



Outreach Center Apartments: Community Acceptance of Supportive Housing

The Outreach Center Apartments in Cloquet, Minnesota are five apartments with supportive services built above a consumer run drop-in center for individuals with mental health issues. This project is a particularly good example of a small, rural service provider developing and owning its first supportive housing project.

You may also be interested in [sample documents](#) from the Outreach Center Apartments and a [photo tour](#) of the building.

Background

The Outreach Center Apartments were developed by the Human Development Center (HDC), a private, nonprofit community mental health center in northeastern Minnesota with over sixty-five years of experience serving persons with mental illness. The mission of HDC is to improve the mental health of their community through high quality, comprehensive, accessible services.

HDC's Outreach Center is a drop-in day program designed to provide a safe and supportive environment for individuals with mental health issues. The Center is open to all residents of Carlton County but primarily focuses on the needs of individuals with mental illness.

In 2003, HDC constructed a new building to house these two different programs: the existing Outreach Center day program and five new one-bedroom apartments of permanent supportive housing for adults who are homeless, disabled, and who also have experience mental illness.

The Need

The Outreach Center Apartments meet a need identified by the local Continuum of Care, which has "consistently ranked permanent supportive housing as the top priority need for homeless households in the region." The Continuum of Care has identified a need for 513 units of permanent supportive housing in northeastern Minnesota. Prior to the construction of the Outreach Center Apartments, there was no other permanent supportive housing for homeless adults in the region.

Many of the clients served by HDC have difficulty obtaining and maintaining affordable housing. This issue became even more critical after the Solemn Hotel, a run-down apartment building in downtown Cloquet, burned, leaving 26 people homeless in November 2000. Many of the residents were participants in programs at the Outreach Center. Unable to find affordable housing in a county with no homeless shelter, many of the people were forced to move out of the county to seek services for homeless persons.

In 2004, the Outreach Center served 358 unduplicated clients, with 127 people considered "regulars" with attendance at Outreach Center activities two times per week or more.

The target population for the Outreach Center Apartments is adults with mental illness and an accompanying disability who are homeless, many of whom are clients of HDC. Few housing

resources previously existed for this population outside of relatives and adult foster homes with various levels of support. Upon opening the building, applicants were accepted on a first-come basis. There has been no turnover to date. Of the five current tenants, it is estimated that three would have been considered homeless for the long term upon entry.

Development Process

The development of the Outreach Apartments and the accompanying Outreach Center was a very long process, taking almost four years. The process started in early 2000, when HDC proposed buying the facility they were leasing, which was turned down by the Minnesota Housing Finance Agency because of environmental concerns. Finding a new site was very difficult. HDC approached the City of Cloquet about the possibility of using approximately 20% of an under-utilized municipal parking lot in downtown Cloquet. The site is half a block south of Cloquet Avenue (downtown main street in Cloquet). Cloquet Avenue contains a mix of commercial, office, and government buildings along with shops and restaurants that serve this blue-collar town of 12,500 people. Due to its location in the downtown area, the site addressed the transportation challenges of the proposed tenant population. Jobs, services, and transportation are all readily accessible.

In July 2001, the Cloquet City Council approved the conveyance of 20 parking stalls (out of a total of 85 owned by the city) in the parking lot in downtown Cloquet to HDC for the project. The Council made this contingent on the completion of a parking study to determine if the spots needed to be replaced, a development agreement, zoning approvals, and on HDC receiving the necessary funding.

The day after the City Council approved the conveyance, a group of downtown business owners filed an injunction to prevent the city from “giving” HDC the parking spots. The city’s ability to convey a portion of the parking lot for affordable housing was upheld in district court in January 2002. The petitioners appealed to the State Appellate Court and the initial ruling was upheld in August 2002. During this process, HDC conducted its own parking study and found that on average, 16-20 parking spots (out of 85) were used each day. This led some in the community to believe that the real reason for the legal battle was not to preserve parking spaces, but rather to prevent supportive housing from being developed in downtown Cloquet.

Although the city prevailed throughout the court process, city leaders and HDC wanted to find a solution that was acceptable for everyone. The City of Cloquet and HDC identified a vacant home owned by a woman in a nursing home and who would not be returning. The city purchased the home, sold the contents, demolished it, and then conveyed the property to HDC for \$16,000 (the appraised value of the original 20 parking spots). This property was directly adjacent to the original parking lot location.

Throughout the process, HDC kept the community updated on the progress of the project through the local newspaper. This did not prevent rumors and misunderstandings about the potential impact of the project from spreading through the community, however. The Outreach Center participants were present at every public hearing and court appearance and made their support of the project known to public leaders. Participants of the existing Outreach Center were infuriated when a local

business owner placed a paid advertisement in the local newspaper in November 2002. The ad criticized city leaders, HDC, and the “true” intentions of the project. In response, this business owner was visited by numerous Outreach Center clients who educated her about mental illness. The clients also had the opportunity to share how damaging her remarks were to them. Many clients pledged to never shop in her store again. Additionally, the Outreach Center participated in the Downtown Merchants Holiday Parade and used the opportunity to educate the public on what the Outreach Center was and who was served. Two clients agreed to be interviewed by the local newspaper and discussed their recovery process and how helpful the Outreach Center had been for them. Finally, the project manager from HDC wrote a [guest column](#) in the local newspaper addressing the rumors and mistruths that had been perpetuated throughout the community about the project and the clients of the Outreach Center.

HDC finally began the conditional use permit and design standard variance process in the spring of 2003. At that time, HDC shared schematic designs of the building and an informational brochure describing the project with area businesses owners who had taken legal action against the project and other neighbors. Much of the feedback received was positive. The attorney who sued the city over the project wrote that “the design is very impressive and I think that the apartment building will dress up our neighborhood.” A conditional use permit was required for the project, as was an exemption to existing parking requirements. The exemption to the parking requirements was approved because:

- There is an under-used municipal parking lot with 96 parking spots right next door.
- It is unlikely that the residents of the Outreach Apartments will own vehicles.
- Exemption from the parking requirement allows the project to have a back yard for residents to enjoy and allows the building to seamlessly fit into the surrounding neighborhood.

There was no public opposition at any public hearing for the permit or the variance.

Since construction and occupation of the building, neighbors and the surrounding community have been very supportive of the Outreach Center. A next-door neighbor has volunteered at the Outreach Center. The neighbors behind the property have enjoyed having the tenants of the Outreach Apartments nearby. The business across the street gets his lawn care done by one of the tenants of the Outreach Apartments.

Services

Most of the supportive services utilized by tenants are provided through existing HDC programs. HDC has provided housing support to adults with mental illness since the inception of its Community Support Program (CSP) in the early 1970's. The services available to tenants include case management, employment assistance, mental health therapy and psychiatry, Illness Management and Recovery, Dialectical Behavior Therapy, and day treatment. All tenants have case managers which help coordinate these services, which can be provided in tenant's homes or at HDC's clinic, located half a block away. Other community providers also work with tenants, especially around physical health, crisis management, and household assistance issues. Many of these services are paid for by the Carlton County Department of Public Health and Human Services, Medical Assistance, or by Medicare.

The goal of the Community Support Program is to help clients be successful at independent living, stay out of the hospital, and recover from mental illness. The treatment team consists of the client and their CSP worker, case manager, personal care attendant, psychiatrist, physician, therapist, and day treatment counselor, among others. At minimum, weekly contact is made with each resident.

Services are provided following a harm reduction model. To date, there have been no significant substance use problems in the building.

The Outreach Center on the first floor of the building provides a more informal supportive environment for all individuals with mental health issues, including those who live in the Outreach Apartments. The supportive and recreational services provided by the Center include:

- Information/education and referral
- Recreational and social events
- Women's Group
- Men's Group
- Craft Group
- Employment opportunities
- Meals

The Outreach Center is a place to socialize, participate in activities and groups, and enjoy a cup of coffee and roll. Free meals are offered three times a week. The Center provides volunteer and paid employment for clients. Part-time paid positions available to clients include secretary, janitor, cooks and peer drivers. Objectives for the Outreach Center include:

- Decrease in mental health symptoms
- Promote appropriate socialization, improved communication skills, and healthy leisure activities
- Provide a safe and supportive environment which encourages a stronger support system
- Provide opportunities to share talents, experiences, and knowledge with others
- Provide work experience for clients
- Increase the individuals' self esteem and provide a sense of ownership and community
- Provide the opportunity to receive ongoing education and training on mental health issues and the recovery process.

Property Management

Due to the small size of the program, the Program Director for HDC also acts as the property manager for the Outreach Apartments, with assistance from HDC's Maintenance Manager.

Lessons Learned

The close integration of the Outreach Apartments and the Outreach Center has been successfully thus far. Many tenants have become involved with the Outreach Center and are volunteering there. There is large sense of ownership among the tenants for the building and program. Each tenant, in

their own way, has made substantial changes in their lives. One tenant has a job and another is looking for one.

Kim Matteen, Program Director for the Outreach Apartments, shares the following lessons learned.

What you can expect when developing supportive housing for the first time:

- To be challenged in ways you never thought possible (for example, having to learn about the legal details of property conveyance)
- To be out of your comfort zone
- Community resistance
- Challenges with permits and variances from local zoning and building permit officials
- The project will take longer and cost more than you ever thought possible
- Your agency will not make money providing supportive housing.

What the Outreach Apartments development team learned:

- Get help! Look for up-front predevelopment money or technical assistance.
- You can have a “developer’s fee” in your budget to help cover the cost of putting the project together.
- Site control will be a huge issue. The sooner you have it the better!!
- Hire the best architect you can. (Make sure they have professional liability insurance, too!)
- The more hands-on you can be during design and construction, the better.
- Use the best materials you can. You will save money in the long run.
- Listen to the project’s funders. They will not back a project if they have a significant concern about programming, cost, or physical design issues.
- Visit other supportive housing sites or explore this toolkit and get ideas about what works and what doesn’t.
- Most nonprofit service providers don’t have a developer on their payroll. Hire a consultant to perform this function or expect a huge time commitment from an internal person. If you use an internal person, their usual job duties will need to be covered or they’ll be working way too many hours.
- Consider fundraising locally. Outreach Apartments has over \$25,000 in cash and in-kind donations from individuals and local businesses.
- Pay attention to the supportive services plan. Who will be providing the support? Who are the players (external and internal)? Engage your local providers, state services, county human services, etc. What can they do, what would they like to see?