# Housing Opportunity: Chronically Homeless Individuals

Using a Social Impact Bond to Support a Broader City Homelessness Strategy



#### Where do we work?



# **Project Issue Areas**

Homelessness Denver, MA, Seattle
Child Welfare IL, CT, RI

Criminal Justice NY, AR, Louisville, CA, RI, PA

Juvenile JusticeMA, ILPre-KLas Vegas, ChicagoEarly ChildhoodSC, MI, OH, NY

Behavioral Health Bernalillo County, CT, Louisville

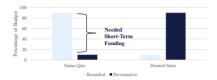
Workforce San Francisco, RI



# **Social Impact Bond**

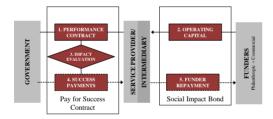
SIB financing provides additional needed funding for the City to make an important transition

- Pay for new programs and services while we move to long-term preventative solutions.
- We can add dollars to existing resources and tools to make them more effective.





#### **Social Impact Bond**



DENVER

### **SIB Target Population**

We are currently paying for costly, ineffective emergency and penal services.

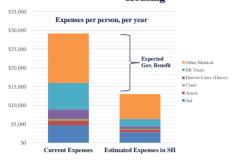
- High Utilizers ("Front-End Users")—Individuals, typically chronically homeless, who are frequently before the court, in jail and habitually using a spectrum of
  - Frequent usage of emergency rooms, detox, and ambulatory services.
  - High level of public safety usage (i.e. arrests, jail admissions and discharges).
    - Low-level offense types: Public nuisance (22%), Alcohol (30%), Panhandling (4%), Trespass (19%), Drug (11%), Other (14%)



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#### Costs: Homeless vs. Supportive Housing



**DENVER** 

### **Proposed SIB Intervention**

By properly serving this population, the City can both reduce costs and create long-term solutions..

Eligibility Criteria

Eligible participants are individuals with a record of at least eight arrests over the past three years; and a documented case of transiency at the time of their last arrest (i.e. homelessness).







**Housing First** 

**Intensive Case** Management



## **SIB Project Details**

#### **Project Goals:**

- 1) Demonstrate that housing and intensive case management can improve lives and reduce
- Add to the City's capacity to house vulnerable populations.
- Develop new mechanisms and funding to pay for case management services that formerly received federal support.

#### Size:

 250+ chronically homeless individuals **Duration:** 

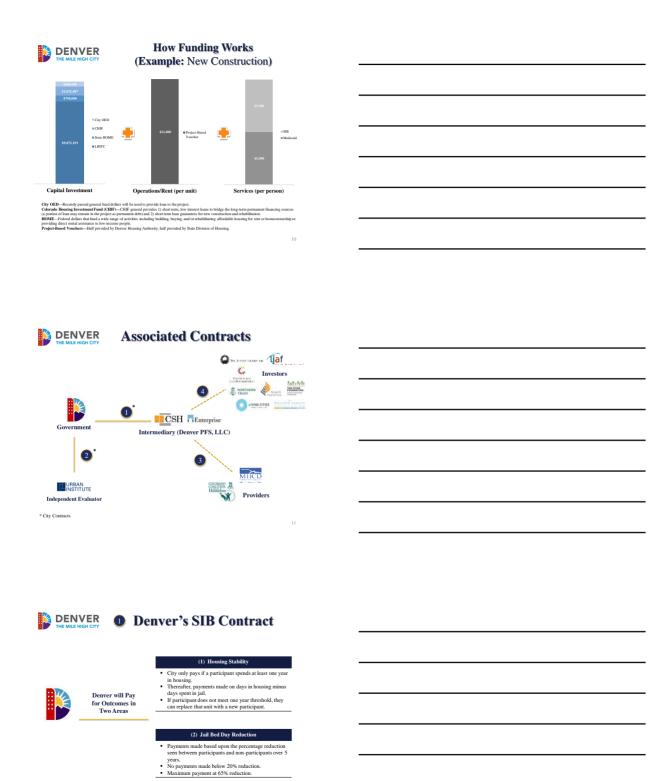
5 years of SIB funding, additional time for evaluation and payment

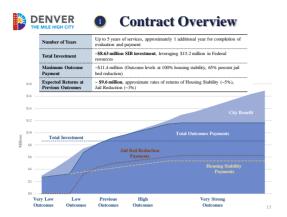
#### Services:

- 2-3 new Assertive Community Treatment teams (ratio of ~ 1 case manager to 10 individuals)
- Connection to preventative health + additional services

#### Housing Details:

- Possible use of two new housing developments with an anticipated 210 new units of housing (one Mental Health Center of Denver (MHCD)
   building, one Colorado Coalition for the Homeless (CCH) building, new 20 units at CCH's North Colorado Station, 30 units at St. Francis' new building).
- Provision of additional services and subsidies to 40 units that are vacant through turnover and/or landlord recruitment.









# **Payment Scales**

(1) Housing Stability Payment	(2) Jail Bed Reduction Payment	
Approximately \$15 per day for eligible stable housing days*	Percentage Threshold	Payment Per Percentage Point
Maximum payment of \$5,292,188	< 20%	\$0
*Subtract any days spent in jail	20 to < 30%	\$160,000
Total Investment \$ 8,634,695	30 to < 65%	(30 x \$160,000) + \$38,000 per percentage point above 30%
Housing Stability \$ 4,000,000 Jail Bed Day \$ 4,634,695	≥65%	Max Payment (\$6,130,000 total)

	Northern Trust Company	\$3,000,000
Housing Stability Lenders	The Denver Foundation	\$500,000
	The Piton Foundation	\$500,000
	Laura and John Arnold Foundation	\$1,700,000
Jail Bed Day Reduction Lenders	The Colorado Health Foundation	\$1,000,000
	The Ben and Lucy Ana Fund at the Walton Family Foundation	\$1,000,000
	Living Cities Blended Catalyst Fund	\$500,000
	Nonprofit Finance Fund	\$434,696
	Total Investment	\$8,634,696



#### **Urban Institute Evaluation Contract**

Number of Years	Approximately 6 years (additional time after the completion of SIB services in order to provide outcomes report)
Total Budget	\$937,500
Overview	Urban will ensure that all participants are screened for the program, tracked, and evaluated based upon the outcomes produced.

URBAN INSTITUTE





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