



DENVER
THE MILE HIGH CITY



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Panhandling and Cost Avoidance Overview

Introduction and Executive Summary

- While causality cannot be attributed to one intervention or program, reductions in detox and jail use and declines in panhandling are encouraging for Denver. Denver's Road Home clearly acknowledges that the significant leadership role of Denver City Council, the Crime Commission, the Office of Strategic Partnerships, the Office of Drug Strategy, the Denver Police Department and other innovative and collaborative partnerships all play a role in impacting cost avoidance for our work with the homeless.
- In February 2009, in response to growing budget constraints, Denver's Road Home reduced public funding for the initiative by \$1.5 million. The Resource Allocations Committee and private sector worked collaboratively to address gaps created by these reductions specific to outreach and mentoring of families to minimize the impact of these reductions.
- The choice is not whether we want to provide housing for people who are homeless. The choice is the type of housing and the cost of the housing. Four years ago, detox and jail was a very expensive substitute housing program for the homeless in Denver. Data suggests decreases in both detox and jail census with over \$2 million in cost avoidance via detox alone to the City and County of Denver over the past three years or is this per year. **The cost per night to the City of Denver to house a person who is homeless at Denver Cares is over \$200. The cost per night to house the person in jail is \$55.**
- Panhandling calls to Denver Police Department and panhandling counts by the Downtown Denver Partnership suggest a 31% decrease in the last four years.
- Denver's Road Home has leveraged public dollars with over \$12 million in foundation and private sector support.
- Downtown Denver Partnership reports an 83% reduction in the number of panhandler's downtown.

General Fund Expenditures

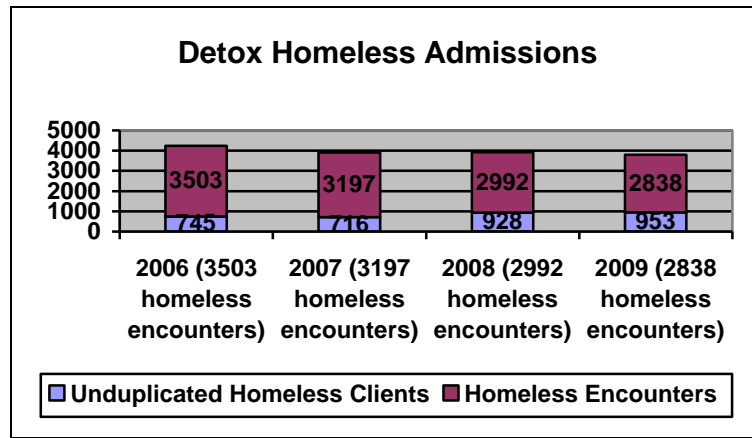
- The budget proposes that \$1.5 million in funding for Denver's Road Home be provided via the general fund. An additional \$800 thousand will support housing for the homeless related to the Housing Proclamation approved by Denver City Council in July 2008.
- Each year, Denver receives approximately \$2 million from the State as part of running Human Services operations. The report details how much money is spent on DHS, including on internal services for their benefit, such as centralized Finance, HR and TS expenditures. It is recommended that a portion of these funds be applied to support the general fund transfer for Denver's Road Home.
- Denver's Road Home will offset \$500 thousand this year to reduce either the \$1.5 million allocation or the \$800 thousand allocation for housing for the homeless (or a portion of both).
- The \$1.5 million goes largely to support detox and outreach services for Denver's Road Home that are having a significant impact the outcomes outlined in the Cost Avoidance section of this document. Reduction of these services would have a significant impact on outreach and treatment services.
- At minimum, these funds account for over one-third (36 percent) of the services provided by outreach and treatment support (see attached budget overview). A reduction in funds would reduce homeless outreach workers by approximately ten persons and would significantly reduce treatment and housing support for detox, thus impacting the census, police call volume and response to the business community.

Cost Avoidance

Denver CARES

Denver CARES is Denver Health's addiction rehab and Detox facility that provides treatment and services to public inebriates. The information below is from Denver CARES 2009 2ndrd Quarter Report, published December 2007, and reflects outcomes of CHaRT, a substance abuse treatment program managed by Denver C.A.R.E.S./ Denver Health.

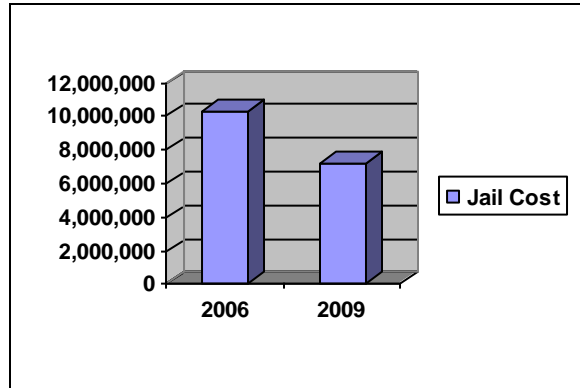
- There are a total of 446 clients who have entered treatment **between one and three years ago**. Prior to entering treatment the total admissions for these clients were 13,773. In 2009, their overall admissions totaled 3,328. This represents 10,445 or 75% reduction in admissions and ***a cost avoidance for the city of a little over \$2,083,600*** from the previous Detox services provided to these individuals based on their Detox admissions one year pre-enrollment to treatment.
- Average Daily census for Denver CARES Detox is down to 63.5 persons in 2009 from a daily average census of 71.3 in 2005, the first year of Denver's Road Home. This has resulted in an 11% reduction since 2005 years.
- While first time admissions to Denver CARES are up, Denver's Road Home and Denver CARES are more systematic and collaborative at serving and housing the homeless to avoid using Detox as a substitute for housing. (*See Graph*)



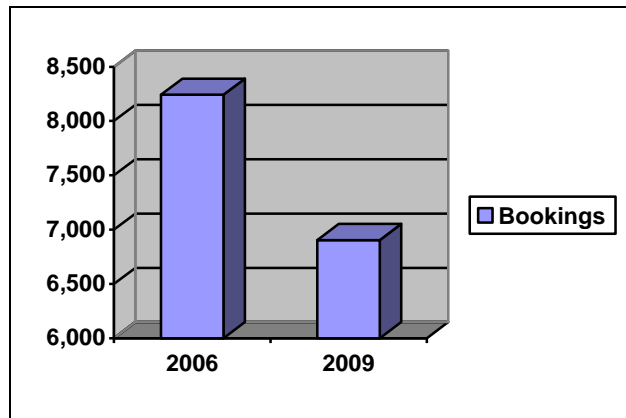
- Treatment: 25 homeless people who were the highest users of Denver CARES logged a cumulative total of 2,657 admissions, an average of over 100 nights.
- The daily cost per admission from Jan- June 2009 to Denver CARES is approximately \$200.
- There are **242** homeless clients who entered treatment **one year** ago which have shown a 69% reduction in Detox admissions during the past year. Admission for the 242 clients totaled 5,802 prior to entering treatment. After one-year of treatment, admissions for these clients were 1,776. This translates to a 4,036 difference in admissions. This represents *a cost avoidance for the city of a little over \$800,000* from the previous Detox services provided to these individuals based on their Detox admissions one year pre-enrollment to treatment.
- There are **145** clients who entered treatment **two years** ago which have shown a 74% reduction in Detox admissions during the past year. Admissions for the 145 clients who entered treatment two years ago totaled 4,808 prior to entering treatment. After two years post enrollment to treatment, admissions for these clients were 1,247. This translates to a 3,561 difference in admissions from two years ago. This represents *a cost avoidance for the city of a little over \$712,000* from the previous Detox services provided to these individuals based on their Detox admissions one year pre-enrollment to treatment.
- There are **59** clients who entered treatment **three years** ago which have shown an 84% reduction in Detox admissions during the past year. Admissions for the 59 clients who entered treatment three years ago totaled 3,163 prior to entering treatment. After two years post enrollment to treatment, admissions for these clients were 305. This translates to a 2,858 difference in admissions from three years ago. This represents *a cost avoidance for the city of a little over \$571,600* from the previous Detox services provided to these individuals based on their Detox admissions one year pre-enrollment to treatment.

Jail Census

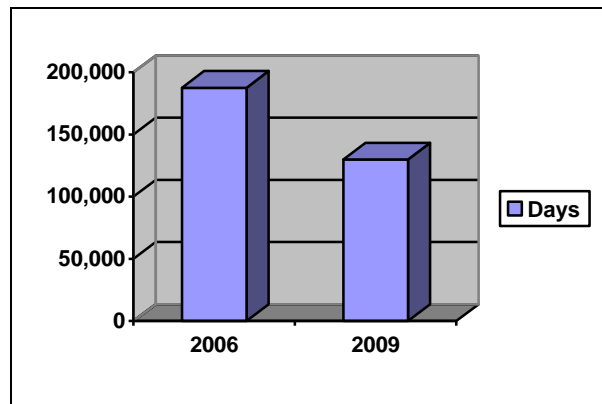
- Overall Jail Costs for Homeless Persons Have Gone from \$10,315,360 to \$7,143,015 with a cost avoidance of \$3,172,345; a 31% decrease in costs per year.



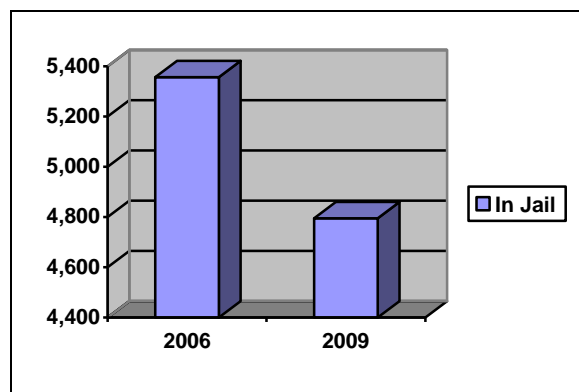
- Bookings of Homeless Persons have decreased 16% (down 1,338) from 8,242 in 2006 to 6,904 in 2008.



Length of Stay in Jail at \$55 per night of Homeless Persons is down 31% from 187,552 days to 129,873 days.



- The number of Homeless Persons in jail is down 10% (562 fewer persons) from 5,357 to 4,795.



County Jail

Between 2006 and 2008 significant shifts have occurred in the jail census among homeless persons; although causality cannot be attributed to any one specific intervention.

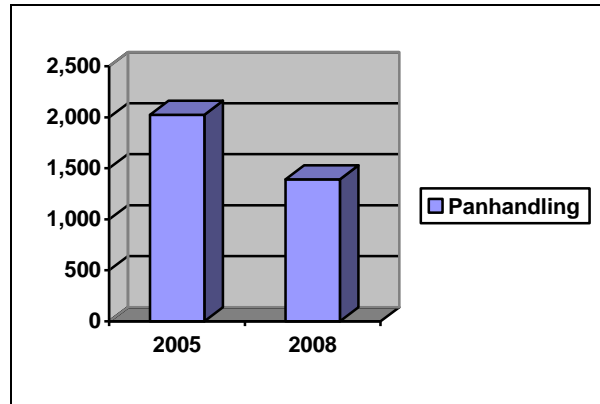
Panhandling

According to the Downtown Denver Partnership

Recent feedback from the Business Improvement District property owners indicated a concern about increasing panhandling activity. Ninety-four percent reported being panhandled or harassed by a stranger. Twenty percent indicated that panhandling was increasing downtown. For comparison, however, our summer survey of panhandling indicated a **reduction of 83% from 2002 to 2009**. In 2002, we noted an average of 36 panhandlers on the Mall. In 2009, we have noted six. However, this has increased from five last year.

Where We Are Now?

For Panhandling, police calls are down 13% since 2006 (from 1,598 to 1,392 and down 31% over four years). Of note here, in 2005, prior to the beginning of the education campaign launched by Denver's Road Home and the Downtown Denver Partnership and the beginning of our outreach contracts, 2,024 calls were made to police for panhandling.



Where Were We Four Years Ago?

Here are some of the comments that Visit Denver was receiving as a result of the growing numbers of homeless person's downtown:

July 2004: I was distressed, however, by the number of gypsies, tinkers, beggars, vagrants who approached us along the 16th Street Mall asking for money. I felt they outnumbered tourists. It reminded me of Times Square in the 1970s.

March 2005: Most Negative Aspect of Denver: "The 16th Street Mall, although a great idea and location. There needs to be something done about the homeless people asking for money. It has gotten very bad, especially at night."

June 2005: Of concern, however, to attendees as the visible vagrant population that often loiters in the 16th Street Mall area during peak dining and entertainment hours. While we certainly understand the challenges metropolitan cities face with vagrant populations, several attendees conveyed their discomfort and concern of this issue."

February 2006: Most Negative Aspect of Denver: "Homeless people - you have to do something about this! Everywhere you go outside of the hotel and convention center, you are being accosted by homeless people!"

Accomplishments

- Denver's Road Home remains on track to meet all of its existing goals objectives and outcomes.
- In the past four years in partnership with this community we have developed over 1,500 new units of housing for the homeless.

- We have prevented over 2,232 families from becoming homeless and 3,278 homeless people have obtained employment.
- The faith community continues to stand by our side, and four years later, we can proudly say that we have mentored 564 families out of homelessness in partnership with one another.
- And, in the midst of one of our most challenging economic climates, we have 500 new units of affordable housing in the pipeline that will be developed over the next two years!