The Surprisingly Simple Way Utah Solved Chronic Homelessness and Saved Millions

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The story of how Utah solved chronic homelessness begins in 2003, inside a cavernous Las Vegas banquet hall populated by droves of suits. The problem at hand was seemingly intractable. The number of chronic homeless had surged since the early 1970s. And related costs were soaring. A University of Pennsylvania study had just showed New York City was dropping a staggering \$40,500 in annual costs on every homeless person with mental problems, who account for many of the chronically homeless. So that day, as officials spit-balled ideas, a social researcher named Sam Tsemberis stood to deliver what he framed as a surprisingly simple, cost-effective method of ending chronic homelessness.

Give homes to the homeless.

Tsemberis' research, conducted here in the District and in New York City, showed this wouldn't just dramatically cut the number of chronically homeless on the streets. It would also slash spending in the long run. In the audience sat a Utah businessman named Lloyd Pendleton. He had just taken over the Utah Housing Task Force after a successful run in business. He was intrigued. "He came over to me and he said, 'I finally just heard something that make sense to me,'" recalled Tsemberis in an interview. "Would you be willing to come to Utah and work with us?""

That conversation spawned what has been perhaps the nation's most successful — and radical — program to end chronic homelessness. Now, more than a decade later, chronic homelessness in one of the nation's most conservative states may soon end. And all of it is thanks to a program that at first seems stripped from the bleeding-heart manual. In 2005, Utah had nearly 1,932 chronically homeless. By 2014, that number had dropped 72 percent to 539. Today, explained Gordon Walker, the director of the state Housing and Community Development Division, the state is "approaching a functional zero." Next week, he said, they're set to announce what he called "exciting news" that would guarantee an "even bigger headline," but declined to elaborate further.

The chronic homeless rate in Utah is nearing a "functional zero." (Courtesy of the Utah Homeless Task Force.)

How Utah accomplished this didn't require complex theorems or statistical models. But it did require the suspension of what had been conventional wisdom. For years, the thought of simply giving the homeless homes seemed absurd, constituting the height of government waste. Many chronically homeless, after all, are victims of severe trauma and significant mental health and addiction issues. Many more have spent thousands of nights on the streets and are no longer familiar with home-living. Who, in their right mind, would willingly give such folk brand new houses without any proof of marked improvement?

But that's exactly what Utah did. "If you want to end homelessness, you put people in housing," Walker said in an interview. "This is relatively simple."

The nuts and bolts: First the state identified the homeless that experts would consider chronically homeless. That designation means they have a disabling condition and have been homeless for longer than a year, or four different times in the last three years. Among the many subgroups of the homeless community — such as homeless families or homeless children — the chronically homeless are both the most difficult to reabsorb into society and use the most public resources. They wind up in jail more often. They're hospitalized more often. And they frequent shelters the most. In all, before instituting Housing First, Utah was spending on average \$20,000 on each chronically homeless person.

So, to in part cut those costs — but also to "save lives," Walker said — the state started setting up each chronically homeless person with his or her own house. Then it got them counseling to help with their demons. Such services, the thinking went, would afford them with safety and security that experts say is necessary to re-acclimate to modern life. Homelessness is stressful. It's nearly impossible, most experts agree, to get off drugs or battle mental illness while undergoing such travails.

So in 2004, as part of trial run, the state housed 17 people throughout Salt Lake City. Then they checked back a year later. Fourteen were still in their homes. Three were dead. The success rate had topped 80 percent, which to Walker "sounded pretty good."

It's now years later. And these days, Walker says the state saves \$8,000 per homeless person in annual expenses. "We've saved millions on this," Walker said, though the state hasn't tallied the exact amount.

He conceded, however, that "it's not that simple" everywhere.

Like in the District, home to soaring rent prices and inhabited by 1,785 chronically homeless people. The city has dabbled in this program, which it calls permanent supportive housing, since 2008. And in the first three years, the District added more than 1,200 new units. In 2010 alone, nearly 600 were built. But since, that number has plummeted. In 2012, only 121 were built, though the Mayor Muriel Bowser's new budget has made the program a larger priority. The budget would provide such permanent housing to 250 individuals and 110 families, said Kate Coventry of the DC Fiscal Policy Institute.

But according to Walker, a self-described fiscal conservative, inconsistency can kill something like Housing First. "We used the Housing First model, but we haven't deviated from our focus." he said. "When we started it back in '04 and '05, we didn't know this would end, but we committed to it."

And now, the chronic homeless are no longer tallied in numbers. They're tallied by name. The last few are awaiting their houses. "One woman had been on the street for a long time, until we finally convinced her to come into our housing," Walker said. "She didn't trust it, and she put her collection of stuff on the bed. Then for the next two weeks, she slept on the floor. ... But once she realized that we weren't going to take this from her, that she had a lock, she had a mailbox, she started to reacclimate."

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