The Department is requesting the Joint Budget Committee sponsor a bill to expand the use of marijuana funds for housing for individuals experiencing homelessness. The annual funding request is $12,319,900 from the Marijuana Tax Cash Fund with roll forward authority for each subsequent year.

**Problem or Opportunity:**

The State of Colorado has a homelessness crisis. The 2015 Point-in-Time reported that 9,953 individuals are homeless in Colorado. Of these individuals, 1,877 are chronically homeless, 950 are veterans and 737 are youth. In addition, the Department of Corrections (DOC) reports it releases on average 150 individuals monthly to homelessness, and the Department of Human Services (DHS) estimates 1,500 patients are homeless at any given time. Over the last three years, 160 youth have been discharged from the State’s Youth Correctional system to friends, shelters, or into homelessness. According to HUD studies, 40% to 50% of youth aging out of foster care can become homeless. In Colorado, this estimate could be as high as 100 youth for this past year. These youth are at a higher risk of becoming a second generation household in poverty and homelessness.

Proven solutions exist to solve this crisis. Safe affordable housing coupled with supportive services can end a person’s cycle of homelessness, prevent repeated incarcerations and limit hospitalization. The challenge for Colorado is insufficient housing with associated services to meet the demand. Investing in these types of programs can end homelessness for chronically homeless individuals, at-risk youth, ex-offenders, and homeless veterans. With the appropriate programs in place, individuals discharged from Colorado’s prisons will be offered transitional housing and employment services leading to stable employment and reduce recidivism.

The Colorado Plan to End Homelessness is a comprehensive approach across multiple state agencies to provide a combination of affordable housing and support services for the chronic and episodic individuals and families who are experiencing homelessness and high utilizers of state institutions and emergency systems. The five-year goal is to build 1,200 new permanent supportive housing (PSH) units and provide
supportive services to individuals who have languished in homelessness. This investment will increase the production of permanent supportive housing by 300 to 400 units annually. With 60% of participants successfully completing the program and moving into a state of independence, there is a potential to serve over 2,000 individuals and families in the first five years through PSH.

For Colorado’s most vulnerable residents, a home is the first step in obtaining adequate treatment and a new start on the path toward recovery. Homelessness exacerbates a person’s illness or addiction, causing the person to cycle through jails, detox, emergency departments, hospitalization, and prisons. Individuals living without housing are more likely to be arrested or hospitalized than their housed peers. For individuals at risk of homelessness or at risk of becoming entrenched in homelessness, expedited placement into permanent housing is the most cost effective and therapeutic solution.

**Proposed Solution:**

Beginning in FY 2017-18, the Department is requesting $12,319,900 per year from the Marijuana Tax Cash Fund to support, over the first five years of funding, the Department’s goal to build 1,200 new permanent supportive housing (PSH) units for chronically homeless individuals and 600 rapid rehousing (RRH) units with vouchers for individuals experiencing episodic homelessness. For both residents of PSH and RRH, the ultimate goal is to live as independent of supportive services and public subsidy as possible. The request includes 1.0 FTE that will provide oversight of the program whether through underwriting of newly constructed units or the administration of housing vouchers.

The length of housing assistance and the intensity of supportive services will vary based on individuals’ needs. The plan ultimately aims to reduce recidivism back to the criminal justice system, mental health institutions and homelessness for the state’s highest utilizers of those systems.

To address the continuum of need for our homeless neighbors, the Department of Local Affairs (DOLA, or the Department) is coordinating with state agency partners, including DOC, DHS, and the Governor’s Office, as well as other local and state partners (“the Colorado Homeless Partnership”) to provide an efficient and coordinated approach. The Department is requesting $12.3 million annually from marijuana taxes for this purpose. Currently, no causal link can be drawn from the legalization of recreational marijuana to an increase in our homeless population. The Department of Public Safety is currently engaged in a study to determine if such a causal link exists and what impact it is having on Colorado, but that study will not be completed until May or June of 2017. However, the nexus between working to end homelessness and the voter’s intent on taxing marijuana is clear. When voters sought to tax and regulate marijuana, they were looking for public health solutions to decrease drug abuse rather than relying on incarceration. Providing rapid rehousing and permanent supportive housing remains one of the most economically efficient ways to end the cycle of drug abuse and addiction (including marijuana use) amongst one of our most vulnerable populations, Colorado’s homeless.

Over the initial five years, the Colorado Homeless Partnership anticipates subsidizing the purchase or construction of 1,200 affordable **Permanent Supportive Housing (PSH)** units, and assisting approximately 600 individual/families through **Rapid Rehousing Housing (RRH)** assistance. It is important to note that RRH is a two year program, so as clients transition to market rate or other affordable
housing, new clients will be served. The aim is to reduce the length of hospitalization, reduce recidivism in state prisons and reduce multiple stays in county jails, end homelessness for veterans and chronic homeless, and reduce homelessness for at-risk youth. As demonstrated in the assumptions and calculations section, the anticipated cost avoidance is expected to range between $161 million$^{1}$ to $206 million$^{2}$ over the first five years, averaging between $32 million$^{3}$ and $41 million$^{4}$ annually. Although these savings are based on specific studies as footnoted, there are over 20 studies that have been conducted in the last 15 years on PSH projects that further validate these estimates.

**Rapid Rehousing**

The Rapid Re-Housing (RRH) model expedites the process of connecting households experiencing homelessness to permanent housing options through a client-centered support system that offers rental assistance for up to two years and targeted supportive services in order to solve the practical and immediate challenges to obtaining permanent housing. The model reduces the amount of time individuals experience homelessness and the rate of return to homelessness by creating linkages to community resources that enable them to achieve long-term housing stability. The rental assistance gives each participant the option to find housing close to a job or school.

RRH is most effective for individuals who need extra assistance and time to stabilize their lives through connection to community services and employment. Individuals reentering the community from a correctional facility with minimal mental illness have a higher probability of successfully living independently if given temporary support during their transition. Of the 1,800 inmates released annually who may become homeless, DOC estimates that 540 individuals have minimal mental illness and present at least a medium risk of re-incarceration. This population would be ideal for RRH temporary housing assistance. Families and at-risk youth can benefit from RRH as it helps them stabilize their financial situation without spiraling further into homelessness. This model has also been extremely effective for veterans and their families.

**Permanent Supportive Housing**

Permanent Supportive Housing (PSH) is permanent affordable, community-based housing that provides tenants with intensive supportive services. Residents of PSH are mostly permanently disabled and more than likely to qualify as chronically homeless. This housing is primarily for dual diagnosed individuals and at-risk youth with mental health disabilities, substance abuse disorders or special needs who lack stable housing or are at risk of becoming chronically homeless. The five-year plan would increase the number of PSH units and enhance the supportive services within existing PSH residences. Each community would be served by full-time case management personnel, with mental health and/or substance abuse treatment available from Medicaid health care providers.

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2. Flaming, Daniel; Lee, Susan; Burns, Patrick; and Sumner, Gerald. Getting Home: Outcomes from the Housing High Cost Homeless Hospital Patients: 2013 study conducted by the Economic Roundtable and Corporation for Supportive Housing.
4. Flaming, Daniel; Lee, Susan; Burns, Patrick; and Sumner, Gerald. Getting Home: Outcomes from the Housing High Cost Homeless Hospital Patients: 2013 study conducted by the Economic Roundtable and Corporation for Supportive Housing.
The combination of RRH and PSH offers Colorado a continuum of housing and supportive services for people struggling with homelessness. It enables the state to tailor the solution to the individual in an effective and efficient way.

Results First on PSH and RRH:
PSH for chronically homeless individuals is considered evidence-based by Results First standards. Most of the studies reviewed by the Washington State Institute for Public Policy looked at Housing First programs, which provide independent apartments where participants hold the lease but receive subsidies to pay rent. These programs don't have specific requirements for abstinence or treatment; however, these programs typically provide intensive case management and services. PSH targets several outcomes to varying degrees of effectiveness, but its largest impact is on reducing homelessness. Although the program significantly reduces homelessness, homelessness is not an outcome that can be monetized through the Results First model.

RRH is not considered evidence-based by Results First standards, and for our project a program is only considered a promising practice if it is listed in the Pew-Results First database, which RRH is not. The program is so new that the long-term impacts of RRH are still being studied, but initial research indicates that people assisted by rapid re-housing experience higher rates of permanent housing placement and similar or lower rates of return to homelessness after the assistance ends compared to those assisted by transitional housing or who only receive emergency shelter. (Source: https://www.hudexchange.info/resources/documents/Rapid-Re-Housing-Brief.pdf) As soon as the long-term impact studies are published, RRH will be considered an evidence-based program. Colorado Results First recommends including evaluation dollars in this request and is available to assist with evaluation planning.

Referral Process:
The Department will work closely with the DOC and DHS to coordinate a referral system for the highest utilizers who are at risk of becoming homeless at the time of discharge. Currently, the Department has existing referral systems in place with DOC and DHS for smaller housing programs. DOC identifies the eligible individuals through a standard assessment and refers them to the supportive service providers at the partnering community mental health centers. With DHS, the Department partners closely on vouchers for homeless youth who have participated in the child welfare system as well as adults exiting the state psychiatric hospitals into homelessness. DHS is responsible for identifying the eligible individuals and makes the referral to the Department or our community partners for the housing assistance.

Once the Department and mental health center have collectively agreed upon the targeted population, the eligibility criteria and the referral process, the mental health center begins to refer individuals to the Department. For each referral, the Department approves a rental voucher, identifies available housing, and pays the landlord. The mental health center provides the ongoing support for these individuals. A priority is given to individuals who have a history of homelessness and are high utilizers of state jails, prisons, emergency departments and/or other institutional systems, as well as high Medicaid usage.
The overall goal of the Colorado Plan to End Homelessness is to make homelessness rare, brief and non-recurring. The anticipated cost avoidance for breaking this cycle of homelessness ranges between $160 million\(^5\) to $206 million\(^6\) over the first five years, averaging between $32 million\(^7\) and $41 million\(^8\) annually. This reduction will come through reduced recidivism in prisons, fewer recurrent stays in jail, fewer readmissions to state hospitals and emergency rooms, and reduced unemployment cost. The potential for greater cost avoidance exists if housing is maintained for former inmates who are mentally ill.

This type of solution does exist in Colorado and many other states. However, this scale of PSH linked to persons discharged from state institutions is not available in Colorado or in other states. It is not a new service, but it is and substantial expansion of PSH inventory and supportive services for persons discharged directly from prisons and/or cycling through homelessness.

### Anticipated Outcomes:

**Participant Outcomes:**

Residents of PSH are mostly permanently disabled and more than likely to qualify as chronically homeless. The first year measurements include acquiring “safety net” benefits for housing, food, and disability assistance when eligible. In subsequent years their success is measured by maintaining their housing, achievement of educational/vocational certifications, a reduction in medical and criminal justice costs, and reduction of substance abuse, if appropriate. The following will be specific measures of this program:

- Reduction in recidivism to state prisons, psychiatric hospitals or homelessness.
  - Measured by the reduction in length of time and number of times returning to systems.
- Analysis of Medicaid claims data to evaluate the changes in cost and type of utilization (i.e. emergency system usage compared to primary care).
- Length of stay in stable housing compared to shelter stays.

Residents of RRH will primarily be episodically homeless; this is the proverbial “revolving door” scenario as those individuals revolve between homelessness and state institutions. Once housed, the measure of success will be reduction of any substance abuse, attendance and completion of educational/vocational training, increasing income, including securing employment, leasing unsubsidized housing, and a reduction in the medical and criminal justice costs. Specific measure of this program include:

- Length of stay in stable housing.
- Educational and vocational achievement levels.
- Securing employment and length of employment.
- Reunification with family or attainment of independent living.

For both residents of PSH and RRH, the ultimate goal is to live as independent of supportive services and public subsidy as possible. In the case of the permanently disabled person, the goal is to reduce instability

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\(^5\) [http://www.coloradocoalition.org/userfiles/housing/denver_housing_first_study.pdf](http://www.coloradocoalition.org/userfiles/housing/denver_housing_first_study.pdf)

\(^6\) Flaming, Daniel; Lee, Susan; Burns, Patrick; and Sumner, Gerald. Getting Home: Outcomes from the Housing High Cost Homeless Hospital Patients. 2013 study conducted by the Economic Roundtable and Corporation for Supportive Housing.

\(^7\) [http://www.coloradocoalition.org/userfiles/housing/denver_housing_first_study.pdf](http://www.coloradocoalition.org/userfiles/housing/denver_housing_first_study.pdf)

\(^8\) Flaming, Daniel; Lee, Susan; Burns, Patrick; and Sumner, Gerald. Getting Home: Outcomes from the Housing High Cost Homeless Hospital Patients. 2013 study conducted by the Economic Roundtable and Corporation for Supportive Housing.
in order to maintain housing and stabilize health and behavior. For the episodically homeless person, the goal is to reduce this dependence by 60%. The primary measure of success for an independent life is the reduction of recidivism to prison, readmission to state hospitals, and an end to homelessness. This effort will also strive to end both veteran and youth homelessness.

State funds for construction can leverage private and other public investments. In addition to state funding, other sources include: 1) property operations, such as utilities and maintenance staff, will be funded by income from tenant-paid rent and housing voucher rental subsidies; 2) supportive services will be paid through Medicaid and other entitlements; and 3) building construction will primarily be funds by federal tax credits and grants, low interest loans, and private debt. As residents secure federal rental vouchers such as Section 8 and Shelter + Care the state’s subsidy of rental assistance will decline.

**Lead Agencies for the Five-Year Strategic Plan**

The Colorado Homeless Partnership includes the Governor’s Office, the Departments of Local Affairs, Human Services, Corrections, Health Care Planning and Finance and the Colorado Housing and Finance Authority, local governments, and the state nonprofit homeless providers.

The Department will work with DOC and DHS to develop benchmarks for measuring the impact of prison recidivism and state hospital readmissions. The goal is reduction in both benchmarks. Success will be measured by analyzing the cost benefit of this annual investment compared to the cost of incarceration and hospital care. This request is linked to the Department’s strategic goal reducing homelessness and increasing the supply of affordable housing.

One of the populations served by this effort is homeless veterans, which is a Vision 2018 goal. The Department has applied and received over 400 new HUD VASH rental vouchers for homeless veterans. The Department will be applying again this year for at least 50 additional vouchers. These vouchers can be used for homeless veterans referred by the U.S. Department of Veterans Affairs (VA) to the Department. We will work with the VA to begin to link this assistance to veterans being discharged from state institutions. This effort may also include the vision goals of other departments.

Based on a $12.3 million annual budget, the Department expects to invest $39 million on acquisition and housing new construction in the first five years. This investment is expected to leverage nearly $330 million of non-state funds. Since this initiative has a start-up construction phase and non-profit agency capacity build-up, the analysis is based on the first five years of operation.

**Public Cost Avoidance:**

The first study to quantify the public costs associated with homeless people before and after supportive housing placement was published in 2001. It is often referred to in shorthand as “The Culhane Report.” Dozens of studies have since quantified the ways homeless people with disabilities utilize various public systems, including hospitals, emergency rooms, psychiatric hospitals, shelters, jails and prisons. Some studies explore the “targeting” of resources. These interventions place individuals who typically overuse specific systems into supportive housing and track their use of those systems before and after housing. Other studies quantify tenants’ use of multiple systems before and after placement. All studies, however,
point to the same conclusion: 1) Leaving vulnerable individuals and families homeless costs a surprising amount of public dollars; and 2) Providing these same people with supportive housing saves enough money to pay for their housing at the very least.

Below are summaries of several relevant studies and their findings:

- In 2001, the Culhane Report\(^9\) assessed the impact of public investment in supportive housing for homeless persons with severe mental disabilities. Data on 4,679 people placed in such housing in New York City between 1989 and 1997 were merged with data on the utilization of public shelters, public and private hospitals, and correctional facilities. Results reveal that persons placed in supportive housing experience marked reductions in shelter use, hospitalizations, length of stay per hospitalization, and time incarcerated. Before placement, homeless people with severe mental illness used about $40,451 per person per year in services (1999 dollars). Placement was associated with a reduction in services use of $16,281 per housing unit per year.

- In 2006, the Colorado Coalition for the Homeless’ Cost Benefit Analysis Study\(^10\) focused on examining the actual health and emergency service records of a sample of participants in Denver, Colorado for the 24 month period prior to entering the program and the 24 month period after entering the program. The findings document an overall reduction in emergency services costs for the sample group. The total emergency related costs for the sample group declined by 72.95%, or nearly $600,000 in the 24 months of participation in the program compared with the 24 months prior to entry in the program. The total emergency cost savings averaged $31,545 per participant.

- In 2012, Supportive Housing for Returning Prisoners Program\(^11\) in Ohio reported on the findings of its pilot project. The study tracked 121 participants who lived in supportive housing after release and 118 who did not. Those in supportive housing were 43% less likely to be re-arrested on misdemeanor charges (though there was no difference in the likelihood of felony arrests), and were 61% less likely to be re-incarcerated one year later.

- In 2013, a pilot study of the Impact of Housing First Supported Housing for Intensive Users of Medical Hospitalization and Sobering Services\(^12\) was completed in Seattle. Participants showed a significantly greater reduction in emergency department and sobering center use relative to the comparison group. At a trend level, participants had greater reductions in hospital admissions and jail bookings. Reductions in estimated hospital and jail costs between the program participants and the comparison group members were $62,504 and $25,925 per person per year—a difference of $36,579.

- Also in 2013, a study on housing the highest hospital utilizers, Getting Home: Outcomes from Housing High Cost Homeless Hospital Patients\(^13\), estimated the cost savings impact of housing.

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\(^9\) ScholarlyCommons: http://repository.upenn.edu/spp_papers/65

\(^10\) http://www.coloradocoalition.org/userfiles/housing/denver_housing_first_study.pdf


\(^12\) https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3558756/pdf/AJPH.2012.300867.pdf

\(^13\) Flaming, Daniel; Lee, Susan; Burns, Patrick; and Sumner, Gerald. Getting Home: Outcomes from the Housing High Cost Homeless Hospital Patients:2013 study conducted by the Economic Roundtable and Corporation for Supportive Housing.
Specifically, a group of the top 10% of homeless patients with the highest public and housing costs was followed after they obtained permanent supportive housing. The estimated average annual cost for the patients when they were homeless was $63,808 and once in housing was $16,916, for a gross cost avoidance of $46,895. When taking into consideration paying for the subsidized housing, the net cost avoidance is estimated to $40,377.

- In 2014, The Cost of Long-Term Homelessness in Central Florida\textsuperscript{14} studied a cohort of 107 chronically homeless individuals. The study calculated that the average annual cost to be homeless and cycling in and out of incarceration, emergency rooms and inpatient hospitalizations was $31,065 per person per year. Housing for this same group would similarly cost an average of $10,051 per person per year for a savings of $21,014.

- Corporation for Supportive Housing (CSH), compiled 20 studies published between 2002 and 2014 from across the country that were conducted on chronically homeless, high utilizers accessing permanent supportive housing. The average annual cost per person while homeless was $67,209 per person. Once housed, the average annual cost reduction was $40,474 per person.

- A study released by Enterprise Community Partners in February 2016, is one of the first studies that directly assessed the impact of health care costs when low-income individuals move into affordable housing. Not only did many residents report improved access to care, but there was an overall reduction in emergency department usage by 37% in the first year after people moved into permanent supportive housing, and they accumulated lower medical costs overall.\textsuperscript{15}

Specific costs in Colorado include:

- $666\textsuperscript{16} per day or $243,090 per year for a bed at Colorado’s state psychiatric hospitals.
- $56.02 per day or $20,447 per year is spent per inmate in Colorado correctional facilities. This amount is double for inmates with severe mental illness. Each month an estimated 150 former inmates become homeless upon discharge.
- At least $175 per day or $63,808\textsuperscript{17} per year is spent by public agencies on detox, jails, and emergency rooms for the chronic homeless living on the street. Over 60% struggle with a significant mental illness and/or substance use\textsuperscript{18,19}.
- Homeless youth are the front door of chronic homelessness. According to Colorado’s Close to Home campaign, for every homeless youth who becomes financially independent, a community saves an average of $250,000 over a person’s lifetime.

\textsuperscript{15} Saul, Amanda, Senior Program Director, Enterprise Community Partners, Inc.; Weller, Maggie, MS, Project Manager, Center for Outcomes Research and Education; and Vartanian, Keri, PhD, Associate Research Scientist, Center for Outcomes Research and Education. Health in Housing: Exploring the Intersection Between Housing and Healthcare. February 2016. (Page 20)
\textsuperscript{16} Figure received from Colorado Department of Human Services, Office of Behavioral Health
\textsuperscript{17} Getting_Home_2013 study conducted by the Economic Roundtable
\textsuperscript{18} Allday, Erin. The streets’ sickest, costliest: the mentally ill. San Francisco Chronicle, June 29, 2106.
With each of these “cost centers,” a reduction in the number of inmates and patients will impact future cost. For DOC, the goal is a reduction in recidivism leading to the need for construction of additional prisons. For DHS, the goal is a reduction in the readmissions of patients and the need to construct more psychiatric hospitals or additional beds.

The outcomes will be evaluated by utilizing existing metrics for similar programs currently administered by the Department. Currently, the Fort Lyon evaluation study is underway and being administered by both the Department and the State Auditor’s Office. This evaluation will include an assessment of the success of permanent supportive housing for dual diagnosed homeless individuals. This assessment could apply to the populations targeted by this proposal.

The five-year goal of this proposal is to end homelessness for veterans and chronically homeless and reduce homelessness for at-risk youth. An annual funding commitment provides sufficient rental subsidy, case management, and employment/skill development for these households. The RRH program is designed to graduate participants to independence through continuing education, job skills, and steady employment. For the permanently disabled, graduation leads to a federal housing voucher and support for an independent life in a PSH community. Ultimately, a long term investment would result in systems cost savings and reduce homelessness for Colorado’s highest utilizers of emergency systems and state institutions. This includes making homelessness rare, brief and non-recurring, especially for chronically homeless individuals and veterans. Through the ongoing investment of this proposal, Colorado could close the front door of homelessness for persons existing state institutions, veterans, and at-risk youth.

**Assumptions and Calculations:**

The following is a snapshot of the first five years of this ongoing request. A five year time frame is used to forecast the long term cost, the annual housing production, and the transition of residents from state to federal housing vouchers. The calculated per unit subsidy to construct or acquire and renovate affordable housing property is estimated to be $24,000 in Year One and increase 5% per year given increases in labor, construction materials, and land.

RRH units will be used to house referrals from DOC. The total number of RRH in this five year period is 600. This inventory will be used as transitional housing for DOC referrals for up to two years as they secure their education/job skills, employment, and lease housing on the open market.

The PSH is for referrals from both DOC and DHS. This housing is permanently affordable. Since many of these will be newly constructed the plan is to complete 100 in the first year and increase the inventory by 1,200 within five years. As described below, a goal of this proposal is to transition each of these residents onto federal rental assistance programs, such as Housing Choice Vouchers (Section 8), Family Unification Program (FUP), VA Supportive Housing (VASH), or Shelter Plus Care. The annual housing production capacity of this proposal is at least 300 units. We believe the annual development capacity of Colorado developers building PSH is about 400.

Rents for all the properties are estimated to cost $650/month. The total annual cost is calculated for each year. The Rent Subsidy Offset is the amount of anticipated federal vouchers issued for each of the
residents. Given the demand for these vouchers we conservatively estimated to number that can be secured each year. The goal by Year Five is the issuance of a Section 8 voucher for each resident of the PSH.

Case management for residents of both communities is projected to be a 30 to 1 ratio. The average salary with benefits is $55,000 annually. Residents of the RRH will be supported by three employment counselors.

The total funding for each year is at the bottom of the budget. The Department is requesting roll forward authority for each year, not to exceed the five year total of $61,599,500. The requested ongoing annual funding amount would be $12,319,900. The Department requests that funding for this request be approved in the Division of Housing, Affordable Housing Grants and Loans line item. That will provide the Department with flexibility to balance the program spending with the varying housing needs of people faced with homelessness – whether it be grant or loan funding to produce new supportive housing stock, or housing vouchers when the housing stock is adequate to absorb vouchers efficiently. This market responsiveness allows the program to operate most efficiently.

**Five-year Budget and Cost Assumptions:**

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<th>Year 4</th>
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**Rapid Rehousing**

| Case Management      | $330,000 | $550,000 | $550,000 | $550,000 | $550,000 | staff ratio 30:1 |
| Rental Assistance    | $1,560,000 | $2,340,000 | $2,340,000 | $2,340,000 | $2,340,000 | $650/mo |

**PSH**

| Case Management      | $165,000 | $825,000 | $1,100,000 | $1,650,000 | $2,200,000 | staff ratio 30:1 |
| Rental Assistance    | $780,000  | $2,340,000 | $4,680,000 | $7,020,000 | $9,360,000 | $650/mo |
| Employment Counselor | $130,000  | $130,000 | $195,000 | $195,000 | $195,000 | staff ratio 100:1 |
| Admin/Training/Evaluation | $200,000 | $225,000 | $250,000 | $275,000 | $300,000 | |
| Total Cost           | $10,365,000 | $13,970,000 | $17,053,000 | $20,364,900 | $23,696,600 | |
| Rent Subsidy Offset  | $450,000  | $1,350,000 | $4,050,000 | $7,200,000 | $10,800,000 | $750/mo |
| # of vouchers        | 50        | 150     | 450     | 650     | 1,200   | |
| Total MJ funding     | $9,915,000 | $12,620,000 | $13,003,000 | $13,164,900 | $12,896,600 | $61,599,500 |
The total number of FTE for this program is 1.0 FTE. Pursuant to Section 24-32-721, the Department will spend up to 3% for the administration of the program.

Cost Avoidance Assumptions:

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Cost Avoidance Estimates

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<td>CCH 2006 cost savings</td>
<td>$31,545</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual cost savings</td>
<td>$9,463,500</td>
<td>$18,927,000</td>
<td>$31,545,000</td>
<td>$44,163,000</td>
<td>$56,781,000</td>
</tr>
<tr>
<td>Cumulative</td>
<td>$9,463,500</td>
<td>$28,390,500</td>
<td>$59,935,500</td>
<td>$104,098,500</td>
<td>$160,879,500</td>
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