capital leveraging strategies.

***Range housing units to be created:*** 46 – 56 beds

***Amount of Reinvestment funds required:*** \$3,500,000

***Planned Avg. Capital Investment per unit:*** \_\_\_\_\_

***Amount and source of leveraged funds:*** RFP to be issued \_\_\_\_\_

***Describe the Source(s) of Rental or Operating Subsidy (i.e. Section 8 PBA commitments,***

***Section 811, McKinney-Vento subsidies) to ensure that PSH units are affordable to priority consumers (required for any capital development initiative):***

- **Hope VI –The HART Project:** Of the 269 rental units, 190 will serve as public housing replacement units and will be deeply income-restricted and subsidized at 30% of their income. This includes the twenty units contracted for by Lehigh MH/MR. The remaining 79 rental units will not be public housing replacement units and will not be heavily subsidized.
- Through a combination of both temporary and long term operating subsidies, all units established under the **Leveraged PSH Initiatives** will have the availability of long term affordability utilizing subsidies under the Bridge Subsidy, Master Leasing Subsidy, Project Based Operating Subsidy, Shelter Plus Care, Supportive Housing Demonstration, Section 8 Moderate Rehabilitation, Section 8 or HOME programs. Through leveraged strategies every effort will be made to reduce and/or eliminate debt service and operational costs on projects funded under this initiative.

***Describe the plan to select/identify a Fund Administrator discussing the selection process, qualifications and experience that you will be looking for and any possible candidates:***

Lehigh County MH/MR will transfer, within 45 days of State plan approval, all Reinvestment funds in support of Housing Development initiatives, as well as other initiatives outlined in this plan to the Lehigh County’s Department of Community and Economic Development. (LCDCED) LCDCED is well positioned in the county to serve as Fund Administrator to strengthen management and oversight of these funds. An MOU between Lehigh County MH/MR and LCDCED will outline roles and responsibilities of the respective departments in managing and overseeing Reinvestment Fund programs and funding.

Lehigh County will additionally issue a Request for Proposals (RFP) to select a Management/Clearinghouse provider agency, which will have the authority and resources to effectuate the program objectives as outlined above. The organization to be selected must demonstrate the following:

- Extensive knowledge and experience in affordable housing development, finance, real estate and rental housing development principles and practices, and related activities, (deed and use restrictions, management agreements, compliance with federal regulations, etc.), which will be essential in successfully planning and implementing the Housing Development Fund.
- An understanding of permanent supportive housing and the special housing and service needs of people suffering from mental illness;
- A working knowledge of the Lehigh County housing marketplace;
- Capacity to develop, manage and maintain a Clearing House Data Base and Housing Resource Library (which may be sub-contracted);

- Leadership necessary to manage and coordinate implementation of the Lehigh County: Housing Development Fund; Master Lease Program; Bridge Subsidy Program; Project-based Operating Subsidy Program; Contingency Program, and the Housing Support Services initiative.
- A commitment to work in close collaboration with Lehigh MH/MR and the Fund Administrator to insure funds are effectively managed in accordance with Reinvestment Plan goals.

***Sustainability Plan (Please discuss how the County plans to provide housing coordination, tenant referral and housing support services to these units over the long-term.):***

- The Lehigh County Mental Health Housing Advisory Committee will provide ongoing stakeholder representation, as well as coordinated planning, implementation and follow-up on the two Housing Development fund initiatives. (Hope VI and Leveraged PSH Initiative)
- The combination of capital funding sources and long term rental subsidies under the Hope VI Project will insure long term affordability for project tenants. Leveraged strategies will also include initiatives that provide long term affordability and support e.g., Section 811, Supportive Housing Demonstration, etc.
- Housing coordination, tenant referral and housing support services will be coordinated by the Management /Clearing House organization, with contractual oversight by the LC MH/ MR Management Team.

<b>Action Steps:</b> <i>(Describe each action steps to be accomplished over 18 months to achieve the objective)</i>	<b>Proposed Completion Date<sup>1</sup></b>	<b>Resources needed:</b> <i>(include partnerships, technical support, involvement of consumers, changes in use of existing resources, etc.)</i>
Establish the LCMHHAC and convene meeting to secure input and develop plans under the two Housing Development Fund initiatives.	Jan08	Identify membership for the newly established LCMHHAC from the LPOT, CHAC, etc.
Negotiate and develop contract for 20 units of PSH with the Allentown PHA under the HOPE VI initiative.	Mar08	Lehigh County MH/MR and the Allentown PHA, Penrose

Obtain Lehigh & APHA approvals and initiate contract with Allentown PHA.	Mar08	Lehigh County government and the Allentown PHA, Penrose
Under Hope VI develop tenancy and program guidelines, protocols, etc.	Jun08	Lehigh County government and the Allentown PHA, Penrose, Provider agencies, Sponsors, etc.
Hope VI –Accept tenants	Jun08	APHA, Penrose
Draft and issue RFP to select contracted provider agencies under the \$1.5 million PSH expansion initiative.	Jun08	Lehigh County MH/MR
Initiate contracts with RFP selected provider agencies, in accordance with leveraged strategies, e.g., HUD 811, Shelter + Care, etc.	Sep08	M/CH, LC M/MR, Provider agencies, Sponsors
Develop tenancy and program guidelines, protocols, etc.	Dec08	M/CH, Provider agencies, Sponsors, etc.
Accept tenants (Based upon leveraged program timeframes)	Mar09	Provider agency/ Sponsors

<b>2. Objective for Project-Based Operating Subsidies (PHFA Administrated Program)</b>
<p><b><i>Describe the need and opportunity for using Reinvestment funds for Project-Based Operating Subsidies?</i></b></p> <p>The Reinvestment fund provides the opportunity for Lehigh County to establish a unique partnership with the PHFA. PHFA has extensive expertise and experience in financing and developing, complex affordable housing projects. Sub-contracting Reinvestment Funds with PHFA, will result in a strengthened housing/ service relationship for both organizations, new project based rental subsidy units, and opportunities for future PSH collaborations. Project based operating subsidies provide the opportunity to better serve people suffering from mental illness through collaboration with landlord committed to working with more difficult clients with special needs. Projecting basing subsidies makes it easier to provide a range of comprehensive services to address client’s needs. Additionally, this strategy provides the opportunity to creatively utilize a mix of various housing/ service models including scattered site integrated models and shared living that maximize consumer choice and preferences in housing and support services.</p>
<p><b><i>Describe the strategy for using Reinvestment for Operating Subsidies discuss which PHFA-sponsored properties (if able) may be attractive (i.e. livability, reputation of the management</i></b></p>

***company, accessibility to community amenities?***

Lehigh County will contract \$1,000,000 with the PHFA. By entering into this administration agreement with PHFA, local non-profit housing organizations can be the recipients of Reinvestment Funds for specific projects rather than the actual fund administrator. This avoids any potential conflict of interest (and also deter other potentially interested non-profit housing organizations) for one non-profit group to both administer the fund on behalf of County MH/MR Programs and also have access to the funding for actual housing development.

- PHFA is well positioned to take advantage of leveraged housing opportunities with the Tax Credit Program, PennHomes and other housing finance programs
- Lehigh County MH/MR will negotiate an Administrative fee with PHFA.

***Range of PSH units to be supported:*** 10-20  
***Amount of Reinvestment funds required:*** \$1,000,000  
***Planned Term of the Operating Subsidy Contracts (minimum of 5 year term):*** 5 years

***Sustainability Plan (Discuss the County’s plans to sustain the target units after the initial term of the operating subsidy contract):***

- Lehigh County MH/MR and PHFA will only support initiatives under the plan that are financially feasible, in order to insure long term affordability. This includes tax credit programs, PennHomes funded initiatives, etc.
- Lehigh County MH/MR will work closely with the Housing Authorities to explore opportunities to sustain operating subsidies beyond the 5 year term, including Mainstream Housing subsidies, HOME, and other sources of subsidy support.

<b>Action Steps:</b> <i>(Describe each action step to be accomplished over 18 months to achieve the objective)</i>	<b>Proposed Completion Date</b>	<b>Resources needed:</b> <i>(include partnerships, technical support, involvement of consumers, changes in use of existing resources, etc.)</i>
Establish the LCMHHAC and convene meeting to secure input and develop plans under the two Housing Development Fund initiatives.	Jan08	Identify membership for the newly established LCMHHAC from the LPOT, CHAC, etc.
Negotiate and enter into contract with PFHA	Mar08	Lehigh County MH/MR
Coordinate the development of capital projects with PHFA and provider agencies,	Jun08	M/CH, Lehigh County MH/MR, Developers, Provider agencies
Accept tenants (Based upon Operating fund set asides)	Sep08	M/CH, Sponsoring agencies

Program Reviews (6 months)	Sep08	PFHA, LC MH/MR Team, LCMHHAC, M/CH
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### 3. Objective for Master Leasing Program

*Describe the need and the opportunity (i.e. existence of benevolent landlords, conducive rental market, and quality existing rental housing stock) for using Reinvestment funds to establish Master Lease Agreement with private land owners of multi-family rental housing?*

It is essential that housing developed for extremely low-income people with disabilities be “deeply” subsidized and provide ongoing rental assistance. This is particularly true for people whose rental histories or backgrounds make them unlikely candidates for housing vouchers or units in tax credit projects, or consumers who may be considered harder to serve. This initiative sets the stage for working with landlords in helping consumers to improve their housing resume by being good tenants, for a year or two and repairing their rental history and showing they are on their way to recovery. Hence, they become better candidates for rental vouchers and programs where landlords and housing authorities would have initially screened them out.

Securing tenant based Section 8 subsidies can also be a very long and arduous task with limited available subsidies, high demand for subsidies, long or closed waiting lists, and competition in the market place for available units. The Lehigh County Master Leasing Program will enable the county to “jump start” the availability of rental units available for permanent supportive housing by focusing on leases with selected and established high quality rental housing units for people who are in significant need of such housing.

*Describe the strategy(ies) for using Reinvestment for a Master Leasing Program?*

Lehigh County, through its contracted clearinghouse provider, will explore relationships with landlords in the local housing market to develop a master lease subsidy fund to provide rental assistance to eligible consumers who are on the waiting list for Section 8 vouchers. Funding of \$824,000 which will provide a subsidy of up to \$450 per month for approximately 30 individuals for five years.

The Lehigh County Master Leasing Program will:

- Require a contract with the Management / Clearinghouse provider agency, (five year duration), to administer the program and negotiate master leases with landlords in the local real estate market place.
- Provide an opportunity to identify and select quality rental housing units and landlords to engage in a master leasing relationship.
- “Jump start” the availability of permanent supportive housing units by having “hard” units available through this established relationship.
- Provide the opportunity to allow additional people to be served by the program if Section 8 subsidies become available in two years.



- Reduces impact of Federal housing rules and regulations in securing available units in a timely manner.
- Provide opportunities to serve people who are considered harder to serve or whose rental histories or background make them unlikely candidates for housing vouchers.

**Range of PSH units to be supported:** \_\_\_\_\_ 30-35 individuals over five years \_\_\_\_\_

**Amount of Reinvestment funds required:** \_\_\_\_\_ \$824,000 \_\_\_\_\_

**Planned Term of the Master Lease Agreements (minimum of 5 year term):** \_\_\_\_\_ 5 years \_\_\_\_\_

***Describe the plan to select/identify a Program Administrator discussing the selection process, qualifications and experience that you will be looking for and any possible candidates:***

Lehigh County will issue a Request for Proposals (RFP) to select a Management/ Clearinghouse provider agency, which will have the authority and resources to effectuate the program objectives as outlined above. The organization to be selected must demonstrate the following:

- An understanding of permanent supportive housing and the special housing and service needs of people suffering from mental illness;
- Extensive knowledge and experience in affordable housing development, finance, real estate and rental housing development principles and practices, and related activities, (deed and use restrictions, management agreements, compliance with federal regulations, etc.).
- A working knowledge of the Lehigh County housing marketplace;
- Capacity to develop, manage and maintain a Clearing House Data Base and Housing Resource Library (which may be sub-contracted);
- Leadership necessary to manage and coordinate implementation of the Lehigh County Project-based Operating Subsidy initiative

***Sustainability Plan (Discuss the County's plans to sustain the master lease units after the term(s) of the agreement):***

- Landlords /Tenants in receipt of temporary subsidies under the Master Leasing Program, will be required under the leasing agreement to apply for a Section 8 voucher. This requirement will free up subsidies and enable more people to be served under the initiative.
- Lehigh County MH/MR will review the availability of HOME, County, PHA funding,

etc., to support a continuation of Master Lease subsidies.

- A Master Lease interest pool will be created with landlords under the Lease-buy down to provide a resource for continuation of Master Lease subsidies.

<b>Action Steps:</b> <i>(Describe each action step to be accomplished eighteen month to achieve the objective)</i>	<b>Proposed Completion Date</b>	<b>Resources needed:</b> <i>(include partnerships, technical support, involvement of consumers, changes in use of existing resources, etc.)</i>
Convene the Lehigh County Mental Health Housing Advisory Committee to secure input in development of the Master Leasing Program	Jan08	LCMHHAC & other planning groups
Develop operating guidelines, procedures and draft contract for Master Leasing Program	Jun08	Lehigh County MHMR
Identify landlords and rental units for Master Leases	Sep08	Lehigh County MHMR & Management / Clearinghouse contracted provider agency
Enter Master Lease with selected landlord(s)	Dec08	Management / Clearinghouse contracted provider agency / Landlords
Accept tenants	Mar09	Landlords

**4. Objective for Tenant Based Rental Subsidies (i.e. Bridge Subsidy Program)**

*Describe the opportunity for using Reinvestment for Tenant Based Rental Subsidies? Please discuss your current relationship with your local PH(s) and any commitments from the PHA to systematically link your Bridge Subsidy Program with their Section 8 Housing Choice Voucher Program.*

Because of the limited incomes of most people with disabilities, long term commitments of rent subsidies or operating subsidies are essential to ensure that the housing remains affordable. However, given the high demand for, and lack of availability of long term subsidies, many low income and disabled individuals have little to no access to community housing. For rents to be affordable for SSI recipients, and other low income individuals, rental assistance must be included as part of an overall housing strategy in support of consumers and be available as a bridge subsidy.

Lehigh County MH/MR an established relationship and partnership with the Allentown PHA under the Hope VI Project, as outlined above. The county has also had discussion with the APHA regarding the Bridge Subsidy program and preferences and set-asides for people with special needs under their Section 8 Housing Choice Voucher program.

*Describe the strategy(ies) for using Reinvestment for Tenant Subsidies?*

Lehigh County will develop a bridge subsidy fund to provide rental assistance to eligible

consumers who are on the waiting list for Section 8 vouchers. Funding of \$345,802 will provide a subsidy of up to \$450 per month for approximately 12 individuals for five years. It is hoped that individuals receiving the subsidy will receive a Section 8 voucher within two years which would allow additional members to be served by the program.

Lehigh County will establish a Bridge Subsidy Program that will:

- Recognize the significant demand for Section 8 subsidies, has resulted in lengthy and closed waiting lists, requiring interim strategies to expedite access to housing for people with immediate needs;
- Provides a temporary subsidy to a consumer until a more permanent, long term Section 8 rental subsidy becomes available. Applicants to the program will be required to apply for a Section 8 subsidy;
- Provides an individual immediate access to permanent supportive housing with the bridge subsidy with access to more long term housing support;
- Strengthens the housing/ services relationship between Lehigh County MH/MR and the Allentown PHA, working in collaboration with consumers, family members and landlords to address housing and service needs;
- Provides a safer and more secure environment with units that are required to meet HUD's Housing Quality Inspection standards.

**Range of PSH units to be supported:** \_\_\_12+ individuals\_\_\_\_\_

**Amount of Reinvestment funds required:** \_\_\_\$345,802\_\_\_\_\_

**Planned Length of the Tenant Based Subsidy in order to connect to the local Section 8 program (should correspond to the current wait time for people on your local Section 8 waiting list):** 2 years\_+\_\_

***Describe the plan to select/identify a Program Administrator discussing the selection process, qualifications and experience that you will be looking for and any possible candidates:***

Lehigh County will issue a Request for Proposals (RFP) to select a Management/ Clearinghouse provider agency, which will have the authority and resources to effectuate the program objectives as outlined above. The organization to be selected must demonstrate the following:

- An understanding of permanent supportive housing and the special housing and service needs of people suffering from mental illness;
- Extensive knowledge and experience in affordable housing development, finance, real estate and rental housing development principles and practices, and related activities,

(deed and use restrictions, management agreements, compliance with federal regulations, etc.).

- A working knowledge of the Lehigh County housing marketplace;
- Capacity to develop, manage and maintain a Clearing House Data Base and Housing Resource Library (which may be sub-contracted);
- Leadership necessary to manage and coordinate implementation of the Lehigh County Project-based Operating Subsidy initiative.

***Sustainability Plan (Discuss plan to provide housing supports to people who transition to the Section 8 program over the long-term; discuss strategies to possibly diversify funding (i.e. HOME TBRA) for the program in order to increase the number of priority consumers supported):***

- All applicants for subsidies will be required to apply for Section 8 subsidies upon acceptance to programs under the plan
- Lehigh County MH/MR will review the availability of HOME funding, and other sources of County, PHA funding, etc., to support a continuation of Bridge subsidies.

<b>Action Steps:</b> <i>(Describe each action step to be accomplished over eighteen to achieve the objective)</i>	<b>Proposed Completion Date</b>	<b>Resources needed:</b> <i>(include partnerships, technical support, involvement of consumers, changes in use of existing resources, etc.)</i>
Convene LCMHHAC to secure input in the development of the Bridge Subsidy Program	Jan08	LCMHHAC
Develop operating guidelines, application procedures for the Bridge Subsidy Program	Mar08	Management / Clearinghouse contracted provider agency
Identify eligible consumers on the Section 8 waiting list who meet application criteria and will benefit from subsidy.	Jun08	Management / Clearinghouse contracted provider agency
Issue Bridge Subsidies upon tenancy	Jun08	Management / Clearinghouse contracted provider agency

**5. Objective for Program Management/ Clearinghouse (Required Component)**

***Describe the need for coordinating and managing the PSH opportunities through a Housing Clearinghouse?***

- Clearing House

A significant gap in linking people in need of permanent supportive housing with housing in the market place is the lack of coordination of information regarding the availability and access to that housing. Concentrating housing information, housing expertise and access to permanent supportive housing in one location, “a clearinghouse,” has demonstrated success in more effectively utilizing existing and new resources. Lehigh County will utilize a Management /Clearinghouse (M/CH) approach, through a contracted provider agency, to provide greater opportunities for consumers to access and secure permanent supportive housing.

- Program Management / Consultation

To facilitate the development of a comprehensive housing plan, the County has also engaged the assistance of the Corporation for Supportive Housing (CSH). The County may require additional technical assistance / consultation services in the implementation of the comprehensive housing plan as a part of ongoing program management

- ***Fund Administrator:***

***Lehigh County MH/MR will transfer, within 45 days of State plan approval, all Reinvestment funds in support of all initiatives outlined under this plan to the Lehigh County’s Department of Community and Economic Development. (LCDCED) LCDCED is well positioned in the county to serve as Fund Administrator to strengthen management and oversight of these funds. An MOU between Lehigh County MH/MR and LCDCED will outline roles and responsibilities of the respective departments in managing and overseeing Reinvestment Fund programs and funding. LCDCED will disperse all funds under Housing Development initiatives.***

***Describe the functions and activities of the Housing Clearinghouse to include selection of priority consumers, management of the waiting list, and tenant referral process to housing opportunities; coordination of housing support services; housing-related training; and coordination with various stakeholders?***

Lehigh County will issue a Request for Proposals (RFP) to select an organization to act as a "clearinghouse" for the housing needs of mental health and substance abusing consumers. This Clearinghouse will coordinate activities with the MH/MR/D&A office, but will have sufficient authority to achieve the goals of the County's housing plan. The housing clearing house will be the central connection between priority consumers who need access to permanent supportive housing and community housing units. To insure a close collaboration with the tenants served under this plan, two to three Peer Housing Support Team members will be utilized (from the CFST) by the Management /Clearing House to provide essential housing support services.

The Lehigh County Housing Clearing House strategy will:

- Provide consumers with greater opportunities to access permanent supportive housing and “real choices,” and preferences in selecting housing;

- Serve as the Lehigh County’s central resource for managing and coordinating permanent supportive housing units including: Housing Development Fund; Master Lease Program; Bridge Subsidy Program; Project-based Operating Subsidy Program; Contingency Program, and the Housing Support Services initiative. This initiative will also include the creation of a housing support team.
- Ensure that high priority consumers on waiting lists are informed of all housing options, e.g., units available, Bridge Subsidies, etc., and assist them in making decisions regarding options;
- Coordinate and maintain housing information, through the creation of an Lehigh County Internet Data Base and Supportive Housing Resource Library that will benefit consumers, family members, case managers, provider agencies and the public, at no cost to the user, (which may include collaboration with an existing housing data bases/locator service, e.g., PHFA Apartment Locator Service, Social Serv.com, etc.)
- Coordinate regularly scheduled permanent supportive housing training activities and technical assistance on housing issues to the Lehigh County MH/MR Program.
- Be given sufficient authority and the resources to effectively carry out this important mandate.
- Utilize two / three Peer Housing Support Team members (from the LV Consumer / Family Satisfaction Team (CFST) who will provide housing support services as outlined under #7 Housing Support Services to tenants provided with housing under this plan.

**Amount of Reinvestment funds required:**     \$580,000    

**Annual Budget of Reinvestment Funds for Program Management activities:**                         

**Planned Length of Support from Reinvestment Funds (recommend a minimum of 3 years):**     3 years    

***What agency will be responsible for providing necessary program management coordinating all housing-related activities discussed above? Do you plan on doing this internally or contracting for these activities? If you plan on contracting for management services, describe your plan to select/identify a Program Management entity discussing the selection process, qualifications and experience that you will be looking for and any possible candidates:***

Lehigh County will issue a Request for Proposals (RFP) to select a Management/Clearinghouse provider agency, which will have the authority and resources to effectuate the program objectives as outlined above. The organization to be selected must demonstrate the following:

- An understanding of permanent supportive housing and the special housing and service needs of people suffering from mental illness;

- Extensive knowledge and experience in affordable housing development, finance, real estate and rental housing development principles and practices, and related activities, (deed and use restrictions, management agreements, compliance with federal regulations, etc.).
- A working knowledge of the Lehigh County housing marketplace;
- Capacity to develop, manage and maintain a Clearing House Data Base and Housing Resource Library (which may be sub-contracted);
- Leadership necessary to manage and coordinate implementation of the Lehigh County: Housing Development Fund; Master Lease Program; Bridge Subsidy Program; Project-based Operating Subsidy Program; Contingency Program, and the Housing Support Services initiative.

***Sustainability Plan (Discuss plan to sustain the waiting list, tenant referral and overall coordination of housing activities over the long-term after Reinvestment funds are exhausted):***

- Lehigh County will explore a continuation of funding for the M/CH through both public and private funding sources, such as PFHA, HUD, CDBG, County funding, Foundations, etc.

<b>Action Steps:</b> <i>(Describe each action step to be accomplished over eighteen months to achieve the objective)</i>	<b>Proposed Completion Date</b>	<b>Resources needed:</b> <i>(include partnerships, technical support, involvement of consumers, changes in use of existing resources, etc.)</i>
Convene LCMHHAC to secure input in development of the Management / Clearinghouse initiative.	Jan08	LCMHHAC and other groups
Draft and issue RFP to select Management / Clearinghouse provider	Jan08	Input from LCMHHAC, Lehigh County MHMR
Enter contract with successful RFP M/CH candidate and begin program	Jun08	M/CH, Lehigh County MH/ MR
Utilize two/ three Peer Housing Support Team Members (from CFST) to provide housing support to tenants served under the plan.	Jun08	M/CH
Housing pre-tenancy, move in and	Sep08	M/CH, Lehigh County MH/ MR

<p>tenancy stabilization activities will be incorporated in the training provided by the Management /Clearing House Agency to Peer Housing Support Team Members.</p>		
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**6. Objective for Housing Contingency Fund**

*Describe the need for using Reinvestment funds to support a Housing Contingency Fund?*

Establishing a permanent supportive housing residence can be cost prohibitive to consumers with low incomes or who may be receiving SSI benefits. Many of the one time costs, e.g., essential furniture, household goods, rent deposits; utility deposit for gas, water, and electric; are unlikely to be covered by project funding sources. Additionally, funding may not be available to address unanticipated emergencies, and damages in excess of amounts covered by security deposits, which may result in a person losing their home. The Contingency Fund will provide the opportunity to assist a consumer in meeting these essential costs.

*Describe the strategy(ies) for using Reinvestment for Contingency Fund?*

Lehigh County will create a contingency fund to assist eligible consumers with the one-time expenses associated with moving into permanent supportive housing. Funding will primarily be used for security and rental deposits and the essential furniture and household goods needed to establish a home. They may, at times, be utilized to cover tenant damages not covered by a security deposit. These contingency funds will be managed by the Housing Clearinghouse and /distributions to individuals will be approved and monitored. Ceiling amounts and frequency of use will be established by Clearinghouse management and the County at the time of implementation, but will not exceed \$1000 per person per year. A contingency fund of \$300,000 would allow Lehigh County to assist 60 consumers per year:

The Contingency Fund will:

- Provide funding for essential furniture and household goods necessary to establish a residence; (when no other source of funding is available)
- Provide funding for security and utility deposits; (when no other source of funding is available)
- Encourage agencies and consumers to take advantage of opportunities in the market place to access furniture, utility deposits, e.g., second hand stores, utility fee waivers, etc;



- Provide funding for no interest loans, as a revolving fund, with 6 months to 24 month repayment terms;

**Amount of Reinvestment funds required:**     \$300,000    

**Estimated Range (or number) of Priority Consumers that the Housing Contingency Fund will support:**   60 consumers  

**Describe the plan to select/identify a Program Administrator discussing the selection process, qualifications and experience that you will be looking for and any possible candidates:**

Lehigh County will issue a Request for Proposals (RFP) to select a Management/ Clearinghouse provider agency, which will have the authority and resources to effectuate the program objectives as outlined above. The organization to be selected must demonstrate the following:

- An understanding of permanent supportive housing and the special housing and service needs of people suffering from mental illness;
- Extensive knowledge and experience in affordable housing development, finance, real estate and rental housing development principles and practices, and related activities, (deed and use restrictions, management agreements, compliance with federal regulations, etc.).
- A working knowledge of the Lehigh County housing marketplace;
- Capacity to develop, manage and maintain a Clearing House Data Base and Housing Resource Library (which may be sub-contracted);
- Leadership necessary to manage and coordinate implementation of the Lehigh County: Housing Development Fund; Master Lease Program; Bridge Subsidy Program; Project-based Operating Subsidy Program; Contingency Program, and the Housing Support Services initiative.

**Sustainability Plan (Discuss your strategies to diversify funding for the program in order to continue the fund after Reinvestment funds are exhausted):**

<b>Action Steps:</b> (Describe each action step to be accomplished over eighteen months to achieve the objective)	<b>Proposed Completion Date</b>	<b>Resources needed:</b> (include partnerships, technical support, involvement of consumers, changes in use of existing resources, etc.)
Convene LCMHHAC to secure input in development of the Contingency fund initiative.	Jan08	LCMHHAC and other groups
Develop operating guidelines, application process for the use of contingency funds	Mar08	Lehigh County MHMR
Publish regulations/ guidelines -	Jun08	Management / Clearinghouse Provider Agency & Lehigh County MHMR

Accept applications for Contingency Fund	Sep08	Management / Clearinghouse Provider Agency
Contingency Fund operational	Sep08	Management / Clearinghouse Provider Agency

<p><b>7. Objective for Housing Support Services (Required Component)</b></p>
<p><i>Describe the need for using Reinvestment funds for Housing Support Services?</i></p> <p>Housing support services are essential components of permanent supportive housing in order to help insure and maintain successful long term tenancy. Services provided by local mental health agencies are designed to address access and stability issues that focus on the complex needs of people suffering from mental illness. Increasingly service resources are being redirected toward supports for individuals in order to secure and maintain their housing.</p>
<p><i>Describe the strategy(ies) for using Reinvestment for Housing Support Services discussing the housing support team approach or the housing support capacity building approach that you will pursue?</i></p> <p>Lehigh County MH/MR will develop a Peer Housing Support Team to be incorporated in the Management/Clearinghouse initiative. The Housing Support Team will consist of Certified Peer Specialists from the LV Consumer / Family Satisfaction Team (CFST). Team members will be trained in and may provide the following services:</p> <p><b>Pre-Tenancy Assistance</b></p> <ul style="list-style-type: none"> <li>• Assessment of housing preferences and housing history;</li> <li>• Assist consumers in determining housing preferences if needed;</li> <li>• Assist consumers in compiling housing information needed for housing applications (if needed) such as credit reports, landlord references, income and asset documentation;</li> <li>• Assist in identifying available housing units and rent subsidies including resources listed by the Clearinghouse;</li> <li>• Assist consumers in obtaining, completing and submitting housing applications. (If agreed to by the consumer, Housing Specialist to be copied on all correspondence);</li> <li>• Assist consumers in attending any meetings with housing provider including providing or arranging transportation and attending meetings as needed;</li> <li>• Assist consumers in filing appeals and requests for reasonable accommodation under</li> </ul>

Fair Housing Law; and

- Assist consumers in setting up a system to track application progress.

**Move-In**

- Assist tenants to understand basics of landlord/tenant law and lease requirements;
- Assist tenants with security deposit, securing furniture and other household items;
- Assist tenants to access Contingency Fund if needed;
- Assist tenants with moving-in activities;
- Assist tenants to establish utilities and telephone;
- Assist tenants in orienting to home and to neighborhood;
- Identify any housing or community living related skills training needed including home maintenance, shopping, cooking, and budgeting; and
- Provide housing or community living skills training or make appropriate referrals.

**Tenancy Stabilization**

- Work with tenants to secure Section 8 or other rental subsidy if unit does not have project-based subsidy or tenant does not have a permanent subsidy source on move-in;
- Maintain routine contact with tenants to ensure early detection of any housing issues;
- Provide ongoing housing-related skills training if needed and identify any issues that may require additional training by other parties consistent with Treatment or Recovery Plan;
- Intervene with landlords if needed to problem solve;
- Maintain communication with assigned Service Coordination Unit, case manager and/or Community Treatment Team (for Housing Support Teams only);
- Coordinate meetings with tenant’s case manager and service providers if needed to resolve issues (for Housing Support Teams only);

***Amount of Reinvestment funds planned: \_\_\_\_\_\$100,000\_\_\_\_***  
***Estimated number of Priority Consumers that the Housing Support Services will serve:***  
***Planned Length of Housing Support Services from Reinvestment Funds (recommend a***

*minimum of 3 years):\_\_\_\_\_*

***Describe the plan to select/identify a service provider(s) to offer these housing support services discussing the selection process, qualifications and experience that you will be looking for and any possible providers:***

Lehigh County will issue a Request for Proposals (RFP) to select a Management/Clearinghouse provider agency, which will have the authority and resources to effectuate the program objectives as outlined above. The organization to be selected must demonstrate the following:

- An understanding of permanent supportive housing and the special housing and service needs of people suffering from mental illness;
- Extensive knowledge and experience in affordable housing development, finance, real estate and rental housing development principles and practices, and related activities, (deed and use restrictions, management agreements, compliance with federal regulations, etc.).
- A working knowledge of the Lehigh County housing marketplace;
- Capacity to develop, manage and maintain a Clearing House Data Base and Housing Resource Library (which may be sub-contracted);
- Leadership necessary to manage and coordinate implementation of the Lehigh County: Housing Development Fund; Master Lease Program; Bridge Subsidy Program; Project-based Operating Subsidy Program; Contingency Program, and the Housing Support Services initiative;
- Provide oversight and direction to the Peer Housing Support Team members who will provide housing support services as outlined above to tenants under this plan.

***Sustainability Plan: (Discuss plan to provide housing supports to priority consumer residing in PSH over the long-term after the initial funding from Reinvestment has been exhausted):***

Housing support services are essential to the success of PSH and it is important that these basic, essential supports are ingrained in our program of supporting individuals suffering from mental illness. By equipping all PSS with housing support services knowledge, coupled with prescribed activities, this initiative will be sustained in the ongoing work of PSS.

<b>Action Steps:</b> <i>(Describe each action step to be accomplished over three years to achieve the objective)</i>	<b>Proposed Completion Date</b>	<b>Resources needed:</b> <i>(include partnerships, technical support, involvement of consumers, changes in use of existing resources, etc.)</i>
Convene LCMHHAC to secure input in development of the Housing Support Services initiative.	Jan08	LCMHHAC and other groups

Utilize two / three Peer Housing Support Team Members (from CFST) to provide housing support to tenants served under the plan.	Jun08	Management/Clearinghouse Agency
Housing pre-tenancy, move in and tenancy stabilization activities will be incorporated in the training provided by the Management /Clearing House Agency to Peer Housing Support Team Members.	Sep08	Housing Management/Clearinghouse, Lehigh MH/MR, CSH

**Attachment A  
County MH/MR Residential Survey**

**Please fill out the chart below to the best of your ability identifying where your County MH/MR consumers are currently living.**

<b>A.</b>	<b>B.</b>	<b>C.</b>	<b>D.</b>	<b>E.</b>	<b>F.</b>	<b>G.</b>	<b>H.</b>	<b>I.</b>
<b>Housing Name</b>	<b>Type of Housing</b>	<b>Owner/ Manager of Property</b>	<b>Service Provider Name</b>	<b>Target Group</b>	<b>Capacity: Units; Slots; People</b>	<b>Services Funding</b>	<b>Housing Funding</b>	<b>Additional Information</b>
All Inclusive Residential (A.I.R.)	Enhanced CRR	Resources for Human Development	Resources for Human Development	MH	6	CHIPP	CHIPP	
Acorn Young Adult Program	Enhanced PCBH CRR	Salisbury Behavioral Health Step by Step, Inc.	Salisbury Behavioral Health Step by Step, Inc.	MH MH Youth Young Adult Transitional	18 4	CHIPP CHIPP Medicaid	CHIPP CHIPP	
Linden Street SBS Eighth Street SBS	CRR	Step by Step, Inc.	Step by Step, Inc.	MISA MH	30	Medicaid Base	County Base	
Step by Step Supported Housing		Step by Step, Inc.	Step by Step, Inc.		10	Medicaid Base		
Step by Step Managed Residence Transitional Living Center (TLC) Transitional Living Center (TLC)	CRR-APT. CRR-APT.	Step by Step, Inc. unknown unknown	Step by Step, Inc. Lehigh Valley Hospital Lehigh Valley Hospital	MH MH	11 10 28	Medicaid Base Medicaid Base Medicaid Base	County Base County Base	
Step by Step Supportive Housing Services	Scattered Apartments	Multiple Landlords	Step by Step, Inc.	MH	60	County Base; Medicaid	None	
Seneca House	Single Room Occupancy (SRO)	Valley Housing Development Corp (VHDC)	Valley Housing Development Corp (VHDC)	MH	18	County Base; Medicaid	Section 8; and rent at 30% of income	
West Street	CRR Supported Living	Salisbury Behavioral Health	Salisbury Behavioral Health	MH	11	CHIPP; County Base;	CHIPP	
Permanent Supportive Housing	Tenant-based / scattered site housing.	Multiple Landlords	VHDC,	MH	71	Medicaid, County Base, OVR, Mult. Providers	McKinney / Vento Supp. Housing Prog.	
Shelter Plus Care	Scattered Apts. Supp. Housing	Multiple Landlords	VHDC; LCHA	MH	22	Medicaid, County Base, OVR, Mult. Providers	McKinney / Vento Supp. Housing Prog.	

Notes on following page...

## ***Lehigh County***

ATTACHMENT A (CONTINUED)...

\*In addition to the programs in the chart above, Lehigh County receives funding under the Projects for Assistance in Transition from Homelessness, known as the PATH program. These funds provide financial assistance in transitioning from homelessness. We have served 71 clients in PY06-07; allocation was \$14,461. In addition, \$23,849 was allocated from the base MH program.

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### **Codes:**

#### Type of Housing:

*PSH, PSH/SRO, CRR, CRR-Group Home, CRR-APT, LTSR, Fairweather Lodge, Supportive Housing has not been a defined “funding” category by OMHSAS; however, PSH (Permanent Supportive Housing) is defined on page 7.*

#### Target Group:

*MISA = Mental Illness/Substance Abuse; MH= Mental Health; PwD = People with Disabilities (not targeted to specific disability subpopulation); PhysDis = Physical Disabilities; Youth; Eld = Elders; Fam = Family; DV = Domestic Violence; HM = Homeless (More than one code can be used per property), SA = Substance abuse*

#### *Services Funding:*

*Medicaid by type, McKinney, Base funding, CHIPPs*

#### *Housing Funding*

*HUD202; HUD811; HUD McKinney; Section 8 PBA, PHFA; County/ County, CDBG, Section 236, Health Choices Reinvestment*

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**Attachment B**  
 Health Choices Reinvestment Funds  
 Proposed Housing Commitment

County:

**Annual Investments**

	FY 200_	FY 200_	FY 200_	FY 200_	FY 20__	FY 20__	Total
<b>1. Capital Development</b>							
<i>Type/Source</i>							
<i>Type/Source</i>							
<i>Type/Source</i>							
<i>Type/Source</i>							
Sub Total							
<b>2. Project Based Operating Subsidy (PHFA Adminstered)</b>							
Sub Total							
<b>3. Master Leasing</b>							
<i>Type/Source</i>							
<i>Type/Source</i>							
Sub Total							
<b>4. Tenant Based Rental Subsidies (Bridge)</b>							
<i>Type/Source</i>							
<i>Type/Source</i>							
<i>Type/Source</i>							
Sub Total							
<b>5. Local Management/ Clearinghouse</b>							
<i>Source</i>							
<i>Source</i>							
Sub Total							
<b>6. Contingency/ Move In Funds</b>							
<i>Source</i>							
<i>Source</i>							
Sub Total							
<b>7. Support Services</b>							
<i>Type/Source</i>							
<i>Type/Source</i>							
<i>Type/Source</i>							
<i>Type/Source</i>							
Sub Total							
<b>Total Reinvestment Funds</b>							

Attachment B – HealthChoices Reinvestment Funds; Proposed Housing Commitment (Excel workbook attached separately).



*Lehigh County*

**ATTACHMENT C:**

• **Lehigh Valley Local Housing Options Team – Representation**

- Lehigh and Northampton County MH/MR
- Family Answers (supportive service agency)
- Community Action Committee of the Lehigh Valley
- Valley Housing Development Corporation
- Lehigh County, Northampton County, Easton and Bethlehem Public Housing Authorities
- City of Allentown – Allentown Human Relations Commission
- County of Lehigh – Grants Office
- Salisbury House
- Alliance for Building Communities
- NAMI
- The ARC of Lehigh Valley
- City of Bethlehem – Redevelopment Authority
- Northampton County Office of Aging
- Lehigh County Office of Adult and Residential Services
- City of Allentown – Office of Community Development
- Lehigh Valley Center for Independent Living
- Lehigh Valley Compassion
- United Way

**Northeast Regional Homeless Advisory Board – Continuum of Care - Representation**

- Committee on Economic Opportunity of Luzerne County
- Lehigh County Housing Authority\*
- Valley Housing Development Corporation\*
- City of Bethlehem Redevelopment Authority
- City of Allentown\*
- Lehigh County Conference of Churches\*
- Pennsylvania Department of Community and Economic Development
- PA Office of Mental Health and Substance Abuse
- Women’s Resources of Monroe County

*Lehigh County*

- Schuylkill County Community Action
- City of Easton, Department of Planning and Development
- Monroe County Grant Office
- Valley Youth House\*
- Behavioral Health Fitzmaurice Community Services, Inc.
- Resources for Human Development\*.
- The Salvation Army
- Gaudenzia Fountain Springs
- Futures Community Support Services (Bradford County)
- Community Action Committee of the Lehigh Valley\*

\* Representation from Allentown and Lehigh County

## LEHIGH COUNTY'S HOUSING REINVESTMENT PLAN

