



Colorado Habitat for Humanity Impact Study – Executive Summary

Prepared by Dr. Annette Shtivelband, Kimberly S. Spahr, Elanor Sidman, Dr. Juliana Rosa, Dr. Mitchel N. Herian, Katherine Walker, & Fallon DeMarco

Introduction

There continues to be a housing crisis in Colorado. According to the Common Sense Institute, Colorado has over 175,000 fewer housing units than needed to reach the housing to population ratio from prior to the economic recession in 2008 (Lim & LiFari, 2021).¹ The cost of homes is also skyrocketing making homeownership unaffordable for many families, especially underserved and underrepresented families of color and low-income individuals (Newcomer & Resnick, 2018).² To compound the situation, the COVID-19 pandemic resulted in a severe level of job loss and income reduction, leaving Coloradans behind on their rent or mortgage, or with less confidence in their ability to pay on time (Avail, 2021;³ Moon & Ramey, 2020).⁴ Such unstable housing has been linked to negative health and well-being outcomes, particularly for children, racial minorities and those living in poverty (Bovell-Ammon et al., 2021;⁵ Gaitán, 2018).⁶ Habitat for Humanity of Colorado (HFHC) and the 25 Colorado Habitat for Humanity (HFH) affiliates seek to address these housing concerns by building, renovating and repairing safe, stable, affordable for sale homes in partnership with households earning low to moderate incomes throughout the state. In 2021, HFHC hired [Research Evaluation Consulting LLC \(REC\)](#) to conduct a comprehensive assessment that measured the effect affordable homeownership had on Habitat homeowners, their families, and the state of Colorado. The Impact Study focused on the experiences of homeowners and their families. Demographic data, education outcomes, financial impacts, health and quality of life, and neighborhood and community impact were all measured. The study also gave individuals the opportunity to share their stories and provide their feedback. HFH affiliate findings focused on the economic impact of the construction of homes, operating costs, activities related to ReStore, and volunteering across the state. Further, this

¹ Lim, E., & LiFari, P. (2021). From Conflict to Compassion: A Colorado Housing Development Blueprint for Transformational Change. Common Sense Institute. Retrieved from: https://commonsenseinstitute.co.org/wpcontent/uploads/2021/06/FULLREPORT_CO_HOUSING_DEV_BLUEPRINT_FINAL-1.pdf

² Newcomer, J., & Resnick, P. (2018). Exploring Colorado's housing affordability challenges in all of their complexity. Shift Research Lab. Retrieved from: <https://www.shiftresearchlab.org/HousingUnaffordability>

³ Avail (2021). State of the Colorado rental market during COVID-19 health crisis (Survey of Colorado landlords and renters). *Avail Report*. Retrieved from: https://www.avail.co/blog/avail_report_state-of-the-colorado-rental-market-during-covid19-health-crisis.

⁴ Moon, M. & Ramey, E (2020). Legislative memorandum: The impact of COVID-19 on Colorado housing issues. Retrieved from: http://leg.colorado.gov/sites/default/files/images/the_impact_of_covid_19_on_colorado_housing_issues_public.pdf

⁵ Bovell-Ammon, A., Yentel, D., Koprowski, M., Wilkinson, C., & Sandel, M. (2020). Housing is health: A renewed call for federal housing investments in affordable housing for families with children. *Academic Pediatrics*, 21(1), 12 - 23.

⁶ Gaitán, V., (2018). How housing can determine educational, health, and economic outcomes. *Housing Matters, an Urban Institute Initiative*. Retrieved from: <https://housingmatters.urban.org/articles/how-housing-can-determine-educational-health-and-economic-outcomes>

report highlights the Habitat homeowner experiences of Jenna, Valeria, and Jessica as REC presents findings from this Impact Study.

Methodology

Data from the 2021 Homeowner and Affiliate Surveys were analyzed and interpreted in preparation for this report. New questions were added to the 2021 Homeowner Survey to capture richer information about homeowners and identify the impact of the COVID-19 pandemic on HFH households. The 2021 Homeowner Survey was offered in English and Spanish to accommodate the diverse populations that HFH serves. More targeted recruitment efforts were implemented to obtain a higher representative sample of HFH homeowners throughout the state. Specifically, the survey was available online, in paper format, and homeowners could complete it by phone. An additional survey was also administered to affiliates focused on the economic impact of HFH in Colorado. Affiliates were contacted by email and phone to solicit participation. Finally, REC conducted 3 interviews to capture the stories of current Habitat homeowners.

Results

Detailed findings for the following sections are reported in the full-length report: 1) Household location, 2) Homeowner demographics, 3) Household characteristics, 4) Educational outcomes, 5) Financial stability, 6) Health and well-being, 7) Feedback about the Habitat homeowner experience, 8) The impact of COVID-19, and 9) The economic impact of HFH in Colorado. Below are some key trends from these sections.

Study Response Rate

The survey was completed by households from 24 out of 25 HFH affiliates across Colorado.

- About 31% of households ($n = 532$) participated in this study.
- The majority of respondents completed the survey in English (93%) and online (95%).

Homeowner Demographics

Demographic trends suggest that a diverse group of homeowners responded to the survey.

- Nearly 85% of participants were employed, with Healthcare (18%), Education, training, or library (14%), and Office administrative support (9%) as the most represented industries.
- About 75% of participants were female and 42.5% were first-generation homeowners.

Household Characteristics

HFH serves diverse households across Colorado.

- About 69% of HFH families earned a combined household income of less than \$50,000 per year, with 28% of households reporting an income near the poverty line for their family size. (U.S. Department of Health and Human Services, 2021).

- Most households (68%) had at least one member considered Black, Indigenous, or People of Color (BIPOC).
- About 67% of households had children under the age of 18 permanently living in their home, and most often, households had two children. Further, 44% of households had adult children who lived in their Habitat home at some time.
- The typical household had lived in their Habitat home 1 to 3 years (21%) and had about three members.

Educational Outcomes

For homeowners with children, positive educational outcomes were reported. Some homeowners even pursued additional education since becoming Habitat homeowners.

- Most homeowners (98%) observed a stable or positive impact on their children’s performance in school since moving into their Habitat home. Homeowners felt most confident in their children’s future, but least confident that their children’s grades improved.
- Educational aspirations were high – many homeowners (71%) expected their children to graduate from college or earn an advanced degree.
- Approximately 25% of homeowners pursued additional education since becoming a Habitat homeowner, which was typically taking some college courses.

Financial Stability

Homeowners also described positive impacts on their financial well-being.

- About 95% of homeowners reported that they could not have owned a home without help from HFH.
- About 81% of homeowners felt somewhat or much more financially secure and almost 72% were Somewhat Better or Much Better at saving money since becoming a HFH homeowner.
- Homeowners felt quite positively about some aspects of their financial stability (e.g., saving for the future), but less positively about other aspects of financial stability (e.g., covering a large, unexpected bill).
- From before to after becoming a Habitat homeowner, there was a significant decline in the total number of public assistance programs homeowners used. In fact, across all programs, homeowners reduced their usage by almost 52%.
- It is estimated that a minimum of \$793,935 was saved for CHP+, Medicaid, SNAP, and TANF as many families stopped utilizing these public assistance programs after becoming Habitat homeowners. It should be noted that this is a conservative estimate as these numbers only represent the current year and not all homeowners provided this information.

Health and Quality of Life

Many Habitat homeowners experienced improved health and well-being outcomes.

- Nearly 92% of homeowners reported that Habitat homeownership improved their household's quality of life.
- Substantial improvements were reported in the lives of homeowners and their families since becoming a Habitat homeowner. In particular, the following trends were found:
 - 92% of homeowners were less stressed
 - 91% of homeowners experienced better mental health for themselves
 - 90% of homeowners observed improvements in their family's health
 - 90% of homeowners had better access to outdoor space for exercise or enjoyment
 - 84% of homeowners reported better physical health for themselves
- Since moving into their HFH home, the following trends were observed:
 - About 77% of homeowners vote in local, state, and federal elections more often.
 - About 75% of homeowners could more easily afford healthcare.
 - Commute time stayed the same or improved for 72% of homeowners.
 - About 61% of households had more quality time with family.

Feedback About the Habitat Homeowner Experience

Homeowners provided feedback and thoughts about their experience with Habitat.

- About 94% of homeowners were either Somewhat Likely, Likely, or Very Likely to recommend Habitat to others.
- Nearly 94% of homeowners were Somewhat Satisfied, Satisfied, or Very Satisfied with their Habitat experience.
- For households with adult children, participants reported that 46% of those adult children were current homeowners themselves.
- Homeowners provided high ratings for both their home and neighborhood as places to live, indicating they viewed their Habitat homes favorably.
- Homeowners felt more pride in their current neighborhoods, but felt that they were only somewhat safer than where they lived before owning a Habitat home.

The Impact of COVID-19

Finally, individuals described some of the impacts of COVID-19 on their household.

- Most Habitat homeowners (72%) reported that the COVID-19 pandemic at least somewhat impacted their household.
- In total, 68% of homeowners shared that living in their Habitat home provided their household a level of security during the pandemic that would not have been possible in their previous living situation.

The Economic Impact of HFH in Colorado

Findings from the IMPLAN analysis indicate that HFH greatly supported the economy of Colorado during Fiscal Year 2020.

- Nearly 92% of affiliates completed the 2021 Affiliate Survey and provided estimates regarding the construction of homes, operating costs, activities related to ReStore, and volunteer activities.
- Affiliates reported through this survey, 73 new homes were built, 156 homes were repaired, and 11 homes were rehabilitated.
- Affiliates employed about 423 FTEs with an average salary of \$49,744.
- A total of 18,690 individual volunteers devoted 87,253 hours to HFH. This equated to about 45 FTE. REC estimates that these volunteers donated the equivalent of \$2.7 million in labor.
- HFH affiliates had \$46.9 million in non-payroll expenses and \$21.0 million in payroll expenditures.
- REC also used IMPLAN to run a statewide model that examined the economic impact of direct employment, labor income, total output, and the associated indirect and induced effects to create a single estimate.⁷ Results from this analysis indicated that HFH had a total statewide impact of:
 - 690 employees;
 - \$34.9 million in labor income;
 - \$89.3 million in total industrial output; and
 - \$7.5 million in federal tax revenue and \$2.7 million in state and local tax revenue.

Discussion

The purpose of the 2021 Impact Study was to learn more about how HFH affiliates impact their communities and the effects of being a Habitat homeowner on family life, economic stability, connection to community, education, and overall health. Survey data revealed important findings about homeowners, their household characteristics, educational outcomes, financial stability, health and well-being, homeowner feedback, and the impact of COVID-19. The 2021 Affiliate Survey also provided new findings surrounding the substantial economic impact of HFH on the state of Colorado. This study offers valuable information about Habitat homeowners, their families, their communities, and the affiliates who help build, renovate, and repair their homes.

Limitations

It is important to consider the key limitations of this study. First, homeowner data represented a convenience sample. HFHC and REC were only able to collect data from homeowners who had valid contact information. Second, as many people jointly own Habitat homes, some demographic and outcome trends only represent the individual completing the survey and not the profile of all Habitat homeowners. Third, the ongoing COVID-19 pandemic may have dampened some positive impacts of homeownership, particularly regarding health and well-being. Taken together, these limitations likely influenced the results of this impact study. Nonetheless, this study produced some important and robust findings for HFH.

⁷ Please note that the estimates generated by IMPLAN differed from what was directly reported by affiliates and HFHC because the model accounted for non-affiliate counties that may be influenced by HFH activities.

Actionable Recommendations

Based on the findings of this economic impact study, REC makes the following six actionable recommendations to HFHC:

- 1) Celebrate Successes Internally and Externally
- 2) Expand Affordable Housing Options Using the HFH Approach in Colorado
- 3) Examine Additional Evaluation Questions with Available Impact Data
- 4) Compare the Impact Study Findings with Other Credible Data Sources
- 5) Improve the Quality of Homeowner Contact Information
- 6) Conduct Another Statewide Impact Study in 3 Years

Conclusion

This comprehensive Impact Study offers valuable information and insight about Habitat homeowners, their families, their communities, and the affiliates who help these individuals build, renovate, and repair their homes. Through the findings from this study, REC was able to assess how being a HFH homeowner makes a difference in the lives of the families served. REC proposed six actionable recommendations. Overall, HFHC and HFH affiliates in Colorado are making huge strides in creating positive and attainable homeownership opportunities across the state.



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