



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Memorandum

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TO: Interested Persons
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Introduction

Homelessness affects thousands of individuals and families across Colorado. Among U.S. states, Colorado has the 8th highest number of residents experiencing homelessness.¹ This memorandum describes the scope of homelessness in the state and provides an overview of the programs and resources available to Colorado’s unhoused population.

Understanding Homelessness in Colorado

More than 14,000 Coloradans experience homelessness on any given night according to the [2023 Point in Time Count](https://www.hudexchange.info/resource/3031/pit-and-hic-data-since-2007), an annual snapshot measurement of homelessness conducted nationwide.² This population includes individuals, families, youth, and veterans. While White individuals and persons aged 35 to 44 make up significant portions of the unhoused population, people of color are disproportionately represented in the data and homelessness impacts people of all ages. Among children in the state, about 18,000 students were identified as homeless at some point during the 2022-23 school year, according to the Colorado Department of Education (CDE).³

¹ <https://www.hudexchange.info/resource/3031/pit-and-hic-data-since-2007>

² <https://www.hudexchange.info/programs/coc/coc-homeless-populations-and-subpopulations-reports>

³ https://www.cde.state.co.us/studentssupport/homeless_data



The number of people experiencing homelessness in Colorado has also varied over time, with the total population rising by 39 percent and family homelessness rising by 69 percent from 2022 to 2023.⁴ While much of the population is concentrated in the Denver metro area, individuals and families across the state experience homelessness. Four regional coordinating bodies collect [data on homelessness](#) within their regions each January.⁵

The four regional coordinating bodies also track the [availability of shelter and housing in the state](#) for persons experiencing homelessness, including the number of beds available through emergency shelters and transitional or permanent housing programs. According to the regional coordinating bodies, Colorado had about 23,000 beds available year round in 2023, including about 6,000 emergency shelter beds, 3,100 transitional housing placements, and 13,500 permanent/supported housing placements. Of the 14,000 individuals experiencing homelessness during the 2023 count, approximately 36 percent (5,000 people) were unsheltered, which means sleeping in places not designed or used as regular sleeping accommodation (outdoors, abandoned buildings, train stations, or camping grounds).⁶

While these counts help to understand the scope of homelessness in the state, they may underestimate the situation. This underestimation may occur due to the transient nature of homelessness, variation in data collection practices among regional bodies, and the possibility that individuals staying with family, in hospitals, or in jails may not be counted. Despite these limitations, the data can be useful for understanding the trends, scope, and distribution of homelessness, which can aid in policy development and the allocation of state resources.

Assistance for Persons Experiencing Homelessness

Local governments and community organizations, including nonprofits, shelters, and food banks, are the primary providers of services to persons experience homelessness. These programs are supported by federal and state funding to carry out their work, as well as local funding, donations, grants, and other sources. The following sections provide more detail about services and assistance available for persons experience homelessness, the key federal and state funding sources that support these services, and the various programs dedicated to serving specific populations at risk of homelessness.

⁴ https://www.coloradocoalition.org/sites/default/files/2024-01/2023%20StateOfHomelessness_CCH_F_0.pdf

⁵ <https://www.hudexchange.info/programs/coc/coc-homeless-populations-and-subpopulations-reports>

⁶ https://www.coloradocoalition.org/sites/default/files/2024-01/2023%20StateOfHomelessness_CCH_F_0.pdf



Types of Assistance

Housing support for homeless individuals and are often provided at the community level by nonprofit organizations, local governments, and other service providers. These organizations provide different type of housing and support interventions that are designed to meet both an individual’s immediate and longer-term needs. Emergency or temporary housing, like homeless shelters, offer short-term housing and basic necessities to individuals, while transitional housing provides longer-term housing of up to 24 months along with supportive services to promote interim stability and the transition to more permanent housing, such as job training, substance use support, and health care. Permanent housing or permanent supportive housing provides long-term housing to homeless individuals often with supportive services to help achieve and maintain housing stability.

A common policy approach used by communities and organizations to address homelessness is the “Housing First” approach. This approach prioritizes providing stable housing as the first step of care, which is then followed by providing services that can address the underlying issues and contributing factors to homelessness, such as substance use disorders and mental or behavioral health issues. Rapid rehousing interventions are a type of Housing First approach, which rapidly connects an individual with permanent housing to reduce the amount of time the person is homeless. Finally, interventions can also include providing supportive services to individuals that are experiencing homelessness without a housing component.

Federal and State Funding

Local government and community programs often rely on federal and state funding streams to support their homelessness efforts. The U.S. Department of Housing and Urban Development (HUD) is the main federal agency that provides funding and guidelines for state and local policies around homelessness. The Continuum of Care program (CoC) provides grants to communities and organizations for permanent and transitional housing solutions, supportive services, and homelessness prevention activities. Similarly, the Emergency Solutions Grant Program (ESG) provides grants for emergency shelters and homelessness prevention activities including outreach, rental assistance, and rapid rehousing efforts. In 2023, Colorado received about \$39.8 million in CoC funding and \$3.2 million in ESG funds.⁷ Beyond these programs, other federal funding streams—for instance those related to education and child welfare—also play a role in addressing homelessness by providing assistance to vulnerable populations.

⁷ HUD Awards and Allocations, <https://www.hudexchange.info/grantees/allocations-awards>.



At the state level, the state General Fund can be allocated to support homelessness efforts, such as the state housing voucher program that provides long-term housing assistance to low-income individuals. The state can also direct certain federal funding streams towards addressing homelessness, such as the use of federal coronavirus relief funds to expand the number of affordable housing options in Colorado under [House Bill 22-1304](#).⁸

Colorado also uses tax policy to encourage support for homelessness services and organization. [House Bill 22-1083](#) established the Colorado Homelessness Contribution Income Tax Credit in DOLA, which incentivizes taxpayers to contribute to homelessness-related projects by providing a state income tax credit.⁹ Voters have also approved [Proposition 123](#), which allocates a portion of state income tax revenue to both affordable housing and homelessness prevention efforts.¹⁰ Additionally, the state generates revenue through a voluntary income tax check-off and applies it towards homelessness prevention services, which generated about \$270,000 to the Homeless Prevention Activities Program Fund in tax year 2023.¹¹

Youth and Family Initiatives

Ensuring access to education for homeless youth is a key initiative in the state. The Colorado Department of Education (CDE) implements the federal [McKinney-Vento Homeless Assistance Act](#), which ensures students without stable housing, including qualifying migrant students, can access education by providing transportation, coordinating services, and connecting students with other resources.¹² CDE's Education Stability Grant Program, created by [House Bill 18-1306](#), provides funding for educational services and supports to help highly mobile students maintain consistency in their education.¹³ The Healthy School Meals for All program in the CDE, created by [House Bill 22-1414](#), provides free meals to all students, which is a critical resource for youth experiencing homelessness.¹⁴

⁸ <https://leg.colorado.gov/bills/hb22-1304>

⁹ <https://leg.colorado.gov/bills/hb22-1083>

¹⁰ <https://cdola.colorado.gov/about-proposition-123>

¹¹ <https://leg.colorado.gov/content/income-tax-checkoffs>

¹² <https://nche.ed.gov/legislation/mckinney-vento/>

¹³ <https://leg.colorado.gov/bills/hb18-1306>

¹⁴ <https://leg.colorado.gov/bills/hb22-1414>



As students transition to higher education, federal financial aid and state-funded programs and resources provided through the Department of Higher Education (DHE) help homeless youth continue to access education. For instance, [House Bill 24-1403](#) created a financial aid program in the DHE specifically for students who have experienced homelessness.¹⁵

Youth are further supported through the Next Step 2-Gen Rapid Re-Housing program in the Department of Local Affairs (DOLA), which provides assistance, rent subsidies, and case management services to families with school-aged children experiencing homelessness to help them remain in their schools. DOLA also provides a stipend to host homes, which are private households that provide short-term housing to youth experiencing homelessness, to allow them to stay in their schools and communities. According to [DOLA](#), 138 students were provided with rapid re-housing assistance and 10 youths were provided housing through host homes in 2022 and 2023.¹⁶

Beyond education initiatives, the [Chaffee Foster Care Program for Successful Transition to Adulthood](#) in the Colorado Department of Human Services (CDHS) assists current and former foster care youth in transitioning to adulthood successfully and avoiding homelessness by helping them in education, employment, housing, and other areas.¹⁷ Similarly, the [Family Unification Program](#) in DOLA aims to prevent homelessness by working with the Division of Child Welfare in the CDHS to provide housing vouchers, so families can secure housing to maintain or regain custody of their children.¹⁸

Veterans and Formerly Incarcerated Individuals

Colorado has specific programs available for individuals who may be at a higher risk for experiencing homelessness, such as veterans and those released from incarceration. The Veteran Affairs Supportive Housing Program, a federal program overseen by DOLA provides housing vouchers, rental assistance, case management, and clinical services to help homeless veterans secure and maintain housing. The federal Supportive Services for Veteran Families (SSVF) program also provides grants to organizations that offer supportive services to low-income

¹⁵ <https://leg.colorado.gov/bills/hb24-1403>

¹⁶ https://leg.colorado.gov/sites/default/files/images/dola_smart_act_development_and_vouchers_in_fy23_1.pdf

¹⁷ <https://cdhs.colorado.gov/colorado-chaffee-program>

¹⁸ <https://doh.colorado.gov/housing-voucher-programs>



veterans that are at-risk of or currently experiencing homelessness. Approximately \$20 million in federal grant funds were distributed to communities in Colorado through the SSVF program.¹⁹

Colorado's Department of Military and Veteran Affairs (DMVA) maintains a resource database and has county-level Veterans Service Offices that connect veterans to local and federal assistance they are eligible to receive.²⁰ The DMVA also oversees the federal grant programs that increase the services and supports available in the state for veterans at risk of becoming homeless. Additionally, the Department of Labor and Employment (CDLE) gives priority to veterans at all Colorado Workforce Centers for employment assistance and training.²¹

Lastly, the Department of Corrections provides case management and support services to help an offender's transition back to the community, including housing, transportation, and employment support.²² The Division of Adult Parole collaborates with community-based organizations, such as the Work and Gain Education and Employment Skills (WAGEES) program, that provide additional resources and support services for individuals on parole, including shelters throughout the state, transitional houses and sober living homes, and organizations that can provide meals, transportation, and other basic needs.²³ Additionally, the division focuses on homelessness prevention by providing pre-release transition planning, helping individuals navigate benefits, and ensuring continuity of care for those who require treatment after their release.

Housing and Rental Assistance

Rental and housing assistance programs are critical in helping individuals and families secure stable housing and avoid homelessness. One of the most widely recognized forms of rental assistance is Section 8, a federal program that provides housing vouchers to low-income individuals to help subsidize their housing costs. In addition, DOLA implements state-funded emergency rent assistance and housing voucher programs that also subsidize housing costs for certain target populations. DOLA's [2023 SMART Act Report](#) shows that approximately \$13.1 million was used to house 1,500 households through State Housing Vouchers, with 36 percent of those funds serving individuals facing disabilities, chronic homelessness, and

¹⁹ https://www.va.gov/HOMELESS/ssvf/docs/FY25_SSVF_Grant_Awards.xlsx

²⁰ <https://vets.colorado.gov/>

²¹ <https://cdle.colorado.gov/jobs-training/veterans>

²² <https://cdoc.colorado.gov/parole-and-re-entry-services/community-based-services/community-re-entry-specialists>

²³ <https://wageesco.org/>



complex barriers to housing stability.²⁴ In addition to vouchers, [House Bill 22-1377](#) created the Connecting Coloradans Experiencing Homelessness with Services, Treatment, and Housing Supports Grant Program in DOLA, which provided approximately \$51 million in grants to local governments and nonprofits to reduce homelessness through providing community-based housing efforts, like transitional housing, rapid re-housing, and emergency shelter.²⁵

Additionally, as mentioned above, Proposition 123 directs a portion of annual income tax revenue towards various affordable housing programs and homelessness efforts. These programs, carried out by DOLA and the Office of Economic Development and International Trade (OEDIT), provide homeownership and rental support, build local government capacity for affordable housing development through processing, land use, permit, and zoning application assistance, and support land banking, equity, and debt investment to advance affordable housing. In FY 2024-25, approximately [\\$327 million](#) was generated to support these programs.²⁶

Increasing the Supply of Affordable Housing

Increasing the supply of affordable housing is essential to reducing homelessness because it provides low-income individuals and families with access to secure and stable housing. Federal and state funding support various programs and initiatives that increase the amount of affordable housing options in Colorado.

Programs to Promote Affordable Housing

Federally funded programs, such as the Home Investment Partnership Program (HOME) and the National Housing Trust Fund Program (HTF), provides grant funds to state and local governments and private developers to expand the supply of affordable housing. In 2023, Colorado received approximately \$19.5 million in HOME grants and \$5.6 million through HTF.²⁷

At the state level, DOLA administers several programs that provide funding and grants to local governments and contractors developing affordable housing. For instance, [House Bill 22-1304](#) created two affordable housing grant programs in DOLA that were largely funded by federal coronavirus recovery funds, while [Senate Bill 22-159](#) created a state loan program that provides flexible, low-interest, and below-market-rate loan funding to support investments in affordable

²⁴ https://leg.colorado.gov/sites/default/files/images/dola_smart_act_development_and_vouchers_in_fy23_1.pdf

²⁵ <https://leg.colorado.gov/bills/hb22-1377>

²⁶ https://leg.colorado.gov/sites/default/files/fy2025-26_lochrg.pdf#page=10

²⁷ [HUD Awards and Allocations, https://www.hudexchange.info/grantees/allocations-awards.](https://www.hudexchange.info/grantees/allocations-awards)



housing.²⁸ Additionally, a portion of Proposition 123 funding, as discussed above, is allocated to support affordable housing development. Information on the various state funding opportunities available for affordable housing developers can be found on the [Division of Housing Funding Opportunities page of DOLA's website](#).²⁹

Colorado has also implemented tax credits and other policies to incentivize affordable housing development. Colorado's Affordable Housing Credit Tax Credit, created in 2001, provides an income tax credit to developers of low-income housing. The Colorado Housing and Finance Authority (CHFA), a non-state entity created by the General Assembly in 1973, issues these tax credits to qualified taxpayers, with the state legislature setting the total amount of credits available each year. CHFA also helps homebuyers achieve homeownership and invests in affordable housing and community development.³⁰

Recent legislation has highlighted the state's continued efforts towards increasing the supply of affordable housing. [Senate Bill 24-174](#) directs the state to develop methodologies for local governments to conduct housing needs assessments and action plans. It also requires the state to develop a directory and provide technical assistance to help local governments adopt policies that encourage affordable housing increases. [House Bill 24-1152](#) promotes the development of accessory dwelling units on single-family zoned lots, which helps increase housing density and allows for more affordable housing options within existing neighborhoods. [House Bill 24-1313](#) aims to increase housing availability near transit-rich areas by requiring local governments to modify land use laws to allow for the development in those areas and creates a grant program and other technical assistance to support these efforts.³¹

²⁸ <https://leg.colorado.gov/bills/hb22-1304>; <https://leg.colorado.gov/bills/sb22-159>

²⁹ <https://doh.colorado.gov/open-request-applications-rfa>

³⁰ <https://www.chfainfo.com/rental-housing/housing-credit>

³¹ <https://leg.colorado.gov/bills/sb24-174>; <https://leg.colorado.gov/bills/hb24-1152>; and <https://leg.colorado.gov/bills/hb24-1313>