

DOUGLAS COUNTY SUPPORTIVE HOUSING NEEDS ASSESSMENT

MAY 2022



ABOUT THIS REPORT

Background

In March 2021, Congress passed the American Rescue Plan Act (ARPA), providing \$1.9 trillion to states, counties, and local jurisdictions for COVID-19 relief. This funding package included a \$31.6 billion allocation for housing assistance and services and an additional \$9.1 billion set aside expressly for housing support and behavioral health services. HOME-ARP, issued through the Department of Housing and Urban Development (HUD) as part of ARPA, provides an additional \$5 billion to states and local jurisdictions for individuals and families who are homeless, at risk of homelessness, fleeing or attempting to flee domestic/dating violence or human trafficking. The HUD funding can also be used for supportive services or assistance that prevent homelessness or help those at risk of housing instability.

Overall, Kansas received \$39.3 million in funding; the City of Lawrence received \$1,641,383 through the HOME-ARP Act. Douglas County has received \$23.7 million through the ARP State and Local Fiscal Recovery Funds (SLFRF). Leadership at the county immediately identified these funding sources as key sources for financing capital development of supportive housing in the city and county. The community had been experiencing a gap in the supply of supportive housing to meet the need seen locally. While seeing the successful opening of The Cottages at Green Lake, which provide supportive housing to 10 people with serious and persistent mental illness, Douglas County leadership recognized that with a waiting list of chronically homeless individuals and households, much more supportive housing was needed to get to “functional zero.”

[1] See an overview of outcomes related to supportive housing here: [CSH-Lit-Review-Housing-Outcomes.pdf](#). Additionally, the National Academy of Sciences recently did a literature review of PSH: [Permanent Supportive Housing: Evaluating the Evidence for Improving Health Outcomes Among People Experiencing Chronic Homelessness](#) | The National Academies Press ([nap.edu](#)).

Purpose

In September 2021, Douglas County contracted with CSH to review local data on supportive housing needs to plan for how much housing to build and understand what populations to prioritize for new developments. This report presents findings that project the scale of need for supportive housing for populations experiencing homelessness and at-risk of experiencing homelessness in Douglas County. The findings offer projections based on local data and input from stakeholders across the county on how much supportive housing is needed. Further, the report models financing for the supportive housing – specifically projecting how much capital, operating, and support services funding is needed to meet the local need.

Supportive housing, often called permanent supportive housing or PSH, is an evidence-based model that combines deeply affordable housing (usually in rental support) combined with wrap-around support services that help keep households stably housed. PSH is the primary intervention funded by the U.S. Department of Housing and Urban Development (HUD) to end chronic homelessness in the U.S. Funds are distributed annually through regional continua of care (CoCs). The model has successfully reduced veteran homelessness through the HUD-VASH (Veterans Affairs Supportive Housing). Supportive housing has been much studied and successful for many populations, including people with mental health conditions, substance use disorders, families involved in the child welfare system, people with disabilities, and more[1]. Outcomes for supportive housing include housing stability, improved behavioral health outcomes, reduced emergency health care use, and reduced involvement with the criminal legal system.

The Douglas County Supportive Housing Needs Assessment methodology builds on CSH's National Needs Assessment (www.csh.org/data), the first-of-its-kind cross-systems assessment of supportive housing needs in the United States. The methodology starts from the knowledge that people who have needs consistent with supportive housing are often institutionalized in jails, prisons, treatment facilities, health care settings, foster care, nursing homes, and more; are critically at risk of long-term homelessness upon exit, and would benefit from the subsidized housing and stabilizing support services offered through the supportive housing model. Further details on the methodology are below.

[1] See an overview of outcomes related to supportive housing here: [CSH-Lit-Review-Housing-Outcomes.pdf](#). Additionally, the National Academy of Sciences recently did a literature review of PSH: [Permanent Supportive Housing: Evaluating the Evidence for Improving Health Outcomes Among People Experiencing Chronic Homelessness](#) | The National Academies Press (nap.edu).

The overall need for supportive housing should be seen as a subset of Douglas County’s overall need for more affordable housing. Supportive housing is typically targeted at people with both extremely low income (not greater than 30% of area median income) and some disability, which is broadly defined but often behavioral health-related. CSH’s work will help the county’s plans to meet the community’s affordable housing needs and meet the needs of people who need the rental support and supportive housing services to remain safely housed, supported, and, hopefully, thriving in Douglas County.

Methodology

Framing supportive housing as a model built on deeply affordable housing with integrated services requires looking outside of the traditional homeless system to assess the total scale of need in a community. Traditional approaches to assessing supportive housing that rely exclusively on the chronicity status of homeless households often miss households that may not meet the chronic threshold due to time spent in other intensive service systems. In this analysis, CSH deployed a multi-sector approach and worked with stakeholders across Douglas County to assess the need for supportive housing as it spans a variety of systems.

The analysis of the need for supportive housing in Douglas County is informed by CSH’s National Needs Assessment^[2] and refined utilizing extensive state and regional data tailored to the specific subpopulations and geographies assessed in this project. In many instances, point-in-time^[3] or census-style data was utilized to determine the housing need across multiple sectors while avoiding duplication, or double-counting, of individuals and households wherever possible.



^[2] <https://cshorg.wpengine.com/supportive-housing-101/data/>

^[3] Refers to a snapshot of the size of a given population at a particular point in time.

Similarly, in Douglas County to cast a wide net and minimize duplication, CSH worked with County leaders to arrive at a narrow timeframe of the third quarter in 2021 (July-September) to review for this assessment. In addition, CSH worked closely with stakeholders to access data and reports that adhered to this narrow timeframe. The needs assessment intends to analyze a ‘snapshot’ of needs at a given point in time across the community by reducing the analysis timeframe. This approach minimizes the risk of duplication while considering how the need for supportive housing manifests in the community. In addition, this approach allows the needs assessment to break out needs by system or population, which helps guide planning around unit needs (e.g., for individuals or families) and service needs.

The needs assessment model considers the size of the assessed population and a supportive housing Rate of Need for each included system or sector. As utilized throughout this report, the term “Rate of Need” refers to the share of a specified population that is assumed to meet that threshold based on state and regional data and national research analysis. The assessment then looks at the household types represented in each system and determines whether the associated need for supportive housing can be met through individual units or family units. The result estimates that supportive housing needs to be broken out by population and household type.

In order to make the best use of local data, CSH conducted stakeholder interviews with executives and data managers from systems represented in the needs assessment (see Table 1). These meetings helped define the subset of the population served by various agencies that would be accounted for in the needs assessment, and helped refine the assumptions around rates of need for supportive housing among an agencies client pool. Local data used in the report was provided by stakeholders within the various assessed systems and participants in the Douglas County Housing and Homelessness Stakeholders Working Group. In some cases, publicly available data was utilized, and in others requests for specific summary data were returned after interviews with stakeholders and data managers.

Table 1: Organizations Contributing Data in Douglas County

Family Promise
Bert Nash CMHC
KS Statewide Homeless Coalition
Lawrence-Douglas County Housing Authority
Willow Domestic Violence Center
DCCCA
Heartland RADAC
O'Connell Children's Shelter
Douglas County Sheriff's Office/Jail Reentry
Jayhawk Area Agency on Aging
Cottonwood
Tenants to Homeowners
KS Department of Children and Families
KS Department of Social Services
KS Department of Corrections

The financial modeling component of this assessment models the resources necessary to bring the calculated units to bear. Inputs for the financial model include the capital costs associated with developing different types of supportive housing units, as well as the ongoing operating costs and service costs associated with managing those units and rendering services to clients. The model uses the HUD-published fair market rent rates to calculate operating costs, and assumes a 2.5% increase in operating and service costs per year.

In addition to estimating development costs, CSH also considers as inputs the several developments currently being considered for supportive housing. Known locally as the “Capital Acquisition List,” the local Housing and Homeless Stakeholders group meets regularly to discuss the viability of each project, progress on development funding, and other factors. Taken together, this pipeline of units includes 76 that would be targeted for supportive housing.

Given the work on the capital acquisition list pipeline and the current availability of one-time funding such as HOME-ARP and SLFRF, CSH modeled the costs associated with bringing the needed supportive housing units online over a five-year timeline, rather than 10 years. Capital costs in this model are incurred once per unit (in the year that a new unit is brought online), while operating and service costs are incurred for each unit every year. The financial model also considers different development models and means of bringing new units online. This includes units that can be brought to bear through capital acquisition – whether new development or acquisition and rehabilitation efforts – or through a voucher-based model. Because operating and services costs are not one-time and because supportive housing is meant to be “permanent,” we model these costs over a ten-year period.



KEY FINDINGS

- In Douglas County, there is an estimated need of 381 total units of supportive housing.
- Of those 381 units of supportive housing, 356 are required to meet the needs of individual households or households with only adults, and 25 are needed to meet the needs of families.
- Based on current estimates for what units can be brought online through capital acquisitions, 76 of those units are currently in the capital acquisition pipeline.
- The capital costs associated with those 76 units amounts to \$13.4M. The capital development costs associated with developing all 381 needed units of supportive housing amounts to \$67.7M.
- Supportive housing for individuals with Intellectual Developmental Disabilities (IDD) and for Individuals in Nursing Homes account for just over half of the assessed need. These populations have needs consistent with supportive housing, but often receive housing and services through very different funding streams than traditional supportive housing. When looking only the other systems and populations beyond aging and IDD, 41% of the needed supportive housing in Douglas County is already in the potential capital acquisition pipeline.
- Assuming a five-year timeline to bring all units online (see charts below and in the Appendix), the ongoing operating costs associated with the needed supportive housing amounts to \$34.2M over 10 years, and the ongoing service costs associated with the needed supportive housing amounts to \$17.9M over 10 years.
- A major challenge to rendering the necessary supportive housing lies in securing the funding necessary to operate and provide services for supportive housing units in Douglas County. This funding is not one-time but rather needs to be sustainable over a number of years. While much of the capital funding for developing supportive housing is currently available through one-time HOME-ARP funds, nearly every conversation with stakeholders around Douglas County noted the lack of sustainable funding for both operating and services funding. Currently, rental supports are largely limited to those available through the CoC and through the Lawrence-Douglas County Housing Authority. Both sources are essentially maxed out with low rates of turnover.

- In particular, staffing challenges were reported by Cottonwood, which serves people with disabilities, and Bert Nash, providing mental health services. This means that these agencies are unable to leverage their full capacity to provide housing and render services to households in need.
- While this assessment is focused on the need for supportive housing, there are other less intensive housing interventions such as Rapid Rehousing or Prevention and Diversion programs that may be needed to support households who do not need an intervention as robust as supportive housing but need more support than is offered through affordably priced units on the broader market.
- Douglas County leaders face challenges in developing supportive housing both because of local community pushback and from state limitations on development. These limitations include zoning challenges (e.g. cannot construct multi-unit dwellings in certain areas with single family limitations) and specific allowances for group homes (which supportive housing is not) that have been set at the state level and which local governments cannot change.
- There is differing understanding of the supportive housing model among stakeholders and agencies in Douglas County. Particularly with an eye towards the planned rapid development of supportive housing locally, there will be a need for community trainings on some of the evidence-based practices essential to service models for supportive housing: housing first, harm reduction, trauma-informed care, and motivational interviewing, to name a few. Similarly, there is training on supportive housing design and community integration from which the community may benefit..



SUPPORTIVE HOUSING ASSESSMENT RESULTS

Overall, among the systems included in this assessment, this analysis projects that there is an estimated unmet need for 381 units of supportive housing, for which approximately 356 are needed for individuals or adult only households, and 25 of which are needed for families.

The systems and populations examined in the assessment consist of:

- Individuals experiencing homelessness
- Families experiencing homelessness
- Families involved in the child welfare system
- Transition-aged youth in juvenile justice settings
- Transition-aged youth in foster care
- Adults reentering the community from a justice setting
- Individuals with Intellectual Developmental Disabilities
- Individuals in mental health treatment settings
- Individuals in substance use treatment settings
- Individuals residing in nursing homes.

For each subpopulation, conversation with stakeholders led to data requests about client populations illustrating housing and service needs. The following chart and table show the assessed populations, the subset of the populations that was assessed through a data request, the rate of need applied to that subset, and the total need per population. A description of the specific data used to determine the size of each population, as well as the basis for the assumptions used to derive a rate of need for each population is included in the Appendix to this report.



Figure 1: Supportive Housing Needs by Population

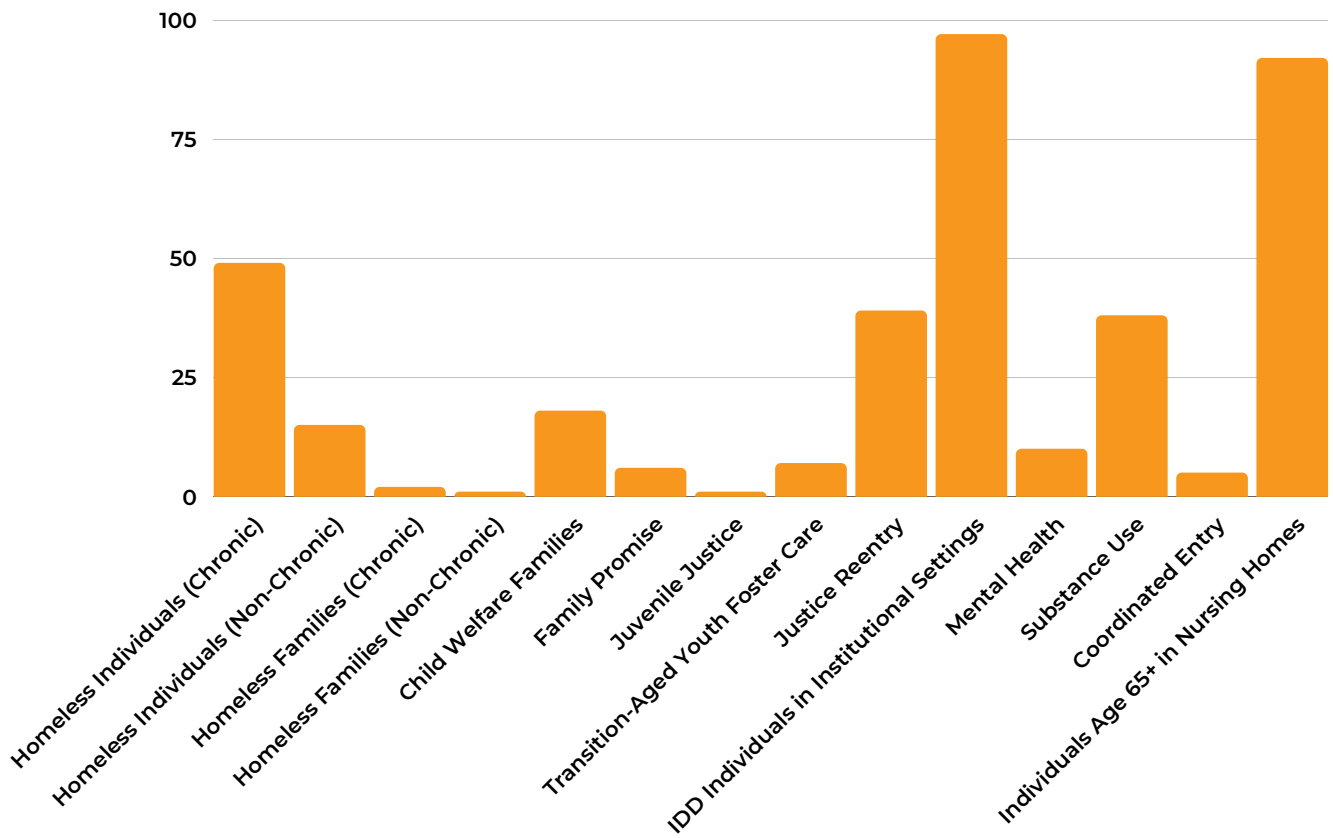
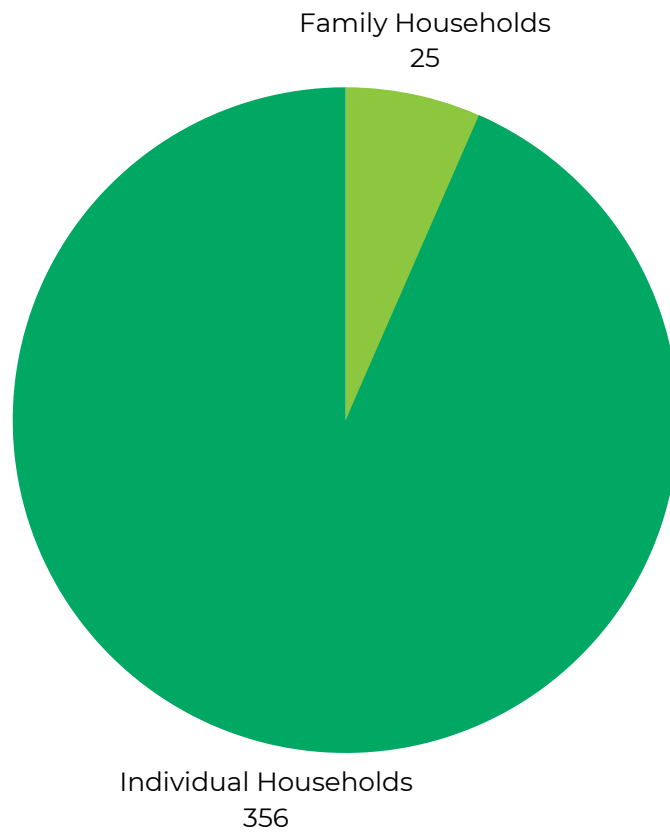


Table 2: Supportive Housing Need by Population Type

System	Count of Individuals in Data	Estimated Rate of Need	Need for Permanent Supportive Housing
Chronically Homeless Individuals	83	90% of individuals identified in Emergency Shelter and Street Outreach, and 25% of individuals in Rapid Rehousing	49
Non-Chronically Homeless Individuals	177	10% of individuals identified in Emergency Shelter and street Outreach, and 5% of individuals in Rapid Rehousing	15
Chronically Homeless Families	7	90% of families identified in Emergency Shelter and Street Outreach, and 25% of families in Rapid Rehousing	2
Non-Chronically Homeless Families	28	16% of families identified in Emergency Shelter and Rapid Rehousing, and 5% of families in Rapid Rehousing	1
Coordinated Entry	5	90% of individuals who have not been enrolled in housing programming	15
Child Welfare-Involved Families	98	18% of families that experienced a removal and have reunification as a goal	18
Transition-Aged Youth in Juvenile Justice Settings	3	20% of youth in out of home juvenile justice detention	1
Transition-Aged Youth in Foster Care	7	100% of youth in out of home placement	7
Justice Reentry	141	28% of reentering individuals	39
Individuals with Intellectual Developmental Disabilities	129	75% of individuals in Tier 4 and Tier 5	97
Mental Health Treatment Settings	94	11% of individuals with housing instability not in HMIS	10
Substance Use Treatment Settings	249	95% of homeless clients not in HMIS, and 10% of clients in dependent living situations	38
Individuals in Nursing Homes	485	19% of individuals receiving Medicaid	92

Data on household type within each system was used to determine the share of needed supportive housing that is accounted for by individual or adult-only households, and by family households. This distribution was then applied to estimate the unit need for supportive housing broken out by unit type.

Figure 2: Supportive Housing Needs by Household Type



For financial modeling purposes, individual households were modeled around studio or 1-bedroom apartment costs, and family households were modeled around 2- and 3-bedroom costs. Additionally, different operating costs and service costs were applied based on differing rates depending on the unit type (see Table 3).

Table 3: Douglas County Supportive Housing Per Unit Costs
Project Costs

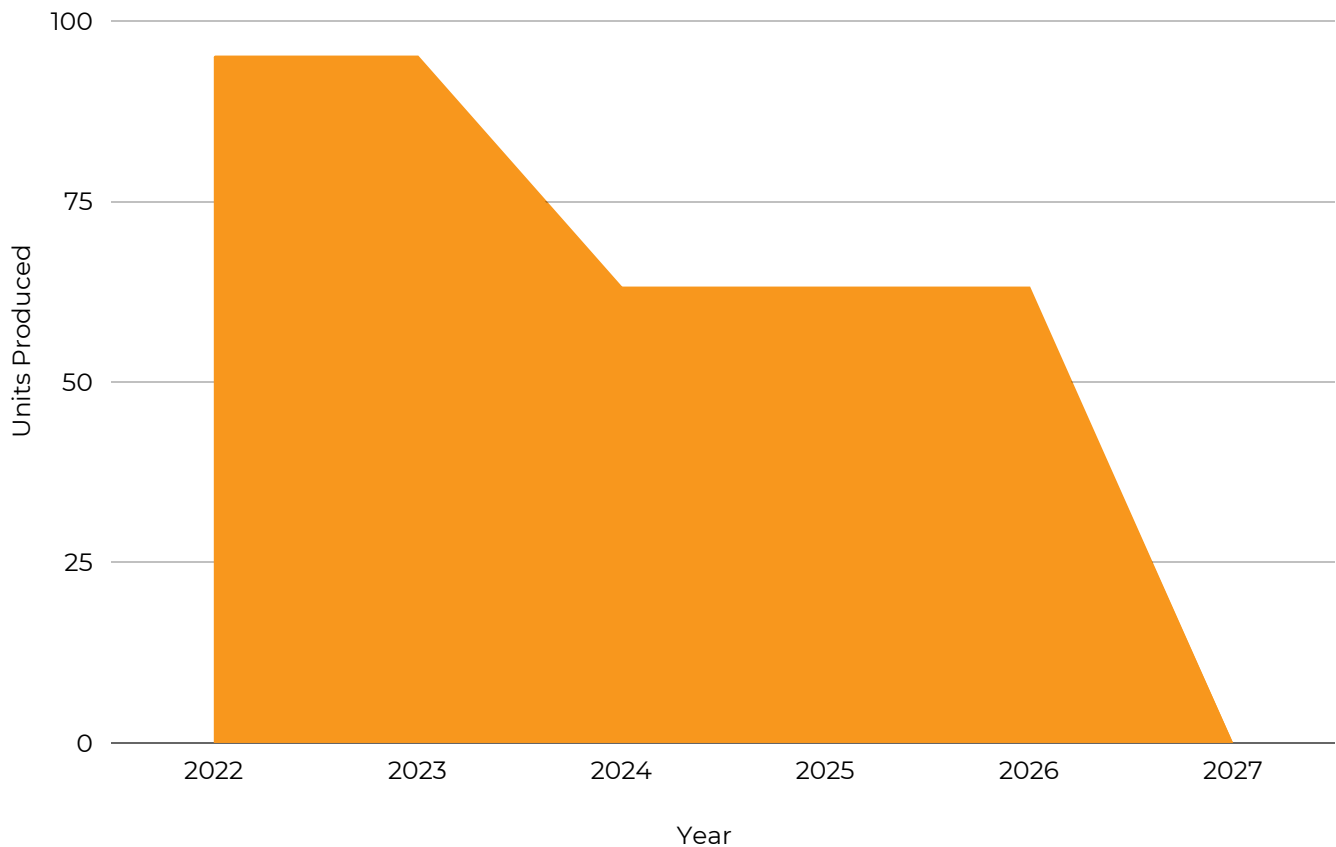
Assumed PSH Averages	Studios & 1 Bedroom Units	2- and 3-Bedroom Units
Capital Cost per Unit	\$175,000	\$225,000
Operating Cost per unit per year (PUPY)	\$15,000	\$25,000
Service Cost per household per year (PHPY)	\$8,000	\$11,000



The current Capital Acquisition List in Douglas County shows the capacity to bring online 76 units of supportive housing that are already in the development pipeline. The remaining needed supportive housing can be brought to bear through a variety of development models. Other capital-intensive models include new development or acquisition and rehabilitation of existing properties. Scattered-site or voucher-based supportive housing leverages units available through the rental market to bring supportive housing units online. This model is less capital intensive and requires landlord engagement and a clear service connectivity framework.

Through conversation with county stakeholders, a ten-year financial model was developed that reflects local goals around unit production rate and the capacity to bring online new units through capital development and scattered site models. The model assumes that for all units, 25% will be brought online in the each of the plan’s first two years, and the remaining 50% will be brought online over the third, fourth, and fifth years of the plan.

Figure 3: Unit Production



Additionally, 80% of the individual need (284 units) are modeled to be brought online through capital development, with the remaining 20% of individual household need (71 units) to be brought online through scattered site or voucher-based models. Among family households, 18% of the need (4 units) are modeled to be brought online through capital development based on projects already in the capital acquisition pipeline. The remaining 82% are modeled to be brought online through scattered site or voucher-based models.

Ultimately, this amounts to \$50.77M for capital development, \$34.25M in operating and leasing costs, and \$17.93M in service costs over 10 years. The capital costs in this model are accrued in the first five years, and operating and service costs are modeled as ongoing costs per unit as each unit comes online. Operating and service costs are assumed to increase 2.5% year-over-year. The total combined capital, operating, and service costs amount to \$102.95M over 10 years.

Table 4: Supportive Housing Costs by Year

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
New Units	95	95	63	63	63	0	0	0	0	0	380
Capital Costs	\$12.7M	\$12.7M	\$12.7M	\$8.5M	\$8.5M	\$8.5M	\$0	\$0	\$0	\$0	\$50.8M
Operating Costs	\$1.5M	\$3.0M	\$4.2M	\$5.3M	\$6.6M	\$6.7M	\$6.9M	\$7.1M	\$7.3M	\$7.4M	\$35.3M
Service Costs	\$779K	\$1.6M	\$2.2M	\$2.8M	\$3.4M	\$3.5M	\$3.6M	\$3.7M	\$3.8M	\$3.9M	\$17.9M
Total Costs	\$15.0M	\$17.3M	\$14.8M	\$16.6M	\$18.5M	\$10.3M	\$10.5M	\$10.8M	\$11.0M	\$11.3M	\$103.0M

Figure 4: Financial Expenditures

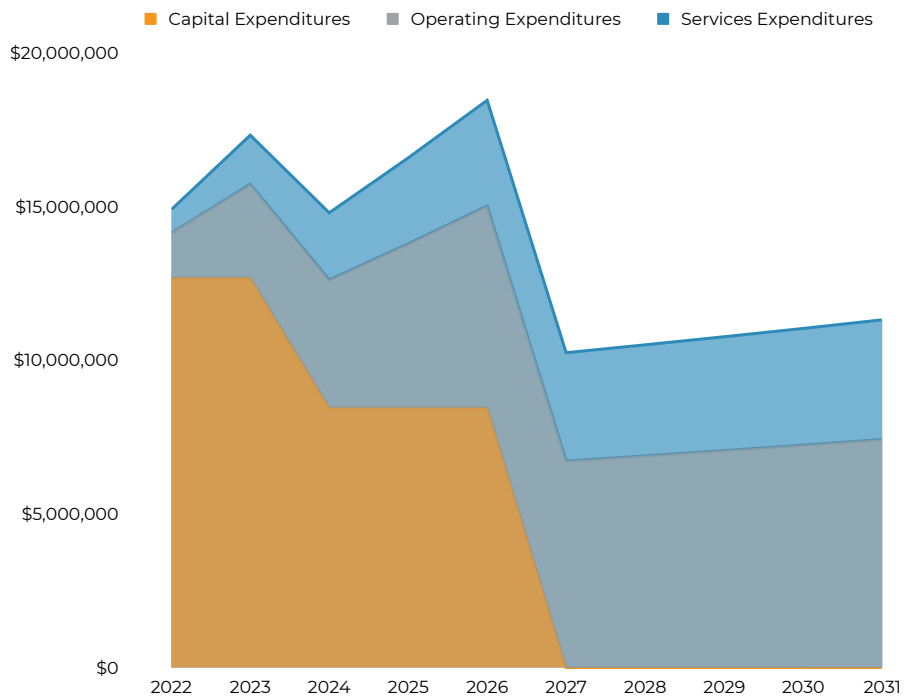
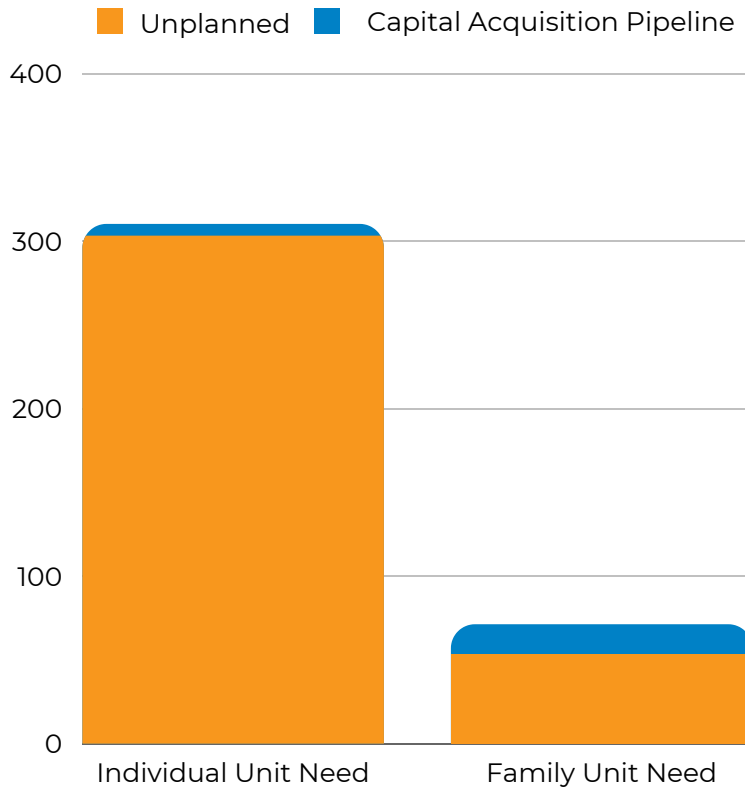


Figure 5: Pipeline and Unplanned Units



WHERE DO WE GO FROM HERE - RECOMMENDATIONS

Recommendation 1: Funding for Capital Development Opportunities

Douglas County should continue to prioritize developments on the current capital acquisition list for supportive housing, and should direct as much as possible of the \$1.6 million of HOME-ARP funds allocated to the City of Lawrence, and the remaining \$21.4 million available from the SLFRF funds provided to Douglas County. All the current HOME-ARP allocation of \$1.6M (less 15% allowable for administrative costs), if used for supportive housing, would help pay for a small portion (3%) of the total capital costs needed. Allocating 50% of the \$21.4 million (\$10.7 million) of SLFRF funds in Douglas County to supportive housing would cover substantially more, nearly one-quarter (24%) of the total capital costs needed in the County.

Further funds will be available from the State of Kansas. CSH strongly recommends Douglas County and/or the City of Lawrence focus submissions to State of Kansas' competition for its HOME-ARP allocation on supportive housing. Other units will need more traditional sources of capital funding available through Kansas Housing Resource Corporation (KHRC)'s Low Income Housing Tax Credit allocation, regular HOME funds, and the Lawrence Affordable Housing Trust Fund. The data from this report will be helpful to include in applications for funding in demonstrating the community need.

Where possible, larger multi-unit developments can be targeted for individual households supportive housing. Developing in this model can help improve operating and service efficiencies. The current capital acquisition list suggests that approximately 15% of the needed supportive housing for individual households could be met by current pipeline projects, and 72% of the needed supportive housing for families could be met by current pipeline projects.

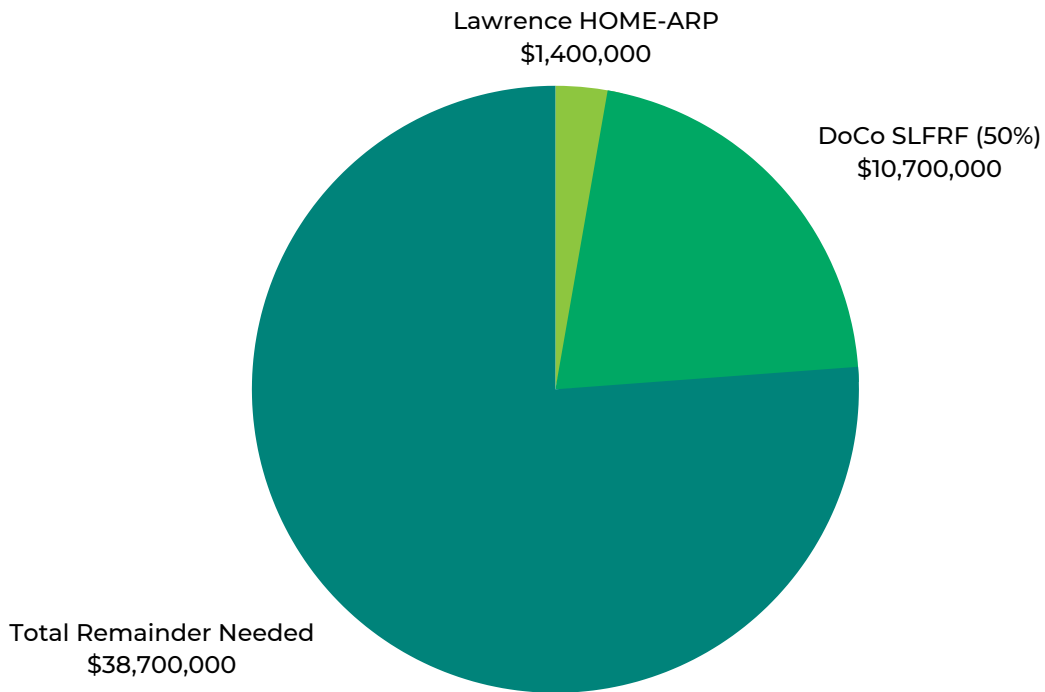
Another type of funding for capital development and rehab could be generated through a local ballot initiative. The 2020 election year cycle saw a number of ballot initiatives approved that were geared towards funding additional affordable and low-income housing[4]. This may be an opportunity for Douglas County in the 2024 election year.

[4] [Where Voters Supported Affordable Housing — Shelterforce](#)

Table 5: Sources of ARP Funding, Amounts, and Supportive Housing Eligibility

Source	Jurisdiction	Amount	Supportive Housing Eligibility		
			Capital	Operating	Services
HOME-ARP	City of Lawrence	\$1.6 million (less 15% for admin costs)	Eligible	Limited eligibility – capitalized operating reserves is recommended in combination with PBVs	Eligible but time-limited. Recommended for training/capacity building in combo w/ other sources [5]
	State of Kansas	\$22 million (competitively bid)			
SLFRF	Douglas County	\$21.4 million [6]	Eligible – both pre-development and full cost of new or rehab	Some eligibility to fill in gaps, particularly through capitalized operating reserves [7].	SLFRF can pay for supportive services and technology that facilitates the delivery of supportive services [8].

Figure 6: Potential Funds Used for Capital by Source



[5] CSH-Leveraging-HOME-ARP-for-Innovations-in-Supportive-Housing-October-2021.pdf
 [6] Douglas County Accepting Grant Applications For Arpa Funding, | Douglas County Kansas (douglascountyks.org).
 [7] CSH-SLFRF-Information-April-2022-FINAL-WEB.pdf
 [8] Ibid

Recommendation 2: Take Advantage of Housing Authority Opportunities

While HUD does not generally fund supportive services through any of its many funding streams, it does fund operating dollars through several voucher programs in addition to Housing Choice Vouchers. While CoC resources should continue to be prioritized for the chronically homeless populations, for other populations HUD's Office of Public and Indian Housing issues Notices of Funding for some key speciality population vouchers.

- **Emergency Housing Vouchers (EHV)** – EHV vouchers were a new type of voucher included with the ARP Act. Specifically, EHV vouchers for people experiencing or at risk of homelessness, these vouchers are unique in that they also come with funding for some services and assistance along with operating funds and administrative costs. The Lawrence/Douglas Housing Authority received 31 EHV vouchers in 2021 and can likely expect a second allocation in 2022. These can be prioritized for supportive housing, potentially in scattered-site units or for tenants moving into new supportive housing units. Another way they could be used is to create vacancies in current PSH developments by “moving on” people in existing PSH who no longer require the level of services of PSH but need the financial assistance of a voucher[9].
- **Family Unification Program (FUP)[10]** - FUP vouchers have been used for the rental portion of supportive housing for families experiencing homelessness that have child welfare system involvement. They can also be used for youth that are at-risk and aging out of foster care. In Kansas City, Missouri, the Kansas City One Roof Program utilized them in this way with services from various local providers[11]. The Lawrence/Douglas County Housing Authority currently does not have an allocation of these vouchers, but should take advantage of them should a NOFA come out from HUD; the data produced in this report will be helpful in demonstrating the need for these vouchers, which is usually a requirement of the applying housing authority agencies.
- **Mainstream Vouchers[12]** - These vouchers can also be used for supportive housing for “non-elderly persons with disabilities,” and the focus can be defined locally. Currently the Lawrence/Douglas County Housing Authority holds 60 of these vouchers. Potentially turnover could be dedicated for non-chronic homeless households.

[9] Resources on [Moving On: Moving On - HUD Exchange](#)

[10] [Family Unification Vouchers | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#).

[11] [KC One Roof Getting Results - CSH](#)

[12] [Mainstream Vouchers | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](#).

- **Project-Basing Vouchers (PBVs)** – Project-based vouchers are tied to a specific project and are frequently used as a sustainable operating source of funding for supportive housing developments. The Lawrence/Douglas County Housing Authority is a Moving to Work (MTW) designated agency and, as such, has some additional flexibilities for innovating in how they deploy federal funds[13], including increasing the cap for allocating PBVs[14]. Currently, the housing authority only uses PBVs for The Cottages; thus, there may be room for growth. CSH recommends that the Housing Authority explore further allocating PBVs to supportive housing projects coming on line, understanding that the HA cannot fully meet the need for supportive housing operations funding through this mechanism and that EHVs cannot be used for this purpose (i.e. they are tenant-based).

Recommendation 3: Identify Innovative Strategies for Sustainable Operating and Services Funding

Stakeholders throughout Douglas County noted the lack of sustainable funding for operating and services funding. Though these are typically funded through separate resources, recent innovations in the field of supportive housing have developed common strategies for bridging the funding gaps of both through the below types of mechanisms. Because Douglas County is an innovative community with deep academic and philanthropic resources, CSH envisions that the County could lead the state in adopting one or many of these strategies.

- **Flexible Funding Pools**[15] - Often led by funders such as government, publicly funded health systems or philanthropy, this strategy presents an opportunity for funders to streamline the process of disbursing funds through joint Requests for Proposals (RFPs), contracting and coordinated requirements. Flexible Funding Pools:
 - Combine funding from multiple sources (government, foundation, private)
 - Typically focus on streamlining and filling gaps in the existing system(s)

[13] [Moving to Work \(MTW\) Demonstration Program | HUD.gov / U.S. Department of Housing and Urban Development \(HUD\)](https://www.hud.gov/programs/moving-to-work)

[14] [MTW Project-Based Voucher Program Flexibilities Waivers - HUD Exchange](https://www.hud.gov/programs/moving-to-work/mtw-project-based-voucher-program-flexibilities-waivers)

[15] [Change Well Project's Guide on Developing Flexible Housing Pools](https://www.hud.gov/programs/moving-to-work/change-well-project)

- Include cross-sector partners and governance
 - Function like grants in that funders are not typically repaid
 - May distribute funds to social service agencies via performance-based contracts
 - Are usually associated with robust data tracking or evaluation to demonstrate results Strategies for making ongoing operating and service support sustainable[16].
- **Impact Investment Models[17]** – Often called “social impact bonds” or “pay for success,” impact investment is a combination of two different elements: upfront funding provided by impact investors and a performance-based contract, in which most of the payments are made for social outcomes rather than paid on a ‘fee-for-service’ basis. The mechanics of pay for success (PFS) financing vary, but most structures support PFS programs by providing upfront funding to implement and/or scale an intervention that has been proven to produce desired outcomes, such as improvements in housing stability or reductions in recidivism. This upfront capital investment can be provided by a variety of investors and/or philanthropic sources, which typically receive repayment via the success payments, along with the potential for a modest return on investment. In exchange for this upfront payment, investors accept the risk that the intervention may not fully produce the desired outcomes. Pay for success projects usually start with a feasibility assessment before moving forward.
 - **Medicaid Waivers and Plan Amendments[18]** - Many states have implemented waivers or state Medicaid plan amendments that allow for tenancy support services in supportive housing to be billed to Medicaid, and the Center for Medicaid and Medicare Services (CMS) has supported these under both Democratic and Republican administrations. Although Kansas has not expanded its Medicaid plan like most other states, it is worth noting that several states have gone forth with waivers even without Medicaid expansion[19] (Florida, North Carolina) or are in the planning stages of doing so (Wisconsin). This effort would need to be led by the state, likely Kansas Department of Health and Environment.

[16] <https://www.csh.org/wp-content/uploads/2021/09/CSH-Health-Center-Role-in-Housing-Innovations-Sept-2021-WEB.pdf>

[17] <https://www.csh.org/impact-investment/>

[18] [Summary-of-State-Action-Medicaid-and-Supportive-Housing-Services-2022-02.pdf](#) (csh.org).

[19] <https://csh-admin.carto.com/builder/5fb538f0-9370-4650-84f6-de18188ba1d9/embed>

Recommendation 4: Focus on Specific Populations of Need

While much of the supportive housing in development is for individuals and families experiencing homelessness, the cross systems data studied in this report demonstrated that there are populations outside the homeless system that would benefit from supportive housing. Of the overall need reported 50% of it (close to 200 units) is in the aging population and population with intellectual and/or developmental disabilities. These units could follow a separate funding path for capital, operating and services resources.

CSH's work focused on a broad view of systems in Douglas County; a simultaneous effort from the University of Kansas' Center for Public Partnerships and Research focused on homeless system needs specifically.

Data from that report shows that there is a disproportionate number of women experiencing homelessness in the area compared to both state and national data: the 2020 homeless point-in-time count reported 45% of people counted were female, compared to 37% in Kansas and 39% in the U.S. The CPPR report also found racial disparity in homeless populations for Black, Native American, Latino, and multiple races (see Appendix for detailed data). CSH recommends local leaders, particularly in the homeless CoC and Coordinated Entry systems, engage in focused efforts such as monitoring the assessment and referral processes and outcomes, as well as other efforts so as to reduce these disparities and improve outcomes.

Stakeholders from the county's substance use treatment agency (DCCCA) as well as other agencies lamented the lack of services available in the county for recovery housing. CSH recommends focusing on a recovery permanent supportive housing model for some of the housing coming on line. Housing choice is key for a successful supportive housing system, and tenants who desire to live in a sober living environment should ideally have that choice locally without going to another city. Finally, several people noted that there exists a lack of available housing for the aging (65+) population that are extremely low income. This is another population that might benefit from HUD voucher allocations (above).

Recommendation 5: Center Racial Equity & Amplify the Voices of People with Lived Experience in Housing Design & Pipeline Development.

Significant new funding from the federal government to increase unit development and access to housing comes with an increased responsibility to purposefully and strategically utilize funding to maximize impact and ensure that unit production efforts are targeted to remediate historic inequities, and not inadvertently further burden/intensify disparities experienced by Black, Indigenous and People of Color (BIPOC) and marginalized communities (e.g., LGTBQ+ people with disabilities). Systemic inequity is further exacerbated by the current health crisis and global pandemic, particularly for persons experiencing homelessness and/or with special needs. It is imperative to examine data^[20], identify the most appropriate housing models for various communities and center equity in universal design features. People with Lived Experience (PWLE) are critical stakeholders, and their voices are invaluable to provide insight into various aspects of unit development and design. Thus, it is critically important to examine ways to meaningfully incorporate PWLE and BIPOC into statewide stakeholder groups and planning efforts.

[20] <https://www.csh.org/2020/04/advancing-equity-through-data/>



ACKNOWLEDGEMENTS

CSH is grateful to Jill Jolicoeur and Bob Tryanski for their leadership in the scoping and management of the work going into this report. Additionally, CSH thanks the University of Kansas' Center for Public Partnerships and Research for being a partner to this project while conducting a homelessness needs assessment that complements CSH's on need for supportive housing. Finally, we thank the many local stakeholders from both local and state agencies that took time to speak with us about the people they serve and contributed data that informed this report.

ABOUT CSH

Founded in 1991, CSH's mission is to advance solutions that use housing as a platform for services to improve the lives of the most vulnerable people, maximize public resources and build healthy communities. For 30 years, CSH has been the national champion for supportive housing, demonstrating its potential to improve the lives of at-risk individuals and families in desperate need of homes and services. Our efforts have helped house over 385,000 people nationwide. CSH has earned an award-winning reputation as a highly effective, financially stable CDFI, with strong partnerships across government, community organizations, foundations and financial institutions. CSH engages broader systems to fully invest in solutions that drive equity, help people thrive, and harness data to generate concrete and sustainable results. By aligning affordable housing with services and other sectors, CSH helps communities move away from crisis, optimize their public resources, and ensure a better future for everyone. Learn more at www.csh.org.

For questions about this report, contact Kim Keaton, CSH Director of Data & Analytics, at kim.keaton@csh.org.

APPENDIX

Population Definitions and Estimated Rates of Need

Individuals experiencing homelessness

Data on homelessness is primarily collected through the Homelessness Management Information System (HMIS). HMIS Individuals were broken out by chronicity status. HMIS classifies individuals into different types of homelessness, including by their sheltered/unsheltered status, and by chronicity. HUD defines Chronic Homelessness, essentially, as a single individual (or head of household) with a disabling condition who has been homeless for a year or more^[21]. This analysis differentiates homeless individuals by chronicity in order to determine groups with differing rates of need for supportive housing – individuals experiencing chronic homelessness are more likely to need supportive housing than those experiencing shorter term homelessness, as are persons with severe and persistent mental illness (SPMI) and other special needs.

HMIS data was shared via data request, and clients were broken out by programming engagement and chronicity at the individual and household level for a time period between July 1, 2021 and September 30, 2021.

- During this period there were 83 chronically homeless individuals in Emergency Shelter, Street Outreach, and Rapid Rehousing.

Based on national research and stakeholder conversations, a 90% rate of need for supportive housing was applied to chronically homeless individuals in Emergency Shelter and Street Outreach, and a 25% rate of need was applied to chronically homeless individuals in Rapid Rehousing.

- During this period there were 177 non-chronically homeless individuals in Emergency Shelter, Street Outreach, and Rapid Rehousing.

Based on national research and stakeholder conversations, a 10% rate of need for supportive housing was applied to non-chronically homeless individuals in Emergency Shelter and Street Outreach, and a 5% rate of need was applied to non-chronically homeless individuals in Rapid Rehousing.

[21] <https://www.hudexchange.info/homelessness-assistance/resources-for-chronic-homelessness/>

- During this period there were five chronically homeless individuals in Coordinated Entry who had not been enrolled in programming.

A 90% rate of need was applied to chronically homeless individuals in Coordinated Entry who had not been enrolled in any programming.

Families experiencing homelessness

HMIS data was shared via data request, and clients were broken out by programming engagement and chronicity at the individual and household level for a time period between July 1, 2021 and September 30, 2021.

- During this period, there were seven chronically homeless families in Emergency Shelter, Street Outreach, and Rapid Rehousing.

Based on national research and stakeholder conversations, a 90% rate of need for supportive housing was applied to chronically homeless families in Emergency Shelter and Street Outreach, and a 25% rate of need was applied to chronically homeless families in Rapid Rehousing.

- During this period, there were 28 non-chronically homeless families in Emergency Shelter, Street Outreach, and Rapid Rehousing.

Based on national research and stakeholder conversations, a 16% rate of need for supportive housing was applied to non-chronically homeless families in Emergency Shelter and Street Outreach, and a 5% rate of need was applied to non-chronically homeless families in Rapid Rehousing.

Families involved in the child welfare system

Data on families involved in the child welfare system was collected through the Kansas Department for Children and Families. Reports detailing Out of Home Placements are available by county and catchment area. Data by catchment area includes case reunification goals. The share of cases with a goal of reunification in Douglas County's catchment area was applied to the county-wide count of children in out of home placement. On June 30, 2021, there were 179 children in out of home placement in Douglas County, and it is estimated that 55% of those cases had a goal of reunification based on catchment area statistics.

At the national level, among families that have experienced a child removal, CSH estimates that 18% have a need for SH. This data is based on national research, drawing on a combination of the prevalence of homelessness among child welfare-involved families, rates at which housing is a contributing factor preventing family reunification, and the prevalence of co-occurring conditions indicative of SH need, such as mental health, substance abuse, and intellectual or developmental disabilities, in child welfare-involved families.

An 18% rate of need for supportive housing was applied to the estimated count of families with an out of home placement in Douglas County.

Transition-aged youth in juvenile justice settings

Data on transition-aged youth held in juvenile detention was collected through the Kansas Department of Corrections, Office of Juvenile Services. Counts of youth held in juvenile detention are reported statewide. Due to the lack of county-level data on juvenile detention, the share of state population attributable to Douglas County was applied to the juvenile detention counts to estimate the total of Douglas County youth in juvenile detention.

In July 2021, there were 75 reported transition-aged youth in juvenile detention statewide. Douglas County constitutes 4% of the Kansas State population, yielding an estimate of three Douglas County youth in juvenile detention.

At the national level, CSH estimates that 20% of transition-aged youth held in juvenile detention have needs consistent with supportive housing. This estimate was driven by rates of homelessness prior to arrest, mental health symptoms, substance use, and prevalence of traumatic brain injury.

• **Table 6: Race and Ethnicity of JCF Population (July 2021)**

Race	Census (Youth)	JCF Population
Black or African American	6.2%	34.0%
White	66.3%	61.7%
Other	27.5%	4.3%
Hispanic/Latin(x) (of any race)	18.7%	19.9%

**Kansas Department of Corrections, Office of Juvenile Services, KDOC Dashboards*

Transition-aged youth in foster care

Data on transition-aged youth in foster care was collected through the Kansas Department for Children and Families. Reports detailing Out of Home Placements by age are available by DCF Region. Douglas County falls within the Kansas City Region, which also includes Johnson, Wyandotte, Leavenworth, and Atchison counties. Due to the lack of county-level data, the share of the Kansas City Region population that is attributable to Douglas County was used to estimate the total of Douglas County transition-aged youth in foster care.

On June 30, 2021, there were 56 transition-aged youth in out of home placement in the Kansas City Region. Douglas County constitutes 12% of the Kansas City Region population, yielding an estimate of seven Douglas County youth in foster care.

Based on national research and conversations with local stakeholders, CSH estimates that 25% of transition-aged youth in foster care have needs consistent with supportive housing. This estimate is driven by rates of homelessness after exiting public child welfare, incidence of Post-Traumatic Stress Disorder, trauma, and mental health systems.

Adults reentering the community from a justice setting

Data on adults reentering the community from a justice setting was collected through the Douglas County Sheriff's Office Stepping Up Initiative Dashboards and through interviews with local stakeholders. Data was drawn on the total inmate population, the prevalence of Serious Mental Illness (SMI) among incarcerated individuals, and on the prevalence of homelessness at booking.

In the analysis timeframe, the average daily population of incarcerated individuals was 141, and 28% of incarcerated individuals were identified with SMI.

Based on national research, CSH estimates that between 20-30% of incarcerated individuals have needs consistent with supportive housing. This estimate is driven by rates of homelessness at booking and after exiting incarceration, and prevalence of SMI among the incarcerated population. This estimate, in combination with local data and through conversations with local stakeholders, yielded a 28% rate of need for supportive housing among the justice reentry population.

Individuals with Intellectual Developmental Disabilities

Data on Individuals with Intellectual Developmental Disabilities (IDD) was collected through a direct data request to Cottonwood CDDO, the primary Community Developmental Disability Organization and service provider in the region. Cottonwood CDDO performs assessments for services eligibility among individuals with IDD, which focuses on the extent of support needed around daily living skills, health care, and behavioral challenges. Assessments place individuals into five tiers of need, and through conversation with local stakeholders it was determined that those individuals placed in Tiers 4 and 5 have needs consistent with supportive housing insofar as their housing and service needs align with the supportive housing model.

In the analysis timeframe, Cottonwood reported 24 individuals assessed at Tiers 4/5 currently receiving residential services, and 105 individuals assessed at tiers 4/5 currently on the waiting list to receive a waiver. Through analysis and conversation with local stakeholders, CSH estimates a 75% rate of need for those individuals.

Individuals in mental health and substance use treatment settings

Data on individuals in mental health and substance use treatment settings were provided through a direct data request to Bert Nash and DCCCA.

Assessed categories for data provided by Bert Nash included clients with housing situations listed as 'Doubled Up', 'Hotel/Motel', and 'Precariously Housed'. These unstable housing situations do not overlap with data collected in HMIS, reducing the risk of duplication between the assessed population of Bert Nash clients and HMIS. Based on local stakeholder conversations, rates of dual diagnosis were used to drive estimates of need or PSH in this population. Among clients in these homeless categories, Bert Nash reports an 11% dual diagnosis rate.

DCCCA assesses clients according to the American Society of Addiction Medicine (ASAM) Criteria, which serve to assess patients with addiction and co-occurring conditions for placement, continued care, and transfer or discharge. Client living situations are assessed, and data received from DCCCA included clients with a housing assessment result indicating homelessness or 'dependent living'. Data was reported by fiscal year, and was reduced to 25% to match the analysis timeframe.

Data received from DCCCA showed that 14% of clients were identified as homeless, and 28% were identified as residing in a dependent living situation. CSH estimates a 90% rate of need for supportive housing among homeless clients, consistent with that of the chronically homeless population, and a 50% rate of need for supportive housing among clients in dependent living situations. These rates were determined through a combination of national research on the prevalence of homelessness among individuals in behavioral health treatment settings and through conversations with local stakeholders.

Individuals in mental health and substance use treatment settings

Data on individuals in mental health and substance use treatment settings were provided through a direct data request to Bert Nash and DCCCA.

Assessed categories for data provided by Bert Nash included clients with housing situations listed as 'Doubled Up', 'Hotel/Motel', and 'Precariously Housed'. These unstable housing situations do not overlap with data collected in HMIS, reducing the risk of duplication between the assessed population of Bert Nash clients and HMIS. Based on local stakeholder conversations, rates of dual diagnosis were used to drive estimates of need or PSH in this population. Among clients in these homeless categories, Bert Nash reports an 11% dual diagnosis rate.

DCCCA assesses clients according to the American Society of Addiction Medicine (ASAM) Criteria, which serve to assess patients with addiction and co-occurring conditions for placement, continued care, and transfer or discharge. Client living situations are assessed, and data received from DCCCA included clients with a housing assessment result indicating homelessness or 'dependent living'. Data was reported by fiscal year, and was reduced to 25% to match the analysis timeframe.

Data received from DCCCA showed that 14% of clients were identified as homeless, and 28% were identified as residing in a dependent living situation. CSH estimates a 90% rate of need for supportive housing among homeless clients, consistent with that of the chronically homeless population, and a 50% rate of need for supportive housing among clients in dependent living situations. These rates were determined through a combination of national research on the prevalence of homelessness among individuals in behavioral health treatment settings and through conversations with local stakeholders.

Individuals residing in nursing homes

Data on individuals aged 65+ residing in congregate settings was accessed through the Kansas Department of Aging and Disability Services (ADS). Current data available through ADS reports the statewide nursing facility population and is not available at the county level. The share of the state population attributable to Douglas County was applied to the statewide data to estimate the total population of individuals aged 65+ in nursing facilities. In the analysis timeframe, there were 21,566 statewide nursing facility beds, 56.2% of which were occupied through Medicaid. Douglas County accounts for 4% of the state population, yielding an estimate of 485 individuals aged 65+ residing in Medicaid-supported nursing facility beds.

Based on national research and local stakeholder conversations, CSH estimates that 19% of this population has needs consistent with supportive housing. This estimate is driven by rates of impairments of Activities of Daily Living and demographic shifts among homeless individuals and individuals aging in public housing.

Race, Ethnicity, and Demographics

- Table 7: Race and Ethnicity of Homeless Households:

Race	Census	2020 PiT
American Indian or Alaska Native	2%	9%
Asian	6%	<1%
Black or African American	4%	17%
Native Hawaiian or Other Pacific Islander	<1%	1%
Multiple Races	6%	18%
White	82%	55%

Ethnicity	Census	2020 PiT
Hispanic/Latin(x)	7%	14%
Non-Hispanic/Latin(x)	93%	86%

*2020 Point in Time Count

- Table 8: Gender of Homeless Individuals:

Gender	2020 US PiT	2020 Kansas PiT	2020 D.G. Co. PiT
Female	39%	37%	45%
Male	61%	63%	55%
Transgender	<1%	<1%	<1%
Gender Non-Conforming	<1%	<1%	<1%

*2020 Point in Time Count

• **Table 9: Race and Ethnicity of Children in Foster Care (2019):**

Race	Census (Children)	Foster Care
American Indian or Alaska Native	0.7%	1.0%
Asian	2.8%	0.4%
Black or African American	6.2%	14.0%
Native Hawaiian or Other Pacific Islander	0.1%	<0.1%
Multiple Races	5.2%	8.2%
White	66.3%	62.1%
Hispanic/Latin(x) (of any race)	18.7%	14.2%

*U.S. Department of Health and Human Services, Children’s Bureau, Child Welfare Outcomes State Data Review Portal

• **Table 10: Race and Ethnicity of Juvenile Justice Population (July 2021)**

Race	Census (Youth)	JCF Population
Black or African American	6.2%	34.0%
White	66.3%	61.7%
Other	27.5%	4.3%
Hispanic/Latin(x) (of any race)	18.7%	19.9%

*Kansas Department of Corrections, Office of Juvenile Services, KDOC Dashboards

• Table 11: Race and Ethnicity of Douglas County Inmate Population (March 2022)

Race	Census	Inmate Population
American Indian or Alaska Native	2%	4%
Asian	6%	1%
Black or African American	4%	29%
White, Non-Hispanic/Latin(x)	78%	62%
White, Hispanic/Latin(x)	10%	5%

* Douglas County Sherriff’s Office, Inmate Population Dashboard

• Table 12: Race and Ethnicity of Douglas County Service Provider Client Population, Non-HMIS Program Data

Race/Ethnicity	Bert Nash	DCCCA	Family Promise	Willow
White	70%	67%	35%	49%
African American	13%	8%	14%	10%
Native American	3%	6%	4%	4%
Alaska Native	0%	0%	0%	0%
Asian	1%	0%	0%	1%
Multi-racial	0%	0%	12%	4%
Other	0%	7%	0%	0%
Unknown/Refused	0%	12%	29%	30%
Hispanic	2%	0%	5%	4%

*Douglas County Homelessness Interim Needs Assessment, 2021

DOUGLAS COUNTY SUPPORTIVE HOUSING NEEDS ASSESSMENT

2022

For questions or concerns, contact, Kim Keaton,
Director of Data and Analytics, CSH at
kimkeaton@csh.org

