

Denver Basic Income Project

RR22-0925 – Impact Charitable

Safety, Housing, Education, & Homelessness Committee
August 31, 2022

Jennifer Biess, HOST Director of Data, Policy, & Strategy

*Just as important as housing and shelter is a regular source of income for those experiencing homelessness...This funding will provide more than 140 women and families currently in shelters with \$1,000 a month for a year in direct cash assistance. **This will help them move into stable housing, and provide support so they can stay housed, while opening space in our shelters to serve more people.***

- Mayor Michael B. Hancock, 2022 State of the City Address



What is the Denver Basic Income Project (DBIP)?

The **Denver Basic Income Project (DBIP)** is a demonstration project providing 820 individuals and families experiencing homelessness with cash payments.

DBIP is overseen by a Governance Task Group, which includes members from Impact Charitable, DU, and partner service providers

Impact Charitable is the project's fiscal sponsor

Lifting Persons Out Of Homelessness

By providing a small amount of basic income, the City can help lift people out of homelessness quickly and cost-effectively



Basic Income is Effective

Research on the impact of basic income has shown that basic income resulted in many positive outcomes, such as:

- Increases in full time employment;
- Individuals moving to stable housing sooner;
- Increases in spending on necessities and recurring staples, such as food, transportation, utilities;
- Increased food security; and
- Reductions in spending on alcohol, drugs, and cigarettes.

Who Will Be Served?

The overall project will:

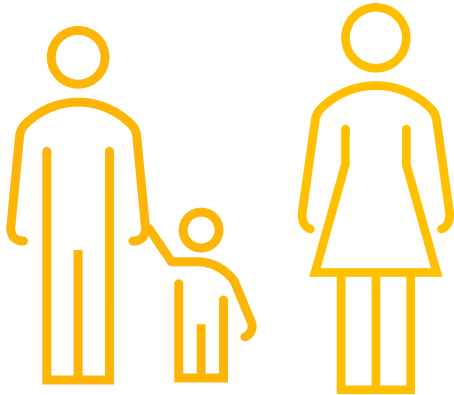
- Support 820 households, including about 520 who will receive \$12,000 in basic income
- Overall project supported by private donors, corporate leaders and foundations

City funds will:

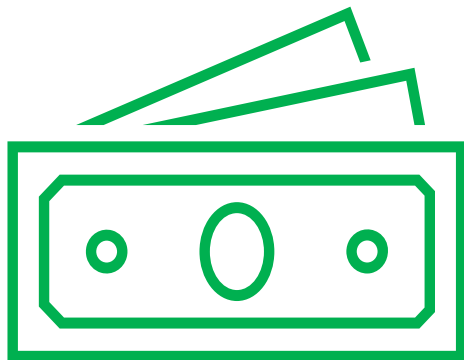
- Support 230 households, including about 140 who will receive \$12,000 in basic income
- Focus on women, gender nonconforming and nonbinary persons, and families using shelter due to COVID impacts

Participants must meet project eligibility criteria, including:

- Connection to a partner service provider
- Must not have a severe and unaddressed mental health or substance use need



Assistance Provided & Evaluation Framework



1 year demonstration project:

- Group 1 will receive \$6,500 up front and \$500 per month;
- Group 2 will receive \$1,000 per month;
- Group 3 will receive \$50 per month



- Evaluation conducted by University of Denver's Center for Housing and Homelessness Research
- Outcomes include:
 - Housing
 - Shelter utilization
 - Psychological health and substance use

What Can Basic Income Be Used For?

Providing basic income promotes autonomous decision making, in which recipients are more able to afford housing and basic necessities.

Uses are not restricted but typically spent on essentials.

Examples of Common Uses



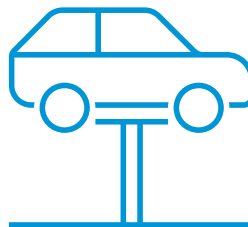
Food



Rent



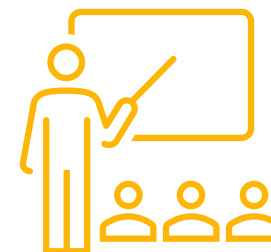
Personal
Care



Repairs



Medical
Services



Education/
Trainings

Estimated DBIP Project Timeline



RR22-0925

Impact Charitable

(Fiscal sponsor for DBIP)

Contract Term	July 1, 2022 – June 30, 2024
Funding Source	ARPA
Contract Amount	\$2 million

Scope of Work

- Basic income demonstration project for residents experiencing homelessness
- July 1, 2022 – June 30, 2014
- 230 households in total
 - About 140 in the treatment groups
 - About 90 in the control group

Action Requested Today

Approval of the following:

- **RR22-0925 – Impact Charitable:** new contract for \$2 million in American Rescue Plan Act (ARPA) funds to Impact Charitable as the fiscal sponsor to administer the Denver Basic Income Project (DBIP). This funding will be used as a response to COVID-19 through the provision of basic income, to help support rehousing persons who are newly experiencing homelessness and/or have endured lengthened stays in shelter from economic and social impacts of the pandemic.

Questions?

Appendix

FAQs

How are other cities investing in direct assistance approaches?

The largest direct assistance program in the country launched in late 2021 in Los Angeles California. BIG:LEAP will issue \$1,000 a month to 3,000 low-income individuals. Los Angeles is contributing \$36 million to the pilot.

The City of Chicago also recently announced a \$31.5 million Chicago Resilient Communities Pilot, a monthly cash assistance program to benefit low-income Chicago residents and families who have faced disproportionate economic hardships during the COVID-19 pandemic.

More FAQs

Why did the City choose to partner with the Denver Basic Income Project?

With homelessness and housing instability increasing as a result of the ongoing pandemic, the City has an urgent need to help people right now.

As the City researched basic income as one of our many strategies for resolving episodes of homelessness, we considered funding our own direct assistance pilot and determined that partnering with the Denver Basic Income Project would save time and resources.

More FAQs

How does basic income fit into our citywide response to addressing unsheltered homelessness?

For those who simply need a small hand up to get back on their feet, providing basic income aids those who can exit shelter more quickly and with less long-term support to do so.

By getting people with less intensive needs rehoused, we open needed capacity across our shelter system, particularly to those most vulnerable, including those with health conditions, with families, and those escaping violence. In doing so, we hope to provide additional options for those experiencing unsheltered homelessness, as well.