

LOW BARRIER HOMELESS SHELTER TASK FORCE

Membership Roster

Rick Alvis, Wheeler Mission

Jeff Bennett, City of Indianapolis (co-chairperson)

Christine Blessinger, Indiana Department of Correction

Tim Brown, Crossroads Public Affairs

Dr. Kory Carey, Family and Social Services Administration

Dr. Chelsea Haring-Cozzi, Coalition for Homelessness Intervention and Prevention

Karen Holly, Marion County Public Health Department

Rep. Cindy Ledbetter

Tom McGowan, Kite Realty Group (co-chairperson)

Rep. Justin Moed

Sen. Jack Sandlin

J. Jacob Sipe, Indiana Housing and Community Development Authority

Sen. Fady Qaddoura



Staff

Michael McQuillen, Legislative Director

Dave Stewart, General Counsel

Van Sui, Legislative Liaison

Indiana Housing and Community Development Authority

FINAL REPORT
Low Barrier Homeless Shelter Task Force

I. LEGISLATIVE DIRECTIVE

The Low Barrier Homeless Shelter Task Force was established by IC 5-20-10. The Task Force has the following duties:

1. Determine the cost to build and operate a low barrier homeless shelter in a consolidated city, as well as potential funding sources. The low barrier homeless shelter must provide both short-term and long-term housing options.
2. Study ways in which the state and a consolidated city can access additional federal funding for community-based programs for the homeless.

The Task Force is required to submit a report to the governor and the legislative council not later than December 31, 2022. The report to the legislative council must be in an electronic format under IC 5-14-6.

II. SUMMARY OF WORK PROGRAM

The Task Force met seven times throughout the year: February 28, 2022; June 15, 2022; August 29, 2022; September 29, 2022; October 26, 2022; November 30, 2022; and December 9, 2022.

The February 28 meeting was held entirely virtually. All other meetings took place in Indiana Government Center South, Room 12, Cardinal Hall, Indianapolis, Indiana.

February 28, 2022: The Task Force discussed the need to provide short- and long-term housing solutions and building and sustaining a low barrier shelter. The Task Force heard presentations on the Indianapolis Community Plan to End Homelessness; the Central Indiana Community Foundation's Housing to Recovery Fund; Horizon House's permanent supportive housing project; and the Indianapolis Office of Public Health and Safety's study: *The Need for & Feasibility of Low-barrier Options in Sheltering People Who are Experiencing Homelessness*.

June 15, 2022: The Task Force heard presentations from Sherry Seiwert, President and CEO of Downtown Indy, on a Low Barrier Shelter Feasibility Study conducted by IFF and the Corporation for Supportive Housing; Indiana Housing and Community Development Authority (IHCDA) regarding the 2022 Indiana Supportive Housing Institute; the Coalition for Homelessness Intervention and Prevention on the Indianapolis Point-in-Time Count; and Wheeler Mission.

August 29, 2022: The Task Force heard a presentation from Lauren Rodriguez, Director of the Indianapolis Office of Public Health and Safety, regarding the Assessment and Intervention Center at the Community Justice Campus. The Task Force discussed the

concept of a Housing Hub/navigation center that combines supportive services under one roof, along with low barrier/emergency shelter beds and permanent supportive housing units. The Task Force further discussed Horizon House's interest in expanding its days and hours of operation to serve as the Housing Hub.

September 29, 2022: The Task Force discussed a potential phased approach implementing a Housing Hub concept in Indianapolis, beginning in Q1 2023. The Task Force heard testimony from Matt Rayburn, Deputy Executive Director of IHCDA, regarding the supply of permanent supportive housing. The Task Force discussed piloting a master leasing strategy to bring a supply of housing online in the short term to address chronic, unsheltered homelessness. The Task Force also discussed the need for supportive services funding, and a talent pipeline for service providing agencies.

October 26, 2022: The Task Force heard a presentation from Jennifer Layton, President and CEO of LTHC Homeless Services, a nonprofit organization in Lafayette that operates an "engagement center," combining emergency shelter beds, a day center, onsite supportive services, and permanent supportive housing in a campus setting. The Task Force also heard a brief presentation from Christine Blessinger, Deputy Commissioner of Re-Entry and Youth Services for the Indiana Department of Correction (DOC), regarding instances of people exiting from statewide justice system involvement into placements within emergency shelter across the state. The Task Force began discussing the initial outline of its final report.

November 30, 2022: The Task Force reviewed and provided comments on the draft report and recommendations.

December 9, 2022: The Task Force approved the revised report and recommendations, with an allowance for technical corrections and addition of fiscal notes at the end of the report.

The Task Force meeting minutes and exhibits can be viewed by visiting the following link: <https://www.in.gov/ihcda/program-partners/low-barrier-homeless-shelter-task-force/>

Archived videos of the Task Force's August, September, October, November, and December meetings can be viewed by visiting the following link: <https://www.in.gov/ihcda/program-partners/low-barrier-homeless-shelter-task-force/>

III. COMMITTEE FINDINGS AND RECOMMENDATIONS

Guiding Principles

1. Fill gaps in the local system without duplicating efforts, by focusing attention on those who are not accessing vacancy within the local emergency shelter system.
2. Focus resources on individuals and couples experiencing chronic homelessness. An individual experiencing homelessness must meet the following HUD criteria to be considered chronically homeless:
 - Has experienced at least one disabling condition
 - Has experienced homelessness for at least one consecutive year OR has experienced homelessness at least four times in the past three years, adding up to a cumulative time of one year or more
 - Is experiencing unsheltered homelessness or is residing in an emergency shelter/safe haven
3. Define low-barrier. The National Alliance to End Homelessness defines a low-barrier emergency shelter as a shelter that “ensure(s) immediate and easy access...by lowering barriers to entry and staying open 24/7, eliminate(s) sobriety and income requirements and other policies that make it difficult to enter shelter, stay in shelter, or access housing and income opportunities.” Further, a low-barrier emergency shelter should “align shelter eligibility criteria, policies, and practices with a Housing First approach, provide diversion services to find safe and appropriate housing alternatives to entering shelter, focus services in shelter on assisting people to access permanent housing options as quickly as possible, and measure data on percentage of exits to housing, average length of stay in shelter, and returns to homelessness to evaluate the effectiveness of and improve outcomes.”
4. Ensure that any emergency shelter stay leads to permanent housing with ongoing supportive services (also known as “permanent supportive housing”) designed to meet a person’s individual level of need to stay stably housed. The National Alliance to End Homelessness recommends supportive services that, “build independent living and tenancy skills and connect people with community-based health care, treatment, and employment services.”
5. Increase the supply of permanent supportive housing. To meet the ongoing housing needs of people experiencing homelessness, there must be a steady, annual pipeline of housing units—usually apartments—through new construction, acquisition, or leasing. Work closely with the Marion County Public Health Department to ensure acquired or leased units in Indianapolis meet habitability standards.

Short-Term (Immediate) Actions

6. Review, invest in, and expand housing navigation, rental assistance, and supportive services to prevent people exiting the justice system, especially from Indiana Department of Correction, from being released into placements within shelter systems in Marion County or elsewhere in the state.¹
7. Support the creation of loss mitigation funds and/or rent guarantee programs, along with the pairing of rental assistance and supportive services, to enhance DOC's ability to recruit landlords to provide re-entry housing.²
8. State funding for master leasing program – Support funding through IHCD for a 200-unit master leasing project in Indianapolis focused on immediate placement of unsheltered, chronically homeless individuals and couples.³
9. Low-barrier emergency shelter pilot project – In Indianapolis, using local funds, activate available vacant space as low-barrier emergency shelter pilot project.
10. State funding for emergency shelter/navigation center operations – Support funding through the Family and Social Services Administration, Division of Mental Health and Addiction (FSSA/DMHA) to expand shelter/navigation center operations grant program. Incentivize exit strategies that lead to permanent housing.⁴
11. Support established local partners rather than the creation of new nonprofit organizations, whenever possible. In Indianapolis, using locally sourced funds, implement Horizon House's strategic plan, which includes the phased-approach establishment of a Housing Hub/navigation center. Across the balance of state, interested potential partner organizations may be identified by a Request for Information or Request for Qualifications process.
12. Secure participation of federal, state, and local agencies in Housing Hub/navigation center concepts across the state, including but not limited to Social Security Administration, Department of Veterans Affairs, Federally Qualified Health Centers, state universities, Ivy Tech Community College, Bureau of Motor Vehicles, Department of Workforce Development, Community Mental Health Centers, County health departments, Community Action agencies, local housing authorities, and Indiana Community Corrections programs.
13. Inventory vacancies within existing permanent supportive housing developments – Indianapolis Continuum of Care, supported by the Coalition for Homelessness Intervention and Prevention and Indianapolis Department of Metropolitan Development, and Balance of State Continuum of Care should inventory vacancies and make immediate referrals and placements through their respective homeless Coordinated Entry systems.
14. Implement "Moving On" initiative(s) at the community level – In partnership with local housing agencies, IHCD, and the City of Indianapolis, provide Housing Choice

Vouchers to tenants using permanent supportive housing assistance who may only need rental assistance, opening up permanent supportive housing opportunities for those who need them most.

15. IHCDA and local housing authorities should fully deploy all Emergency Housing Vouchers from the CARES Act and/or American Rescue Plan Act, prioritizing people experiencing homelessness.
16. State funding for tenancy support services – Implement recommendation from the IHCDA Medicaid crosswalk report by funding tenancy support services (including outreach and engagement services; case management; housing and benefits navigation; landlord engagement, training, and support; and onsite services for housing stability) not covered under current Medicaid authorities and for persons who are Medicaid-eligible but not enrolled in Medicaid at the start of services. Funding would be provided through IHCDA and serve as bridge funding until a supportive housing benefit is created using a 1915(i) State Medicaid Plan Amendment.⁵
17. State funding for talent pipeline – Directly support the work of Community Health Network, Eskenazi, EmployIndy, and Ascend Indiana to expand the Behavioral Health Academy for the homeless service sector, which would include behavioral health specialists, case managers, and peer support specialists in Marion County.⁶

Long-Term Actions

18. Integrate low-barrier shelter access within new construction of permanent supportive housing – Based on development and operating model in Lafayette and the recommendation of the Downtown Indy/IFF/CSH study (“Smaller decentralized shelters integrated into the community is a preferred alternative to larger centralized shelters”). Incorporate emergency shelter beds within a permanent supportive housing development in Indianapolis when feasible over the next three years.⁷
19. Acquire real estate – Using local funds, the City of Indianapolis will oversee the strategic acquisition of real estate to create a pipeline for future permanent supportive housing development, along with integrated low-barrier shelter access in support of the previous recommendation.⁸
20. Strengthen development teams participating in the Indiana Supportive Housing Institute – Recruit high-quality supportive services providers to partner with housing developers participating in the IHCDA program for the development of permanent supportive housing.
21. Secure additional tax-exempt bond volume for affordable housing – Make effort to change state policy and shift additional bond volume to IHCDA to create more capacity for affordable housing financing via the 4% housing tax credit program, which is currently over-subscribed.⁹

22. State housing tax credit – Create new state tax credit specifically for construction of permanent supportive housing through the 9% tax credit program administered by IHCDA.
23. Medicaid waiver – FSSA should implement the recommendation from the IHCDA/CSH Medicaid crosswalk report to create a supportive housing benefit using the 1915(i) Medicaid State Plan Amendment and fund required match through the state budget.
24. Continue to develop talent pipeline – Partner with state universities and Ivy Tech to recruit, train, hire, and retain pipeline of social workers and other service providers (including case managers and peer support specialists). Implement recommendation from Indiana Behavioral Health Commission final report to fund long-term student loan/tuition reimbursement program for behavioral health professionals, including coordination with and help navigating existing programs.
25. Implementation – An implementation committee comprised of task force members, or their proxies, should meet periodically to review progress toward these recommendations.

WITNESS AND INTERVIEW LIST

Jonathan Ehlke, Principal/Owner, Gratus Development, LLC
Eva Flick, Fiscal and Policy Analyst, Indianapolis City-County Council
Forrest Gilmore, Executive Director, Beacon, Inc.
Jennifer Green, Executive Director, Partners in Housing
David Greene, Chair, Indianapolis Continuum of Care
Lesley Kelly, Director of Programs, Horizon House
Jennifer Layton, President and CEO, LTHC Homeless Services
Rob MacPherson, Vice President of Development & Strategy,
Central Indiana Community Foundation
Art Mandelbaum, Attorney/Owner, Mandelbaum Law Office
Michael Petrie, Chairman and CEO, Merchants Bank of Indiana
Matt Rayburn, Deputy Executive Director,
Indiana Housing and Community Development Authority
Dana Reed Wise, Chief, Bureau of Environmental Health,
Marion County Public Health Department
Lauren Rodriguez, Director, City of Indianapolis - Office of Public Health and Safety
Bob Schultz, Executive Vice President, Marketing & Events, Downtown Indy, Inc.
Sherry Seiwert, President and CEO, Downtown Indy, Inc.
Rodney Stockment, Senior Strategy Director for Homelessness,
City of Indianapolis - Department of Metropolitan Development
Kirk Taylor, Community Advocate
Teresa Wessel, Executive Director, Horizon House

FISCAL NOTES

For recommendations contained in this report that propose the use of state funding, the task force attempted to identify the sources and uses of funds along with the appropriate state agencies to administer those funds. That effort was not meant to be overly prescriptive. If the recommendations could more adequately be addressed by a different state agency—or through flexibility provided within already-existing state programs, budget appropriations, or other sources of funding—the task force would support such an approach.

¹ Amount of any potential state funding request remains under consideration.

² IHCDA administers a \$100,000 loss mitigation fund for landlords who house persons in recovery, referred through FSSA/DMHA. Indianapolis has an approximately \$250,000 fund, operated in partnership with Merchants Affordable Housing Corp., in support of the HomeNow Indy program serving individuals and families experiencing homelessness. Creation of a similarly sized fund for DOC may help attract additional landlord participation to provide re-entry housing. Amount of state funding request: \$100,000 to \$250,000.

³ Master leasing is a third-party leasing strategy in which an agency (such as a unit of government or nonprofit organization) becomes the primary lessee for individual units—whether a subset of units in a single building or all units within an entire building—and the agency then subleases to a secondary tenant. Amount of state funding request: \$10 million, administered by IHCDA, which would fund 50 percent of the cost of a five-year, 200-unit master lease project. Remaining funds to be provided by the City of Indianapolis.

⁴ Amount of state funding request: \$20 million to enable FSSA/DMHA to double the size of the 2022 low-barrier shelter grant program for each of the next two years.

⁵ Amount of state funding request: \$16 million, administered by IHCDA. In Indianapolis, provide a 1:1 match of state funds for the local Housing to Recovery Fund (up to \$10 million), which would enable the City to provide supportive services for up to 500 new clients for three years. Dedicate \$6 million in remaining funds for the balance of state, which could fund services for up to 300 new clients for three years.

⁶ Amount of state funding request: \$1.2 million, administered by FSSA/DMHA, to fully fund the \$4.2 million program.

⁷ Based on the Downtown Indy/IFF/CSH analysis, the cost estimate to construct an integrated day center that includes emergency shelter beds (50), temporary/interim beds (50), and permanent supportive housing (40 units) ranges from \$21 to \$34 million, depending on size, location, and operating model. A portion of the development financing would likely come from the affordable housing tax credit program at ICHDA, in support of a project whose development team participates in the Indiana Supportive Housing Institute.

⁸ Current City of Indianapolis real estate acquisition budget is estimated at \$2 million.

⁹ IHCDA currently receives 48 percent of the state’s tax-exempt bond volume, with 52 percent set aside for other eligible uses. At the end of each year, it is not uncommon for IHCDA to receive additional bond volume based on underspend from those other eligible uses. Rather than waiting until the end of the year—given demand within the housing tax credit program that exists for 2022 and 2023 development projects—consider adjusting the formula so that IHCDA receives that additional bond volume up front.