Maintaining Housing Stability

Interim lessons from Denver’s Social Impact Bond Initiative

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As of December 31, 2018, the Denver SIB project had housed 330 people experiencing chronic homelessness.

Two years after entering housing, 79 percent of program participants remained in housing, and 11 percent had had a planned exit.

To date, the City and County of Denver has made a total of $2,553,889 in success payments to investors based on program outcomes.

In 2021, the evaluation will report on results from the Denver SIB’s randomized controlled trial analysis, including differences in jail days between people in supportive housing and those receiving services as usual.

The Denver Supportive Housing Social Impact Bond Initiative (Denver SIB) aims to support people struggling with homelessness, substance use, and mental health problems. This vulnerable group cycles in and out of jail, detox, and emergency medical facilities, which can exact a heavy toll on individuals and comes at a high cost to taxpayers.

To break this cycle, Denver SIB combines permanent, affordable housing with intensive wraparound services like case management, health care, and mental health treatment. Three and a half years into the five-year initiative, interim results showed that the program engaged and housed individuals who are experiencing chronic homelessness and cycle in and out of jail, leading to high rates of housing stability, an important interim outcome and a precursor to reducing the number of days that participants spend in jail.

PARTICIPANTS ARE BEING HOUSED AND STAYING IN HOUSING

Through December 2018, 330 people had been housed through the Denver SIB, usually within six months of being referred. Participants’ housing status has been tracked at various intervals since they joined the program. Two years after entering housing, 79 percent of participants were still housed; 11 percent had had a planned exit from the program (all because of participant deaths); and 18 percent had had an unplanned exit, most commonly for incarceration. Nine percent had exited and reentered housing. These are promising housing stability results.

<table>
<thead>
<tr>
<th></th>
<th>6 Months after Entering Housing</th>
<th>1 Year after Entering Housing</th>
<th>2 Years after Entering Housing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>( N )</td>
<td>Share</td>
<td>( N )</td>
</tr>
<tr>
<td>Still housed or had a</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>planned exit at milestone</td>
<td>311</td>
<td>94%</td>
<td>252</td>
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<tr>
<td>Still housed at milestone</td>
<td>302</td>
<td>92%</td>
<td>240</td>
</tr>
<tr>
<td>Planned exits</td>
<td>9</td>
<td>3%</td>
<td>12</td>
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<tr>
<td>Unplanned exits</td>
<td>20</td>
<td>6%</td>
<td>40</td>
</tr>
<tr>
<td>Reentered housing</td>
<td>1</td>
<td>0%</td>
<td>8</td>
</tr>
</tbody>
</table>

Source: Days in housing and exit data come from Colorado Coalition for the Homeless and Mental Health Center of Denver program data from January 1, 2016, to June 30, 2019.

Notes: Each column represents a different cohort of participants based on when individuals entered housing.

\( N=330; \quad N=284; \quad N=131. \)
SUPPORTIVE HOUSING HELPS PARTICIPANTS NAVIGATE THE CRIMINAL JUSTICE SYSTEM

Potential Denver SIB participants are identified based on high rates of interaction with local law enforcement before referral to the program. Denver SIB service providers spend considerable time establishing relationships with judges, public defenders, city attorneys, and police officers and educating them about the program. If a participant has a new citation or jail stay, SIB case managers often walk the participant to the public defenders’ office, accompany the participant to court, and track requirements and court dates during probation and other court processes. Case managers communicate with public defenders and judges about the services and supports offered through the Denver SIB and how it intends to keep the participant housed. This cross-system collaboration is crucial for the success of the program, according to SIB service providers.

HOUSING STABILITY OUTCOME PAYMENTS

Under the structure of the Denver SIB, if the program achieves contractually established housing stability outcomes, the city makes annual success payments to SIB investors. In fall 2019, the Urban Institute calculated the Denver SIB’s housing stability outcomes for the city’s third success payment. The results were reviewed by an external validator. In total, 257 participants met the payment requirement of being in housing for at least a year or having a planned exit from the program. They spent a combined 168,908 days in housing (excluding days spent in jail after entering housing). As such, success payments for the SIB program to date total $2,553,888.96. This payment was in line with forecasted returns to investors.

WHAT’S NEXT FOR THE DENVER SIB EVALUATION?

In 2021, Urban will publish this evaluation’s final report. It will contain results from the Denver SIB’s randomized controlled trial analysis, including the differences in the number of days spent in jail between a treatment group in the supportive housing program and a control group receiving services as usual. In addition to annual payments linked to housing stability outcomes, a final payment will be made based on jail day reduction outcomes.

There is no lapse between getting out of jail and getting lost back to the streets. They just go straight to their case manager, and I think that is pretty rare.

—SIB service provider, speaking about SIB case management services

WHAT IS THE DENVER SIB?

To create the Denver SIB, the city signed a performance-based contract in 2016 with Denver PFS LLC, an entity established by the Corporation for Supportive Housing and Enterprise Community Partners. The contract committed up-front capital from eight private investors to fund supportive services. The project also leverages additional state and local housing resources and Medicaid reimbursements for services.

The city is making success payments to the investors based on the outcomes achieved by the program, as outlined in the SIB contract. The Urban Institute acts as the evaluation partner for the Denver SIB.

The Colorado Coalition for the Homeless and the Mental Health Center of Denver are the SIB supportive housing service providers.

In 2018, based on early promising results, the city issued a direct performance-based contract to the Colorado Coalition for the Homeless to serve an additional 75 people; this is known as Denver SIB 2.0.

WANT TO LEARN MORE?

For more information on project performance to date, see https://urbn.is/2q2Z4lf.

For more information on housing stability payments to date, see https://urbn.is/2nzkQMt.