Understanding Homelessness in Colorado

With almost 10,000 people experiencing homelessness statewide, it is abundantly clear that no community in our state is immune from the causes and consequences of homelessness. A complex issue like homelessness requires multifaceted solutions paired with a comprehensive understanding of the roots and causes, the impact on and in the community, the response of housed neighbors, and the unique and collaborative ways that we must address homelessness as responsible community members.

Homelessness often does not happen overnight or because of one single “bad” decision but because of an overwhelming number of unfortunate

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circumstances compounded by the systems that make it nearly impossible to crawl out of the cycle of poverty and homelessness. Homelessness can be the result of a severe mental health crisis and no access to medical care causing a loss of employment, domestic violence situations that included financial abuse, severe childhood trauma that led to years of self-medicating with alcohol and drugs to combat their mental health issues, and many other similarly compounded and multifaceted situations.

The stories of homelessness, no matter what the circumstances, almost always involve the criminal justice system because of the criminalization of homelessness, an ill-advised policy that erupted about twenty-five years ago and has had a stronghold on the unhoused population ever since. Throughout the 76 most populous cities in Colorado, there are 351 laws which criminalize being unhoused, according to the University of Denver’s Sturm College of Law 2016 report “Too High a Price.” These crimes, which often come with tickets, fines, or jail, are imposed for survival outside, such as sleeping, urinating and defecating, staying out of the elements, sharing food, keeping oneself warm, and earning money, among others. These same activities bear no consequence when a person does them inside the comfort of their home. Across the nation, anti-homelessness laws continue to increase, including bans on sleeping outside or in vehicles, panhandling, sharing food, and trespassing.

Criminalizing survival makes it extremely difficult for people experiencing homelessness to get out of the cycle because people are routinely punished further for having a criminal record. Background checks are required for housing, jobs, and sometimes access to certain benefits. Exacerbating this is that wages have not kept up with the cost of housing, so a minimum-wage job cannot cover both housing costs and criminal fines, much less legal assistance.

Compounding the issue of homelessness further is cost of living and affordable and available rental units in the state. The 2019 “Out of Reach” Report by the National Low Income Housing Coalition states that a person needs to work a minimum of seventy-three hours per week at minimum wage to afford a one-bedroom apartment at Fair Market Rent in Colorado. This data is an average across the state, meaning that a person living in a more expensive city like Denver or Boulder would invariably need to work more hours at minimum wage to live in the same one-bedroom apartment. But living in suburban or rural communities to afford an apartment may come with another price tag: minimal social services and lack of public transportation.

Similarly, the Gap Report by the National Low Income Housing Coalition notes that 76 percent of extremely low-income renter households are severely cost burdened, meaning that they are spending more than fifty percent of their income on housing costs. With a shortage of 114,071 affordable and available rental homes for extremely low-income, renters are forced to pay more for housing than 30 percent and sometimes 50 percent of income.
Can We Solve Homelessness?

Organizations across the country are working diligently to bring an end to homelessness with a variety of services including much-needed shelters, emergency cold-weather shelters, transitional and permanent housing, comprehensive healthcare, support services, food banks, and substance-use recovery programs. These programs provide critical services but are constrained by limited financial resources. In the Denver metropolitan region alone, there are over 70 organizations providing all these services and more; however, they are working to serve at minimum 5,755 people experiencing homelessness and are inundated with unmet and severely complex needs. The wait-list for housing is often years. Shelters are full. Food banks have lines around the block. Simply put, the need far outweighs the available resources.

One of the biggest reasons for this is that Colorado is one of only three states that does not have a statewide strategy or funding source to address homelessness. The very limited dollars in the Colorado budget for housing is in the housing grants line item of $9.25 million, but, without a permanent fund, it is at risk annually while competing against other public interests like education and transportation, which are all essential in our growing community. Most of the funding for housing in Colorado comes from federal funds, which, in the current political environment, are uncertain and stagnant.

Colorado Coalition for the Homeless

For over 30 years, the Colorado Coalition for the Homeless has dedicated its time, focus, and energy to creating lasting solutions to homelessness in Colorado. To achieve this lofty goal, the Coalition has a network of staff, donors, volunteers, partners, and advocates who work to provide housing, healthcare, and comprehensive support services through an integrated care model. The Coalition believes housing alone does not solve homelessness, but supporting a person holistically on their journey to stability can. Each year, the Coalition serves over 20,000 people experiencing or at-risk of homelessness with a wide array of services and works to look at the root causes of homelessness: skyrocketing housing market, unemployment and underemployment, affordable healthcare, renters’ rights, mental illness, and domestic violence through advocacy at the local, state, and federal level.

To address the most critical need of people experiencing homelessness, the Coalition works to match people with suitable housing where they can achieve stability, along with an improved quality of life and level of health. To combat the affordable housing shortage in metro Denver, the Coalition operates 18 high-quality affordable housing properties, supporting over 4,111 households with housing options in a rapidly unaffordable state.

The Coalition provides quality medical, dental, vision, pharmacy, and mental health services to people experiencing or at-risk of homelessness. Stout Street Health Center, a state-of-the-art Federally Qualified Health
Center, and its five satellite locations use a trauma-informed approach to tend to the mental and physical welfare of 14,154 patients who may not have had access to quality healthcare in the past.

Support services provide clients with case management, childcare, nutritional counselling, healthcare navigation, addiction recovery, public benefit counselling, translation services, and transportation—providing the necessary resources for people to live and thrive in their communities. Outreach offers information, referrals, and connections with local support services, as well as crisis intervention and needs assessments, to those living on the streets of Denver.

Creative Solutions

Innovative ideas are how communities move the needle on ending homelessness in our communities. First and foremost, closing the gap on needed affordable housing units (3.9 million nationwide) will help people who are living on the edge of homelessness find suitable and safe housing, which helps ensure that there does not need to be a choice between housing and food, or housing and healthcare.

Housing First and Denver Social Impact Bond Initiative

The Housing First approach works. It is designed to help people experiencing chronic homelessness move more quickly off the streets or out of the shelter system and into housing through low-barrier housing options. Housing First includes rapid access to housing, crisis intervention, and follow-up intensive case management and therapeutic support services to prevent the recurrence of homelessness. It quite literally houses a person first and then diligently works to address the issues that led to homelessness, like substance-use disorders, mental health, psychiatric disabilities, among many others, through intensive treatment and case management. Nationwide, this model has worked to house people and help them remain housed for two decades, but more support for programs like this one is imperative.

Housing First helps people experiencing homelessness, but it also saves cities money because it reduces the number of people experiencing homelessness chronically using emergency rooms, inpatient medical and psychiatric care, detox services, incarceration, and emergency shelter. The Denver Social Impact Bond initiative, a partnership between the City of Denver, Mental Health Center of Denver, Colorado Coalition for the Homeless, and private investors—which housed 250 people experiencing chronic homelessness—is a proven example.

Launched in 2016, the Denver Social Impact Bond program uses funds from lenders to provide housing and supportive case management services to people who frequently use the city’s emergency services, including police, jail, the courts, and emergency rooms. The program uses a Pay for Success model, in which the city agreed to pay investors $15.12 for each day that each qualifying participant was stably housed and not in jail. In its
first year, the project had remarkable success with participants spending a total of 12,457 days in housing, resulting in over $188,000 in the city’s first repayment to investors and the mayoral endorsement for additional funds to expand the program. Based upon previous studies, the expected outcomes of a 35 to 40 percent reduction in jail bed days and approximately 80 percent increase in housing stability among the target population would result in a payment near $9.5 million to investors.

The Denver Social Impact Bond program is an initiative aimed at measurably improving the lives of people most in need by driving resources towards better, more effective programs. Social Impact Bonds are a unique type of performance-based contracts where private and/or philanthropic lenders loan funds to accomplish a specific objective and are repaid based on whether the program achieves its goals. By shifting the focus to preventive services, service providers such as the Colorado Coalition for the Homeless can better serve this population while saving taxpayers millions of dollars each year. The cost of providing safety-net services to 250 of Denver’s population experiencing homelessness is approximately $7 million per year. Stable housing and supportive services can prevent expensive encounters with the criminal justice and safety-net systems and can help people lead more stable and productive lives.

The Coalition provided subsidized units to the program through Renaissance at North Colorado Station property, Renaissance Downtown Lofts property, and scattered-site apartment homes throughout Denver. This combined effort to provide permanent supportive housing saves the city an average of $29,000 per resident in emergency-related costs, transforms the lives of 250 of Denver’s most vulnerable citizens, and improves the quality of life in the downtown neighborhood by reducing the number of people who call the streets their home. As of December 31, 2018, the Denver Social Impact Bond program housed 330 people experiencing homelessness. Two years after entering housing, 79 percent remained in housing. Preliminary data on reduction in jail days is promising, but results will not be fully released until the project’s end in 2020.

Fusion Studios: From Quality Inn to Studio Apartments for People Experiencing Homelessness

Another recent creative project by the Colorado Coalition for the Homeless was the acquisition and conversion of a former hotel into 139 studio apartments for people experiencing homelessness. Renaissance Housing Development Corporation, a subsidiary of the Colorado Coalition for the Homeless, developed Fusion Studios through the acquisition of the Quality Inn and Suites at 3737 North Quebec Street in Denver to provide affordable housing to help meet the affordable housing shortage in Denver. This initiative provides a unique opportunity to quickly lease apartments for individuals and couples struggling to find affordable housing, including those experiencing homelessness in Denver, by converting an existing operating hotel into affordable housing at a fraction of the cost and
timeline of constructing new housing. From acquisition to move in will be a total of eight months, where a typical predevelopment and construction takes a total of three years.

The building is four stories and a total of 100,000 square feet. Approximately $500,000 in capital improvements were completed prior to the acquisition in 2018, including carpeting in the guest rooms, laundry upgrades, and a lobby upgrade. Each studio is fully furnished with a bed, dresser, desk and chair, television, and window coverings. Bedding will be provided. In addition, each unit has a kitchenette. A full-service food pantry is also available for residents.

Governor Jared Polis joined the Coalition in celebrating the grand opening of Fusion Studios, noting the creativity and thoughtfulness of Coalition leadership to acquire this property. “This is an example of an amazing job of cutting through red tape, taking something that was a Quality Inn, and at a fraction of the normal cost of building something new and a fraction of the time, opening the doors,” said Governor Polis.

Fort Lyon: Housing with Supportive Services for Veterans Experiencing Homelessness

A third unique project that addresses the severe lack of substance use treatment and mental health care services in Colorado that ultimately play a role in homelessness is the Fort Lyon Residential Supportive Community (Fort Lyon). Fort Lyon provides transitional housing and support services to people experiencing or at risk of homelessness with substance use disorders from across Colorado with a priority on providing services to veterans experiencing homelessness.

Situated on 552 acres in the Lower Arkansas Valley, the Fort Lyon program is a state-wide collaborative led by the Colorado Coalition for the Homeless, Bent County, and the Colorado Department of Local Affairs. Fort Lyon is a one-of-a-kind, innovative, and comprehensive residential housing campus that provides education and job training in a modified therapeutic community environment where long-term recovery from substance use and co-occurring mental illness is expected.

Within the context of evidence-based interventions such as trauma-informed care, cognitive behavioral therapy, 12-step recovery, and motivational interviewing, participants have the opportunity to participate in peer-led recovery groups, work and learn marketable job skills, attend classes either on site and/or at Otero and Lamar junior colleges, attend vocational training programs, and a variety of life skill-building activities for up to 24 months. Fort Lyon Supportive Residential Community combines housing with peer support, educational, vocational, and employment services for up to 250 people at any given time from across the state of Colorado.

Fort Lyon served 2,065 people experiencing homelessness seeking recovery between 2013 and 2018. The average length of stay for residents has consistently increased over this same timeframe, beginning at 142 days and increasing to an average of 263 days in 2018. An increase of length of
stay increases opportunities for a person to recover from substance and alcohol use and to address the underlying issues impacting their lives and exit to an appropriate housing option.

Sixty-two percent of Fort Lyon residents exited to housing options in communities of their choice, ranging from their city of origin to new locations with job or schooling opportunities. This includes permanent supportive housing, renting with or without a subsidy, staying with friends or family, residing in a psychiatric facility, or owning. In six-month post assessments, of those participants that staff were able to contact to survey, there was a 100 percent decrease in alcohol use and illicit drug use in both 2017 and 2018. There was a significant increase in the physical, psychological, and environmental health; and social relationship scores of former residents, leading to better quality of life for residents after their stay at Fort Lyon. Over five years, Fort Lyon has helped hundreds of people recover from substance-use disorders and attain housing.

Stout Street Health Center: Integrated Health Care for Patients Experiencing Homelessness

Like substance use, mental and medical health services are scarce for people experiencing homelessness. In an effort to improve health outcomes, the Coalition has dedicated over 35 years to health care for people experiencing homelessness. Stout Street Health Center, a national model for integrated health care paired with permanent supportive housing, is the outcome of 30 years of medical service experience provided by the Coalition to people experiencing homelessness. Staffed with a creative workforce dedicated to serving this unique population, Stout Street Health Center focuses on the unique needs of people experiencing homelessness, using trauma-informed care architecture and service delivery, low-barrier access, and full-service health care in one building.

With 98.7 percent of patients having low income and 91.9 percent experiencing homelessness, Stout Street Health Center is a unique model of integrated health care targeted to the needs of patients experiencing homelessness. It fully incorporates patient-centered, trauma-informed medical and behavioral health care, substance treatment services, dental and vision care, and social services on the first two floors of the 52,000 square-foot facility with four floors of 78 supportive housing above.

Providing preventative health care that is accessible and welcoming reduces emergency room visits, costs taxpayers less annually, and lessens the burden on emergency rooms to treat otherwise preventable illnesses. Additionally, Stout Street Health Center is a $23 million cost savings to Medicaid each year and has an economic impact of $56.9 million in its current operations.

Innovation to Create Lasting Solutions to Homelessness

Innovative ideas to tackle affordable housing shortages and keep people stably housed to address and prevent the cycle of homelessness are imperative. We must make creative investments, think outside of the
traditional systems and structures, and build what is necessary to support people experiencing and at risk of homelessness. Colorado Coalition for the Homeless endeavors to put this into practice with all of its initiatives. Resources are finite, but with thoughtful responses and progressive—even wild—ideas we move closer to lasting solutions to homelessness.