



# Council Bluffs Permanent housing assessment

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## Abstract

This investigation examines the conditions of housing instability in Council Bluffs and need for additional permanent housing, both in isolation and relative to provision within the continuum of care between Omaha and Council Bluffs.

We found that the need relative to the population, the proportion of population showing extreme need, and the proportion of the population seeking assistance, was statistically constant between the two cities, and there is not a significant difference between the two families in demographic terms, and so there is an expectation that the distribution of services should be relatively constant between people originating from the two states. We found that when people from the Omaha and Council Bluffs metropolitan area and the surrounding counties on either side for the river for whom the nearest provider base is the metropolitan area experience homelessness and they seek assistance there is an extreme bias, by orders of magnitude, for placing people from Nebraska into permanent housing, as compared to people from Iowa. This disparity appears to be a result of funding restrictions from sources available to Nebraskans which are unavailable to Iowans. There is not a statistically significant difference between Omaha and Council Bluffs in terms of proportional need, and yet people from Council Bluffs are not getting housed at the same rate as people from Omaha.

This inequity persists despite a willingness of Iowans to move to Nebraska much greater than that found in other regions of Iowa or of Nebraskans to move to Iowa, eliminating the explanation of client choice. The inequity is located among unaccompanied adults. Statistically there is not an inequity among homeless families. This is not the result of better funding policies for families, but instead a broad lack of housing solutions for homeless families. Further evaluation of the funding restrictions would be required to make more specific statements of cause, but the collective funding pattern in the metropolitan area causes the disparities favoring unaccompanied adult Nebraskans over Iowans.

This report makes the data driven policy recommendation that at least 80-100 additional units of other permanent housing (OPH) be provided exclusively in Council Bluffs to resolve the inequity. We recommend prioritizing unaccompanied individuals with the option occasionally house families. Restrictions on housing prioritization are causal of the inequity demonstrated. Any additional units would further rectify the inequity, addressing a deep and clear need for housing in Council Bluffs.

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## Omaha and Council Bluffs Permanent Housing Assessment

April 21<sup>st</sup> and April 22<sup>nd</sup>, Dr. Wright with the Institute for Community Alliances (ICA), in conjunction with Cynthia Latcham from Anawim, conducted focus groups in Council Bluffs with the goal of determining the community's need with respect to permanent supportive housing (PSH). To facilitate the process, they acquired the assistance of Andrea Jacobs from the Omaha/Council Bluffs office of ICA who in turn facilitated the involvement of the leadership of the MACCH Continuum of Care (COC). Following the conclusion of the focus groups, an additional series of follow-up key informant interviews were conducted with community leaders in the field of homeless services, with the goal of deeper understanding about the triage processes in the Omaha and Council Bluffs COC, a clearer sense of the community's practices around permanent supportive housing (PSH), and the receptiveness of the system as a whole to a new entity beginning to provide services on the Council Bluffs side of the river.

Before the focus groups an analysis was completed of statistical measures related to the Omaha and Council Bluffs communities comprehensively and in isolation, drawing on consolidated planning data (CHAS) from U.S. Department of Housing and Urban Development (HUD) coordinated custom tabulations of American Community Survey (ACS) data from the U.S. Census Bureau, along with additional ACS data sources and data derived from the MACCH COC Homeless Management Information Systems (HMIS). We began with a hypothesis, drawn from initial community interviews, that there was an inherent inequity in the distribution of services between Omaha and Council bluffs.

The structure of the distribution of federal funding between the cities is managed by MACCH continuum of care, which is by virtue of federal rules, obligated to competitive processes in its funding decisions. However, most continua of care do not straddle state boundaries. In this respect Omaha faces unusual policy hurdles in pursuit of equitable provision of services between the states. While there are always elements in a community funding environment that are unique to the locality, this reality in Omaha Council Bluffs continuum of care is distinct owing to differences between the state rules in Iowa and Nebraska, authorities to which decision making is subject but which are themselves not subject to federal rules governing homeless spending. Funding acquired from municipal, county, and private sources which are not subject to federal rules and which in turn introduce variables that cannot be accounted for in the COC funding processes, subject to federal regulations, are affected separately on either side of the Iowa/Nebraska state line.

We further hypothesized the community members would express uncertainty in the equity of distribution of funds and the delivery of resources as well as a lot of confusion and uncertainty among the community members regarding exactly what the nature of the inequity experienced between the entities and client populations in either or both municipalities. This proved to be the case.

Elements of the community reported having observed a preference for and advantage to Omaha. Members of the provider community, as well as members of the lived-experience community, expressed a belief that agencies in Omaha were better funded, that clients originating their housing search in Omaha had an easier time finding housing and housing assistance, and that there was more housing available in Omaha. They, however, believed that housing in Council Bluffs, while lower quality, was easier to find.

We also heard from providers that the clients coming from Omaha had a much easier time finding services from non-COC/non-ESG sources, for example Medicaid or Section-8, and while the lived experience group participants were not always aware of the factors behind that, they expressed a clear belief in the truth of it. Additionally, there was a strong desire expressed on the part of the provider community for there to be more funding in the community to house clients who did not meet, what they perceived to be, the overly narrow requirements for permanent supportive housing (PSH). Specifically, the provider community expressed a desire that families, and most importantly larger families from the Council Bluffs population, could be housed.

Using the aforementioned data sources, we quantified the exact nature of any advantage clients could expect to gain by virtue of originating the search for assistance in Omaha, or the real disadvantage experienced by Iowans seeking service in the Omaha Council Bluffs COC.

Table 1

County	Rent Burdened Population with Low Income Households		Total Occupied Housing Units	2020 Census Population
Omaha	9.6%	29508	307285	844871
Cass County, Nebraska	5.9%	591	10005	26,598
Douglas County, Nebraska	11.1%	23970	215785	584,526
Sarpy County, Nebraska	6.2%	4030	65045	190,604
Saunders County, Nebraska	5.8%	480	8325	22,278
Washington County, Nebraska	5.4%	437	8125	20,865
Council Bluffs	8.7%	4238	48540	122733
Pottawattamie County, Iowa	9.1%	3350	36880	93,667
Harrison County, Iowa	7.0%	428	6075	14,582
Mills County, Iowa	8.2%	460	5585	14,484

Referencing Table 1, Omaha has almost seven times the population of Council Bluffs, including the counties that constitute the suburban spaces. Confining measures to the metropolitan statistical area the magnitude is even more pronounced.

The *Rent Burdened Population with Low Income Households* are households who spend more than half of their income on housing while earning less than half of the area median income. That population, we have demonstrated in previous research (available at [icalliances.org](http://icalliances.org)) has a strong statistical relationship with people who are likely to become homeless, much more so than simple measures of poverty. This more restrictive measure narrows consideration to a smaller but more significantly at-risk population. While there is a slightly higher portion of people who fit this definition in Omaha compared to Council Bluffs, there are 4,238 households in Council Bluffs who are earning less than half of area median income while spending more than half of that income on housing, and so are at extreme risk for homelessness.

## Homeless Services Methodologies and Data

When people become homeless or are about to become homeless, official response takes a finite set of forms reflected in the available data. For many, the first solution to homelessness is to stay at a friend or family member's home, and that is not captured in the data we used in this analysis, though it is known to correlate with the *Rent Burdened Population with Low Income Households* seen in Table 1. The first encounter with the homeless services system, wherein people appear in the data to which we have access, is when they encounter the coordinated entry system in Omaha/Council Bluffs. In the last 2 years, 2,798 households were assessed who originated in Omaha and another 1,101 households were assessed originating in Council Bluffs (Table 2). Of those assessed, 357 lowans representing 30% of lowans assessed, and 674 Nebraskans representing 23% of Nebraskans assessed were added to the list for housing, meaning they were seen to be in need of supportive housing. However, being on this list does not seem to have a direct correlation with being placed in housing. Divergence may be attributable to data quality, but aside from a sense of the community need for additional housing, we will not make much more use of this listed population. The population housed in supportive housing is not drawn exclusively from this list, and so the analysis of those housed will not be related back directly to the population added to the list.

From there, next steps are constricted by available funding, available housing, and the presence of a diagnosable disability. HUD has a series of available funded shelter types. Emergency shelter is generally available to all, with some shelters exercising restrictions and exclusions based on behavior or addictions. For certain select populations; youth and veterans (funded by other federal programming), there are other options available. Rapid rehousing is the next available solution. HUD designated rapid rehousing for up to two years of rental assistance and is in practice a next-best available solution compared to permanent housing. Permanent housing, when funded by HUD, is not time limited and includes voluntary supportive services. HUD permanent supportive housing (PSH) incentivizes prioritization of chronically homeless individuals with a diagnosed disability into PSH first. When funded by other sources, it is called other permanent housing (OPH) and housing stability services may or may not

be included and prioritization through coordinated entry is not required. The requirement of a diagnosed disability introduces uncontrollable and well-established racial bias, and nationally we see a strong resistance to continuing this policy.

We gathered two years of data from the Omaha/Council Bluffs homeless management information system (HMIS) in order to gauge the performance of the system with consideration for whether people experiencing homelessness in Council Bluffs have divergent outcomes from to outcomes of people originating in Omaha. Known factors that contribute to homelessness include structural and individual situations making it difficult to say with any authority why one person becomes homeless and another doesn't, but we know that broadly the housing system is in a perpetual state of failure. This was borne out by comments from the focus groups. A representative comment from the lived experience group was "The pricing of rent, for us, is astronomical. You know, for a single person. Is almost not able to even afford a place." It is widely understood that there is insufficient housing. While on average there are ten vacant units in Omaha/Council Bluffs for every household experiencing homelessness at any given time, the distribution of housing costs does not allow those who are very poor to have stability. We see that any economic shock for those 4,238 households in Council Bluffs who are particularly rent burdened and low income is likely to end in homelessness. The housing supply is market driven and must satisfy the needs of the top end of the market. As noted by a participant in the focus group, "Right. You know, you need like a double family income just to be able to afford a place." So, if any hardship befalls a household in a tenuous situation, they will become homeless. And this economic reality is not likely to change. That is why it is so vitally important that agencies have units to which they have some exclusivity.

Table 2

City	City Population	Households Assessed	Placed on the list for permanent housing	Wanted to Live in Iowa	Wanted to Live in Nebraska	Wanted to Live in Either	Housed in OPH	Housed in PSH	Housed in RRH
Omaha	486,051	2,798	674	92	1,301	1,485	103	169	779
Council Bluffs	62,799	1,101	357	298	118	735	8	47	216

### Omaha versus Council Bluffs – Need and willingness to move

The data in Table 2 shows us that 1,001 households were assessed from Council Bluffs in the last 2 years, and 2,798 were assessed from Omaha. But, while 103 of those from Omaha were housed in other permanent housing (OPH), and 169 were housed in HUD funded permanent supportive housing (PSH) the best practice solution to put an end to persistent homelessness, only 8 from the Council Bluffs side were placed in other permanent housing (OPH) and 47 were housed in permanent supportive housing (PSH).

From Iowa-wide data, we see that people coming into the Iowa Balance of State coordinated entry process seeking homeless prevention, assistance, or housing, there is a strong preference for staying close to the place a person lived before they experienced instability. For all the reasons that stably housed people prefer to live near family and friends, this proves even more so when people are experiencing housing instability. Social supports and networks with which individuals are familiar become critical in reestablishing housing stability. Statewide in Iowa the provision of coordinated entry is managed regionally. Looking at statewide data, 90.9% of respondents said they would not be willing to move to another region if housing were available, but relocation would be required.

Omaha and Council Bluffs are different. The prospect of moving across the river is less daunting than moving to another part of the state. The numbers are so far off from one another as we compare Omaha to Council Bluffs that it is clear there is a resignation to an inability of Council Bluffs to provide housing options. 45% of

Nebraskans say they want to stay in Nebraska, compared to 26% of lowans wanting to stay in Iowa. Only 3% of Nebraskans prefer Iowa, while 10% of lowans prefer Nebraska and 64% will go wherever housing is available, compared to 51.5% of Nebraskans willing to go wherever housing can be found (Table 2).

From the provider focus group came the comment, “There is more housing stock available over in Omaha than in Council Bluffs.” And that is certainly true. But another member of the group expanded on this to say, “Omaha has more resources naturally, you know, and for us providers, we don't really necessarily serve that frontline, but there are people experiencing homelessness that just won't go over to Nebraska or won't come over to Iowa so, and I get it because of, you know, state benefits and resources and, you know, Council Bluffs is smaller.” The data shows that, counter to the expected preference observed in most communities, lowans from Council Bluffs will move to Omaha to house their family. And still, only 8 were placed in PSH over 2 years.

“[B]ecause of the population of Omaha there's more individuals experiencing homelessness. So, they go to the top of the list, you know. So why do we have all of these individuals in Council Bluffs waiting for, you know, a coveted spot and our permanent supportive housing. We're getting individuals from Omaha, so I mean, that really kind of ties our hands too, because of course we want to be great partners with the COC and everything like that, but it's just a little bit... [A]gain, Council Bluffs is smaller, less resources, less housing opportunities. And so, I think sometimes, you know [...] People don't realize that too.”

### **Omaha versus Council Bluffs – Outcomes**

Although there is more population in Omaha, there is not a statistically significant proportional difference between Omaha and Council Bluffs in terms of need. And yet, people from Council Bluffs are not getting housed at the same rate as people from Omaha. Table 2 shows that if you seek housing from Omaha you are much more likely to be housed. Nebraskans are getting into other permanent housing (OPH) programs at a 7.5 times higher rate compared to lowans after being added to the list, and twice the rate at HUD funded permanent supportive housing (PSH), a distinction that really illuminates how the disparity originates in the presence of non-COC funding streams that prioritize Nebraskans. Additionally, the rapid rehousing (RRH) programs, an alternative to permanent supportive housing when no disability has been documented as required by HUD and no other permanent housing is available, privileges Nebraskans over lowans nearly two to one. The takeaway is lowans are just not getting housed at the same rate as Nebraskans.

To prove this statistically we used a Pearson's Chi square test comparing the observed distribution of lowans and Nebraskans entering the three preferred housing solutions. This test shows the expected values given the populations under consideration and whether those differences are significant. In this case, all findings were significant meaning they cannot be explained as random. Comparing the observed values to expected values, we would have expected 22 of the people housed in other permanent housing (OPH) who came from Nebraska to have been from Iowa. We would have expected 10 people housed in HUD funded permanent supportive housing (PSH) who were Nebraskans to have been lowans. 32 households, in total, were not placed in permanent housing who should have been.

While the purpose of this study was to study how permanent housing solutions were distributed between Iowa and Nebraska and the resulting need for new permanent housing options in Council Bluffs, disparities were also found in the allocation of Rapid Rehousing resources. In many communities, including the communities with MACCH oversight, Rapid Rehousing is used as a “next best” referral for individuals who would qualify for a permanent housing solution. Furthermore, MACCH prioritization requires that any person fail twice in other housing solutions prior to being placed in PSH programming. So when 46 Nebraskans were placed in rapid rehousing who, mathematically, would have been expected to have come from Iowa, equal distribution into Rapid Rehousing programs become significant. This is not to say that the 78 Nebraskans who were housed were not well paced and successful, or that they should not have been housed. Simply, statistically, we would have expected those households to be lowans. Given that the systemic barriers to housing the lowan's cannot be changed in the current funding environment, housing 78 additional lowans would only begin to address the inequity introduced by structural preferences for Nebraskans. It would be quite reasonable to house more lowans.

The provider community showed us that they would really like for an entity to exist that was not subject to COC funding rules. They feel the rules are preventing them from housing people equitably, and that there are a lot of families that need housing but do not get it because of systemic preference for individuals. One provider said, “We need funding that's more flexible instead of so stringent. The federal funding that's so stringent and has

all these criteria put in place, it puts a small bucket where people fit it. We need larger, flexible funding that we can be creative with and change processes or create our own structure to meet the needs of the community. Not based by what the funding requirements are.” That comment received broad consent and agreement from around the room.

## Additional Unmet Need

Relating this back to the broader established need in the community drawing on the population that was assessed and not housed, as well as the demonstrated need in the general population, there were at least 264 families with minor children who sought services and were not housed. Also, 1,119 individuals sought services and were not housed. Of that population, 46 families with minor children, 18 families without children and 352 individuals were shown through the triage tool to be appropriate for placement in permanent housing but not housed due, in part, to a lack of available units and resources. So, 416 units of permanent housing on the Iowa side of the river would satisfy the population from the last two years who were identified as needing permanent supportive housing and were added to the prioritization list but to whom no housing was provided.

Table 3

		Permanent housing			
		Other program types	Other Permanent Housing	Permanent Supportive Housing (disability required)	Rapid Re-Housing
Iowa	1 person	963	7	47	216
	2 people	100	1	10	34
	3 or more	155	2	12	26
Nebraska	1 person	2,056	70	160	763
	2 people	270	9	20	133
	3 or more	211	5	21	64

Table 3 shows household size by count. If we look at where people are coming from and the composition of the households being placed into housing, we begin to see a picture emerge. The families can be made up of households including minor children, or not, and they can also be made up of some number of people. We aggregated down the households larger than 3 persons into a ‘3 or more’ category. There are a few households as large as eight people, and while they are rare, they are also incredibly difficult to house and we were told in the provider group they can stay homeless for months at a time waiting for a sufficient unit to become available.

If we can assume that, in practice, families and individuals are really two separate populations when it comes to finding housing, because of the divergent needs in housing stock and scattered site versus single site preference, then we can look row by row and compare Iowa to Nebraska by household type. And this is a fair concession to make because we would as a rule prefer households with children be housed in scattered site units, while individuals may find greater success in single site situations for reasons having to do with social connectedness and proximity to case management.

When we look at just those seeking single occupancy units, comparing the Omaha number to Council Bluffs number, we see that the majority of the disparity is found among single individuals. With the important caveat that the inability of families to find housing at all in the Omaha Council Bluffs Continuum of Care, we can see that the placement of 2 person households is not significantly biased statistically, and the placement of households with 3 or more persons is not significantly biased statistically, but that the bias in placement of individual households is significant enough to create the problem we observe in the system as a whole.

One way to address this question further is to look at the familial constitution of the households that were assessed. While all households need housed, they do not all require the same accommodations. There is good reason to place families in scattered site housing. Although it can be more expensive to acquire market rate

housing in the community, for families with children the environment in a single site solution can be problematic. But for single adults coming from a street-homelessness, the experience of transition to a scattered site model can be problematic as well, particularly in relation to social stability.

This inequity observed in housing solutions between Nebraska and Iowa is located predominantly among unaccompanied adults. Statistically there is not an inequity among homeless families. This does not appear to be the result of better funding policies for families, but instead because of a broad lack of housing solutions for homeless families, in part because families are more likely to find other options or self-resolve and in part because of the challenges of housing intact families instead housing the disaggregated adult portion of families while children are housed elsewhere.

Considering how the units should be distributed, the population values in Table 4 and Table 5 suggest how families and individuals were served. A lot of families (209 in Iowa and 305 in Nebraska) ended up in shelters with their children, a solution that can do long term irrevocable damage to the child. While the majority of need is for single adult shelters, the case could be made that for programmatic reasons we may prefer to house families with children.

Table 4

		General Population		Rent Burdened (under 50% AMI/over 50% housing cost)	
Iowa (Pottawattamie)	2 to 4 people	21490	58% of Iowans	1410	7% of this row
	5 or more people	2650	7% of Iowans	135	5% of this row
Nebraska (Douglass and Sarpy)	Single Adults	12750	35% of Iowans	1805	14% of this row
	2 to 4 people	153155	55% of Nebraskans	8740	6% of this row
	5 or more people	27725	10% of Nebraskans	1940	7% of this row
	Single Adults	99950	36% of Nebraskans	17320	17% of this row

Table 5

		Placed on the list for permanent housing	Addressed in another program type (e.g. emergency shelter)	Other Permanent Housing	Permanent Supportive Housing (disability required)	Rapid Re-Housing
Iowa (Pottawattamie)	Family with minor children	47	209	2	17	41
	Family with no minor children	25	63	1	5	25
	Single adult	354	963	7	47	216
Nebraska (Douglass and Sarpy)	Family with minor children	69	305	7	27	121
	Family with no minor children	71	198	7	15	86
	Single adult	638	2,058	70	160	763

Tables 4 and 5 give us a sense of what the distribution is in the communities among the housing solutions and family compositions. This also informs what sort of housing the community is likely to need, what help looks like, and what the community being served looks like. While the vast majority of the people in service, including those placed on the permanent supportive housing list, are single adults, there is a much higher need in the community. Only 35% of the general population in Council Bluffs is single adults living in a non-familial situation, but 54% of

those at severe risk for homelessness are single adults. 46% are in family living situations. And yet, only 24% of those placed on the permanent supportive housing list are families. This suggests that many families are more able to find *unofficial solutions* to their housing challenges, like living doubled up or placing their children in other living arrangements, away from familial support and parental protection.

From the provider forces group, several providers shared that it is particularly difficult to house families in the Omaha/Council Bluffs system because of a policy insisting on placement first of extended street homelessness, unusual for families with children. Unsheltered families frequently will have the children stay with family or friends rather than subject the children being unsheltered, fragmenting families. Even the lived experience group expressed a sympathy for housing families; “For me the biggest problem, see, is there's not enough housing or enough advocacy for women who have children [...]”

Ultimately, what is needed is flexibility in programming dollars so that case managers can make the decision to prioritize housing families in cases where that family will be unable to resolve their homelessness in other ways. But the most need and the most disparity is clearly found among single adults. The addition of 100 affordable housing units to the community may seem a small thing when there are over 4,200 households at extreme risk for homelessness, but this number should have an impact sufficient beyond the simple count of units, in their ability to relieve pressure in the market which can have an impact beyond the 100 families directly served. A long-term solution will have to be made up of many small efforts to change the housing profile and fill in the missing bottom of the market.