

# Take 2

*The state is reopening the application process to fund development of housing for people with mental illness after the first round revealed inherent challenges*

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There is hardly a population of people who face more barriers to securing affordable housing than those who live with severe mental illnesses, such as schizophrenia, bipolar disorder, clinical depression and psychosis.

So in 2015, when the Oregon Legislature created the first fund solely dedicated to building affordable housing for people who live with severe and persistent mental illnesses, both the housing and mental health community knew this could be a gamechanger.

"This is completely unprecedented," said Chris Bouneff, executive director of Oregon's chapter of the National Alliance for Mental Illness.

"There have been dribbles here and there from the general fund. It sends a strong statement that this (housing) is important."

But it hasn't been easy.

The \$20 million allocated this past year to Oregon Housing and Community Services was expected to create hundreds of new housing units designed to help people transition from commitment at Oregon State Hospital, recover from psychotic episodes, receive appropriate care and treatment and gain skills to live as independently as possible.

It is also the first time that OHCS and the Oregon Health Authority have partnered to create an application to fund housing development.

But OHCS, the state agency tasked with developing and preserving housing in the state, has allocated just a fraction of the money – \$3.76 million of the \$20 million available – due to funding requirements potential applicants found difficult to meet.

The process has been a learning experience on what exactly constitutes the best housing for people living with a mental illness.

A new application round is expected to open in January, and with the funding requirements changed, more mental health and housing providers will apply for the remaining \$16.28 million. The money must be awarded by the end of June, the conclusion of the state budget biennium.

The \$20 million will fund several types of housing. Supported housing applies to those

with serious mental illnesses or substance use disorders, and staff are typically onsite at all hours. Residents are not required to participate in services that may be available through this housing. Supportive housing comes with various services, such as mental health counseling or skills training, that the resident is required to participate in. Crisis respite housing provides housing and psychiatric care to people experiencing a psychotic episode or acute mental illness for up to 30 days.

When the Legislature set aside the \$20 million, one impetus was an agreement between the state of Oregon and the U.S. Department of Justice, reached in 2012 after a lengthy federal investigation into the conditions of the Oregon State Hospital. The state agreed to create and fund more community-based, rather than institutional, mental health treatment programs.

"There is a recognition that there is an obligation," Bouneff said.

"This is a very small percentage of the population – part of the 1 percent who have the most serious mental illnesses in our population," said Bob Beckett, executive director of Columbia Care Services Inc., a mental health services provider in the Portland metro area, Medford and Southern Oregon.

"Most of them are just a step down from (living at) the Oregon State Hospital," Beckett said. "I think you'd have to say that if they're in the State Hospital, they're not able manage their own illnesses."

People with mental illness often have irregular and poor rental histories, criminal records and other issues that show up on a background check, making them poor candidates for rental housing in the eyes of many landlords.

"There is a short supply of affordable housing, then you layer these types of complications on top of that, and what you have available ... is inaccessible to people with serious mental illnesses," Bouneff said.

The first round of applications were reviewed in the fall, and five out of seven applicants received \$6.2 million in funding in early November.

Shangri-La, a mental health services



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**CHRIS BOUNEFF,**  
EXECUTIVE DIRECTOR OF OREGON'S CHAPTER OF THE NATIONAL ALLIANCE FOR MENTAL ILLNESS.

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