



BOARD MEETING

November 18, 2020

Strategic Framework

BOULDER HOUSING PARTNERS



VISION To help create a **diverse, inclusive, & sustainable** Boulder.

MISSION To provide quality, affordable homes and foster thriving Boulder communities.

CORE BELIEFS

- We believe in the **power of having a home**.
- We believe in **opportunity for all**.
- We celebrate our **diversity**.
- We believe our work is **one part of a broader solution** to a thriving community.
- We believe in keeping our **impact on the environment small**.
- We believe in working as **one team**.

STRATEGIES

Support Residents & Strengthen Communities

We provide high-quality customer service, treating all people with kindness, respect, and dignity. We foster partnerships with residents, participants, and local organizations to increase opportunities and strengthen the broader community.

Increase Affordable Housing Opportunities

We seek to meet the changing housing needs of our community. Our expertise is affordable and attainable rental housing. We work in collaboration with the City of Boulder to address community housing goals and provide opportunities that would not otherwise be available in the local market. We are agile and responsive to opportunities, providing permanently affordable homes through development, acquisition, and vouchers.

Steward our Resources Effectively

We are diligent stewards of public resources and champions for those who need them. We manage our resources through effective business practices, strategic asset management, community collaborations, environmental stewardship, and innovative systems that bring clarity and focus to our work.

Cultivate an Outstanding Workplace

We create a positive workplace culture, striving to attract and retain the best employees. We support wellness and balance in employees' lives and we cultivate the creativity, passions, and unique skills of our team members.

FRAMEWORK FOR DECISION MAKING

When evaluating decisions or determining what matters BHP should spend time on, in accordance with our fiduciary duties to always act in the best interest of the organization, we consider the following questions:

1. Does this idea/action item further the goals of the organization?
2. Is this relevant and helpful for our constituents/customers?
3. What is the impact on staff?
4. What is the impact on budgets?
5. Is it strategic or operational?
6. Is this within our span of control?



Board of Commissioners Meeting

Location:

<https://zoom.us/j/96365073866>

November 18, 2020 ▪ 9:00 a.m. - 11:30 a.m.

AGENDA

		Page #
9:00-9:20	Standing Agenda and Meeting Items	
	1. Call to Order and Determination of a Quorum	
	2. Public Participation	
	3. Approval of Minutes from October 14, 2020	2
	4. Finance and Operations Update	5
9:20-11:00	Meeting Agenda	
	1. 2021 Budget Draft	15
	2. Moving to Work Annual Plan Final Approval Resolution #2020-13	39
	3. Inducement Resolution for Tantra Lake Apartments Resolution #2020-14	42
11:00-11:30	Board Matters	
	1. Resident Representative Council Update	
	2. Announcements and Other Items from the Board	
	3. Additions to this Agenda	
	4. Future Board Items and Board Calendar	48
11:30	Adjournment	

BOULDER HOUSING PARTNERS
Meeting of the Board of Commissioners
October 14, 2020 9:00 a.m.
Location: <https://zoom.us/j/91508530521>

Commissioner Harris	Jeremy Durham	Others Present:
Commissioner Adams	Penny Hannegan	Jon Peterson
Commissioner Bissonette	Jodi Bogen	Joanne Englund
Commissioner Griffin	René Brodeur	Frederic Marienthal
Commissioner Levy	Laura Sheinbaum	John Bales
Commissioner McCord	Karen Kreutzberg	
Commissioner Schoenfeld	Karin Stayton	
Commissioner Walker	Daniel Nuñez	
Commissioner Wallach	Tad Amore	
	Jessica Kenney	
	Lyndall Ellingson	
	Amanda Maya-Dickson	
	Jason Acuña	

I. Call to order and Determination of a Quorum

Commissioner Harris called the meeting of the Board of Commissioners to order at 9:02 a.m. A quorum was declared.

II. Public Participation

The Zoom Board Meeting information was posted on the main BHP website (boulderhousing.org).

Shelly Bobbins, a resident at Foothills Community, stated that the hazardous area at the community remains the same. Ms. Bobbins said that there is a disparity in the situation in which one resident's rights outweighs others and would like this to stop. Jeremy Durham stated that we continue to work with Ms. Bobbins on these issues. He encourages the Commissioners to visit the area and see the landscaping work that the other resident has created. Commissioner McCord suggested that it might be helpful to have clearer policies and procedures in order to avoid any possible confusion or misunderstandings.

III. Approval of the Meeting Minutes

Consent agenda items approved:

1. Minutes from September 9, 2020

COMMISSIONER BISSONETTE MOVED TO APPROVE THE MINUTES FROM SEPTEMBER 9, 2020. COMMISSIONER LEVY SECONDED THE MOTION. The motion to approve the minutes passed unanimously.

IV. Finance and Operations Update

Financial Report

Jodi Bogen gave an overview of the August 2020 financials for the organization and answered questions from the Board.

V. Meeting Agenda

Madison and Woodlands Tax Credit Closing Resolutions #2020-9, #2020-10, #2020-11, and #2020-12

Laura Sheinbaum introduced Resolutions #2020-9, #2020-10, #2020-11, and #2020-12 regarding the financial closing for the Madison and Woodlands Tax Credit Project in early November 2020. This transaction will provide the necessary equity for BHP to renovate these properties.

COMMISSIONER WALLACH MADE A MOTION TO AUTHORIZE BHP TO ENTER INTO THE TAX CREDIT PARTNERSHIP FOR THE MADISON WOODLANDS COMMUNITY, LLLP, AND APPROVAL OF RESOLUTION #2020-9 TO ISSUE PRIVATE ACTIVITY BONDS TO FINANCE THE TAX CREDIT TRANSACTION, AND THE APPROVAL OF RESOLUTION #2020-10 TO AUTHORIZE TO ENTER INTO THE TAX CREDIT PARTNERSHIP FOR THE MADISON COMMUNITIES, LLLP, AND APPROVAL OF RESOLUTION #2020-11 TO AUTHORIZE BHP TO PROJECT-BASE 33 HOUSING CHOICE VOUCHERS, AND APPROVAL OF RESOLUTION #2020-12 TO ALLOW THE SALE OF THE WOODLANDS DAY CARE CENTER TO WOODLANDS LLC. COMMISSIONER LEVY SECONDED THE MOTION. The motion passed unanimously.

Moving to Work (MTW) Annual Plan Draft

Karen Kreutzberg presented on the MTW 2021 Annual Plan Draft. In 2020, the proposed activity to change rent calculation and escrow calculation for families who are participating in the Family Self-Sufficiency program in Woodlands. This was approved last year, however, due to COVID-19, we're still in the implementation stage of that change. The goal is to have it implemented by next year. Due to the current circumstances, we are not implementing anything new for 2021. Now it will go to Public Review for 30 days and then it will come back to the Board in November for final approval and then to HUD.

Quarterly Strategic Priorities Report

Jeremy presented on the Quarterly Strategic Priorities Report and questions that came up during the NPG Committee Meeting. Jeremy mentioned that with the solar gardens that we are completing we will have enough power to be the equivalent to 200-225 of BHP units. Throughout our portfolio, we would be up to 800-850 units worth of solar with this solar garden.

Amanda Maya-Dickson, Resident Services Program Manager, described the current situation in terms of families in our communities dealing with their childing going back to school while dealing with the pandemic. Amanda stated that there is regular communication with residents via text, calls, and apps about opportunities and resources available to them. Resident Services has also partnered with the Boulder Valley School District (BVSD) to make technology available to all families who need it. Resident Services is also working with I Have A Dream to create learning pods for students throughout the communities and distributing over 2,000 books to communities with Book Rich Environment in partnership with the Boulder Public Library.

VI. Board Matters

Resident Representative Council Update

Commissioner Griffin reported for the Resident Representative Council (RRC). Commissioner Griffin said that Ingrid Castro Campos will be attending the next RRC meeting to discuss further involvement with other sites as well as the possibility of having an interpreter at the meetings.

Announcements and Other Items from the Board

There were no announcements from the Board.

Additions to the Agenda

There were no additions to the Agenda.

Future Board Items

Jeremy stated that updates to the Framework for Decision Making will be brought up during the training for Diversity, Equity, and Inclusion with Amritpal Byrd.

VII. Adjourn

COMMISSIONER MCCORD MADE A MOTION TO ADJOURN THE MEETING OF THE BOARD OF COMMISSIONERS. COMMISSIONER WALKER SECONDED THE MOTION. The motion passed unanimously.

The meeting of the Board of Commissioners adjourned at 11:42 AM

Seal

DATE: 10/14/2020

R. E. Harris
Chairperson, Board of Commissioners
Housing Authority of the City of Boulder

Jeremy Durham
Executive Director

Jason Acuña
Recording Secretary



FINANCE SUMMARY

September 2020

BHP
Statement of Activities
Year to Date - September 30, 2020

Note: Red type reflects new or updated information from prior reports

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
REVENUE						
Operations Revenue						
Tenant Dwelling Rental	8,037,619	8,173,054	\$ (135,436)	-2%		
HUD-Operating Subsidy	22,834	10,258	12,576	123%		
Total Operations Revenue	8,060,453	8,183,312	(122,859)	-2%		
Fee Revenue						
Property Mgmt & Asset Mgmt Fees	522,510	523,294	(785)	0%		
Mgmt Fees - Tax Credits & S8	634,172	610,786	23,385	4%		
Res Svc Income	303,353	311,415	(8,062)	-3%		
Total Fee Revenue	1,460,035	1,445,495	14,539	1%		
Grants and Subsidies						
HCV - Admin Fees	1,176,880	662,111	514,769	78%	A	Includes \$419k additional COVID-19 Admin Fees awarded, plus addtl \$29k catch up
Non Federal Grants and Donations	85,383	82,929	2,454	3%		
Federal Operating Grants	36,000	15,000	21,000	140%		
Total Grants and Subsidies	1,298,263	760,040	538,223	71%		
Other Revenue						
Tenant Fees and Utility Reimbursements	357,375	311,665	45,710	15%	B	Began using utility billing service at more sites, not budgeted; \$26K fav; Admin fees at market rate sites; \$16.4K fav
Maint Charges to Prop	1,365,530	1,487,177	(121,647)	-8%	C	Reduced billing to properties due to COVID-19 restrictions
Miscellaneous Revenue	79,772	16,707	63,065	377%	D	Budget is minimal for Misc sources of rev is not dependable, primary source are insurance dividends, rebates and collection agency proceeds
Total Other Revenue	1,802,677	1,815,549	(12,872)	-1%		
Total Operating Revenue Excluding HAP	12,621,428	12,204,396	417,031	3%		
Federal and Local Voucher Revenue						
HCV - HAP Revenue	8,393,167	7,776,243	616,924	8%	E	Budget lower than funding available; increased HAP due to COVID-19 interim adjustments
Local Voucher Funding	492,786	690,000	(197,214)	-29%	F	Budget reflects faster lease up on COB PSH vouchers than actual. Leasing is ramping up.
Federal Service Grants	410,346	428,475	(18,129)	-4%		
Total Voucher Revenue	9,296,300	8,894,718	401,582	5%		
Total Operating Revenue Including HAP	21,917,727	21,099,114	818,613	4%		
EXPENSES						
Salaries and Benefits						
Salaries and Benefits	4,800,105	4,859,641	59,536	1%		

BHP
Statement of Activities
Year to Date - September 30, 2020

Note: Red type reflects new or updated information from prior reports

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
Property Costs						
Management Fees	235,599	207,022	(28,578)	-14%	G	Higher Mgmt fees is function of Higher Admin Fee Revenue
Maintenance Materials	165,414	254,290	88,875	35%	H	Lower volume of workorders due to COVID-19
Contract Labor & Repairs	832,705	806,477	(26,228)	-3%		
BHP Contract Labor	736,869	786,628	49,760	6%	I	Overall lower maintenance dept costs to allocate due to COVID-19
Extraordinary Expense	319,786	0	(319,786)	0%	J	\$222k COVID-19 Costs; cleaning, supplies, resident & staff needs
Trash and Recycling	130,200	141,045	10,845	8%		
Utilities	526,531	530,671	4,139	1%		
PILOT & HOA Fees	217,129	209,218	(7,911)	-4%		
Total Property Costs	3,164,234	2,935,351	(228,884)	-8%		
Other Operating Expenses						
Consultants & Contract Labor	67,183	166,971	99,789	60%	K	Fav variance relates to curtailed spending
Dues and Fees	56,419	65,365	8,946	14%		
Software & Expendable Equipment	184,336	227,706	43,370	19%		
Insurance Expense	366,583	365,126	(1,457)	0%		
Legal & Predevelopment Expense	32,056	68,626	36,570	53%		
Mileage & Vehicle Expense	42,493	61,167	18,674	31%		
Miscellaneous - Expense	159,646	205,600	45,954	22%		
Office Supplies & Other Administrative Expenses	41,376	64,304	22,929	36%		
Phone, Printing & Postage Expense	121,114	126,539	5,425	4%		
Property Mgmt & Asset Mgmt Fees	522,510	523,294	785	0%		
Resident Services Fees	52,628	53,046	418	1%		
Staff Training	23,070	121,310	98,240	81%	L	Fav variance relates to curtailed spending
Total Other Operating Costs	1,669,413	2,049,054	379,641	19%		
Total Operating Expenses Excluding HAP	9,633,753	9,844,046	210,294	2%		
Voucher Funding Expenses						
HCV-HAP Expense	8,481,769	7,776,243	(705,527)	-9%	M	Increased HAP payments to support COVID-19 interim adjustments / Budget low for both income and expense
Service Grant Expense	892,239	1,118,205	225,965	20%	N	Slower lease up COB voucher program, offset by Ref F
Total Voucher expense	9,374,009	8,894,447	(479,561)	-5%		
Total Operating Expenses Including HAP	19,007,762	18,738,494	(269,268)	-1%		
Gain (Loss) on Acq./Disp. of Assets	0	0	0	100%		
Net Operating Income Including Voucher Activity	2,909,966	2,360,620	549,346	23%	O	Main component is additional HUD Admin Fees; COVID Cares Act \$420K and curtailed discretionary expenditures
Non-Operating Income (Expense)						
Interest Income	1,857,945	1,456,859	401,086	28%	P	Soft debt interest for Canopy, Ciclo & 30Pearl projects not budgeted; \$420k
Non-Federal Capital Grants & Donations	2,800,000	2,800,000	0	0%		
Depreciation & Amortization	(3,466,649)	(3,474,772)	8,123	0%		
Non-Capital Reserve Spending	(18,329)	(116,600)	98,271	84%	Q	Timing on reserve funded projects delayed due to COVID-19
Mortgage and Other Interest Expense	(2,114,266)	(2,041,512)	(72,754)	-4%		
Total Non-Operating Income (Expense)	(941,299)	(1,376,024)	434,725	-32%		
Income before Operating Transfers	1,968,667	\$ 984,596	\$ 361,971	37%		
Operating Transfers IN / OUT	0	0	0	100%		
TOTAL NET INCOME (LOSS)	1,968,667	984,596	984,071	100%		

Note: Explanations provided for positive variances >\$50,000 and 5% and for negative variances >\$25,000 and 5%

BHP
Balance Sheet
September 30, 2020 and December 31, 2019

	Actual September-20	Actual December-19	Net Change YTD	Ref	Comments
ASSETS					
Current Assets					
Unrestricted Cash and Cash Equivalents	\$ 6,390,782	\$ 5,098,904	\$ 1,291,877	R	Tax Credit 2019 Cash Flow transferred to BHP; \$1MM in July
Reserved Cash - Replacements and Other	3,506,692	3,366,522	140,170	S	Regular funding of reserves from operations
Accounts Receivable	433,155	1,272,625	(839,470)	T	\$497K backlog at Dec 2019, amounts paid in 2020 from HUD on SNAP / CFP grants, intercompany receivables; \$460k decrease of escrow-Rally Acq. Overall increase in tenant receivables YTD; \$110k
Accounts Receivable-Tax Credits	212,616	463,382	(250,766)	U	Reduction due to 2019 cash flow from tax credits paid
Notes Receivable – Current	150,000	864,880	(714,880)	V	Reduction due to 2019 cash flow from tax credits paid
Prepaid Expenses	143,987	332,958	(188,972)	W	Typical amortization of prepaid insurance premiums
Total Current Assets	10,837,231	11,399,272	(562,040)		
Restricted Cash					
Restricted Cash - Other	2,323,394	5,512,099	(3,188,705)	X	Used \$3.6MM of City funds toward 30Pearl infrastructure project offset by PSH voucher funding; \$427k
Restricted Cash - Section 8	15,334	131,311	(115,977)	Y	Used restricted cash from end of 2019 toward NED, RAD & Mainstream vouchers payments
Restricted Cash - Tenant Security Deposits	560,287	517,935	42,352		
Total Restricted Cash	2,899,015	6,161,345	(3,262,330)		
Capital Assets					
Construction in Progress	1,916,530	193,163	1,723,367	Z	Ongoing PreDevelopment costs; 30P Garage proj; \$1M, Mt Calvary \$189K; Madison Woods; \$488K, Rally/Odell predev costs; \$100K
Furniture Fixtures and Equipment	1,038,440	998,917	39,524		
Real Estate Assets-Land and Buildings	152,932,997	143,952,991	8,980,006	AA	Rally property acquisition; July; \$8.9MM
Less: Accum Depreciation Real Estate Assets	(40,716,123)	(37,257,512)	(3,458,611)	AB	Normal depreciation
Total Capital Assets	115,171,844	107,887,559	7,284,286		
Other Assets					
Notes Receivable	81,865,649	82,315,602	(449,952)	AC	Canyon Pointe payment of HUD restricted funds; \$183k; \$262k offset with Ref AD
Development Fees Receivable	3,070,103	2,807,966	262,137	AD	Increase of \$262k offsets above decrease; reclass
Interest Receivable Notes	8,262,711	6,431,918	1,830,793	AE	Normal interest accrued on soft debt from tax credits
Partnership Investments	439,335	408,949	30,386		
Net Amortized Costs	3,283,206	3,291,244	(8,038)		
Escrow Deposits Receivable	3,700	0	3,700		
Total Other Assets	96,924,705	95,255,679	1,669,026		
TOTAL ASSETS	225,832,796	220,703,854	\$ 5,128,941		

Note: Red type reflects new or updated information from prior reports

BHP
Balance Sheet
September 30, 2020 and December 31, 2019

	Actual September-20	Actual December-19	Net Change YTD	Ref	Comments
LIABILITIES & EQUITY					
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 1,375,562	\$ 454,103	\$ 921,459	AF	Increase due \$650k construction payables and \$83 Insurance payable due end of month, paid subsequent month
Accrued Payroll	221,266	169,202	\$ 52,064		
Accrued Payroll Taxes and Benefits	103,721	125,176	\$ (21,455)		
Accrued Compensated Absences	450,235	304,988	\$ 145,247	AG	Increase due to reduced vacation time taken; COVID-19
Other Accrued Expenses	191,577	3,746,670	\$ (3,555,093)	AH	Used prefunded COB funds for 30Pearl garage
Deferred Revenue	787,785	447,936	\$ 339,848	AI	Remaining unspent funds increased; COB PSH; \$429K
Current Portion of Long Term Debt	7,669,756	1,394,123	\$ 6,275,633	AJ	Increase; LOC \$6.3MM to purchase Rally property
Current Port Bonds Payable	60,000	60,000	\$ -		
Prepaid Rent	67,504	27,031	\$ 40,473		
Security Deposits	559,924	522,938	\$ 36,986		
Total Current Liabilities	11,487,331	7,252,167	4,235,163		
Long-Term Liabilities					
Notes Payable	3,000,000	3,000,000	\$ -		
Mortgages Payable	69,863,661	70,904,923	\$ (1,041,262)	AK	Normal amortization of Mortgage principal
Bonds Payable	1,780,417	1,790,678	\$ (10,261)		
Net Pension Liability	11,070,465	11,070,465	\$ -		
Total Long-Term Liabilities	85,714,542	86,766,066	(1,051,524)		
TOTAL LIABILITIES	97,201,873	94,018,233	3,183,640		
EQUITY					
Total Equity	128,630,923	126,685,621	1,945,301.90	AL	\$1.9MM Net Income
TOTAL LIABILITIES AND EQUITY	\$ 225,832,796	\$ 220,703,854	\$ 5,128,941		

Note (1) : Explanations provided for balance sheet changes > \$100,000.

Note (2): BHP has a Line of Credit available for borrowing of up to \$10 Million. In July, utilized \$6.3MM of available LOC to acquire Rally property

BHP
Statement of Cash Flows
Year to Date - September 30, 2020

Note; Red type reflects new or updated information from prior reports

	For the month of September 30, 2020	Year to Date	Ref	Current Month Comments
Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities				
Net Income (Deficit)	\$ 58,775	\$ 1,968,667		
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities				
Increase (Decrease) in Accum. Depreciation	384,735	3,466,649	AM	Normal Depreciation
(Increase) Decrease in Accounts Receivable	(68,879)	1,200,123	AN	\$497K backlog at Dec 2019, amounts paid in 2020 from HUD on SNAP / CFP grants, intercompany receivables; \$460k decrease of escrow-Rally Acq. Overall increase in tenant receivables YTD; \$110k
(Increase) Decrease in Prepaid Expenses	(120,198)	188,972	AO	Normal amortization of prepaid insurance premiums paid
Increase (Decrease) in Prepaid Rent and Security Deposits	(22,672)	77,459		
(Increase) Decrease in Reserved Cash	8,960	(140,170)		Normal funding of reserves
(Increase) Decrease in Restricted Cash	563,681	3,262,330	AP	Used \$3.6MM of City funds toward 30Pearl infrastructure project offset by PSH voucher funding; \$640k
Increase (Decrease) in Payables and Accrued Expenses	308,948	(2,567,664)	AQ	Multiple impacts; refer to Balance sheet items AF, AG, AH
Increase (Decrease) in Deferred Revenue	(79,599)	339,848	AR	Remaining unspent funds increased; COB PSH; \$429K
Total Adjustments	974,976	5,827,547		
Net Cash Provided (Used) by Operating Activities	1,033,751	7,796,214		
Cash Flows from Investing Activities				
(Increase) Decrease in Construction in Process	(836,213)	(1,723,367)	AS	Ongoing PreDevelopment costs; 30P Garage proj; \$1M, Mt Calvary \$189K; Madison Woods; \$488K, Rally/Odell predev costs; \$100K
(Increase) Decrease in Furniture Fixtures and Equipment	0	(39,524)		
(Increase) Decrease in Real Estate Assets	0	(8,980,006)	AT	Rally Acquisition; \$8.9MM - July
(Increase) Decrease in Notes and Interest Receivable	(257,327)	(961,826)	AU	Normal interest accrued on soft debt from tax credits
Net Cash Provided (Used) by Investing Activities	(1,093,540)	(11,704,723)		
Increase (Decrease) in Mortgages and Bonds Payable	(147,443)	(1,051,524)	AV	Normal amortization of Mortgage principal
Increase (Decrease) in Line of Credit	0	6,275,633	AW	Increase; LOC \$6.3MM to purchase Rally property
Net Cash Provided (Used) by Financing Activities	(147,443)	5,224,109		
GP contributions to LLLP	0	(23,723)		
Net Increase (Decrease) in Cash and Cash Equivalents				
Net Increase (Decrease) in Cash and Cash Equivalents	(207,233)	1,291,877		
Unrestricted Cash and Cash Equivalents - Beginning	6,598,014	5,098,904		
Unrestricted Cash and Cash Equivalents - Ending	6,390,782	6,390,782		

BHP CASH Report

December-19

July-20

August-20

September-20

<u>Unrestricted Cash Available for Operations</u>	Balance	Balance	Balance	Balance	Board Target	Surplus (Deficit)	Notes
BHP Operating Reserves	2,510,456	3,559,809	3,648,207	3,526,517	3,000,000	648,207	2 Months of operating expenses (including HAP) \$3,500 per Workforce Unit
Insurance Reserve	500,000	500,000	500,000	500,000	500,000	0	
BHP Replacement Reserves	3,366,522	2,984,082	3,015,653	3,006,692	2,338,000	677,653	
Total Unrestricted BHP Cash	6,376,978	7,043,891	7,163,860	7,033,210	5,838,000	1,325,860	

<u>Development Resources, Including LOC</u>	Balance	Balance	Balance	Balance
Development Equity Fund	1,749,023	1,763,712	1,953,985	1,832,311
City of Boulder; 30Pearl Entitlement Project Funds	96,283	26,603	21,697	21,697
Line of Credit - Available	9,592,000	3,724,367	3,724,367	3,724,367

<u>Unrestricted Cash - Restricted by Property/Program</u>	Balance	Balance	Balance	Balance
MTW Reserves ⁽¹⁾	334,802	620,484	995,774	1,031,905
Total Unrestricted Cash Restricted by Program	334,802	620,484	995,774	1,031,905

⁽¹⁾ Note MTW target changed to \$0 in 2017 budget due to change in HUD Cash Management which requires excess funds to be held at HUD rather than PHA

<u>Replacement Reserved - Restricted by Bank or HUD</u>	Balance	Balance	Balance	Balance
<u>Other Restricted Funds</u>				
Tantra Rehab Funds ⁽²⁾	125,000	125,000	125,000	125,000
Habitat Funds	75,504	66,151	66,151	66,151
Broadway East Bond Restricted Funds	51,663	53,101	53,102	52,932
COB PSH Program Funds	212,039	774,027	709,835	639,753
Canopy Contribution being held	1,325,973	1,325,973	1,325,973	1,325,973
Palo HOA Restricted Funds	7,021	7,379	7,379	7,379
30 Pearl Garage construction restricted funds	3,534,440	1,516,448	516,216	16,606
S8/FSS Escrow	84,176	75,179	78,579	67,903
Section 8 NED NRA(HAP)	128,915	70,319	12,410	15,334
Total Restricted Cash Other	5,544,731	4,013,577	2,894,645	2,317,032

Funds to be contributed to Canopy by the end of 2020

⁽²⁾ Amount held for specific capital items at Tantra as required by bank.

Restricted Cash Tenant Security Deposits	517,935	545,841	546,354	560,287
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Property	Address	Units	Effective Gross Income	Operating Expense & Reserves	Net Operating Income	Annual Debt Payments	Debt Service Coverage Ratio BHP Target 1.15
Arapahoe Court	951,953 Arapahoe	14	\$ 54,057	\$ (97,485)	\$ (43,428)	\$ -	-
Madison	1130-1190 35th St.	33	\$ 232,400	\$ (252,797)	\$ (20,397)	\$ -	-
Public Housing I Sub Total:		47					-
Arapahoe East	4610 Arapahoe	11	\$ 141,507	\$ (85,749)	\$ 55,758	\$ 19,220	2.90
Dakota Ridge	4900 10th St.	13	\$ 236,879	\$ (106,643)	\$ 130,236	\$ 97,647	1.33
Sanitas Place	3640 Broadway	12	\$ 147,804	\$ (62,280)	\$ 85,524	\$ 36,231	2.36
Twin Pines	1700 22nd St.	22	\$ 288,486	\$ (124,396)	\$ 164,091	\$ 67,823	2.42
Combine Loan One Subtotal		58					1.97
101 Canyon	101-103 Canyon	5	\$ 114,613	\$ (46,727)	\$ 67,886	\$ 32,849	2.07
Hayden Place	34th & Hayden Place	24	\$ 278,640	\$ (144,255)	\$ 134,385	\$ 82,122	1.64
Whittier	1946 Walnut St.	10	\$ 124,241	\$ (65,761)	\$ 58,480	\$ 26,279	2.23
Woodlands	2600 Block of Mapleton	35	\$ 495,457	\$ (305,087)	\$ 190,185	\$ 187,239	1.02
Combine Loan Two Subtotal		74					1.37
Twenty37 Walnut (2)	2037 Walnut	26	\$ 378,547	\$ (139,512)	\$ 239,035	\$ -	-
Bridgewalk	602-698 Walden Circle	123	\$ 2,491,946	\$ (934,218)	\$ 1,557,728	\$ 1,223,752	1.27
Broadway East	3160 Broadway	44	\$ 583,829	\$ (351,264)	\$ 232,565	\$ 87,423	2.66
Casey	2453 Broadway	6	\$ 99,691	\$ (28,853)	\$ 70,838	\$ 51,298	1.38
Cedar	1240 Cedar	13	\$ 210,093	\$ (64,910)	\$ 145,182	\$ 65,288	2.22
Foothills	4500 block of 7th/8th	74	\$ 1,115,551	\$ (632,384)	\$ 483,167	\$ 367,984	1.31
Hayden Place 2 (3)	3480 Hayden Place	6	\$ 79,588	\$ (31,464)	\$ 48,124	\$ 35,483	1.36
Tantra Lakes	807-999 Moorhead	185	\$ 3,042,202	\$ (1,178,223)	\$ 1,863,980	\$ 1,466,760	1.27
Trout Farms	2727 Folsom	31	\$ 468,687	\$ (215,253)	\$ 253,434	\$ 223,620	1.13
Midtown (2)	837 20th St.	13	\$ 165,223	\$ (87,484)	\$ 77,740	\$ -	-
Vistoso	4500 Baseline	15	\$ 174,924	\$ (116,957)	\$ 57,967	\$ 38,125	1.52
Workforce Sub Total:		536					1.44
Portfolio Totals:		715	\$ 10,924,364	\$ (5,071,702)	\$ 5,852,477	\$ 4,109,144	1.42

NOTES:

DSCR is calculated after required reserve contributions. Portfolio totals include NOI from properties with no debt, Midtown & 2037 Walnut are pledged as collateral for BHP Line of Credit
Hayden Place 2 does not have DSC requirement given the small number of units. One vacant unit can have substantial affect on ratio
Public Housing, Twenty37 Walnut and Midtown do not have mortgages
Trout Farms - Added for Sept 2020, now has full 12 months stabilized. 2020 YTD has DSCR is 1.155
This report excludes grant income

Boulder Housing Partners Benchmark Report as of September-2020

Net Income

	YTD Actual	YTD Budget	% Diff
Income	26,575,672	25,355,973	5%
Expense	(24,607,005)	(24,371,377)	-1%
Net Income	1,968,667	984,596	

Debt Service Coverage Ratio

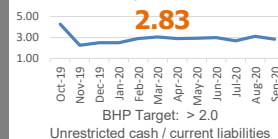
1.42

BHP Target 1.15

Balance Sheet Summary

	Actual Sep-20	Actual Dec-19	Net Change YTD
Assets	225,832,796	220,703,854	5,128,941
Liabilities	(97,201,873)	(94,018,233)	(3,183,640)
Equity	128,630,923	126,685,621	1,945,302

BHP Quick Ratio



Maintenance

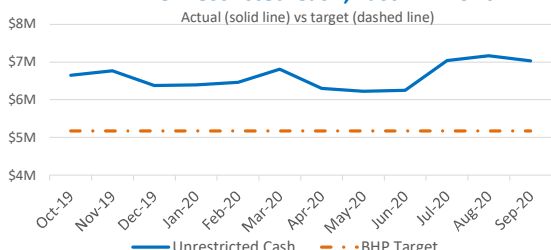
Unit Turns: **12.0** Average days to complete

234 turns YTD

Work Orders: **3.7** Average days to complete

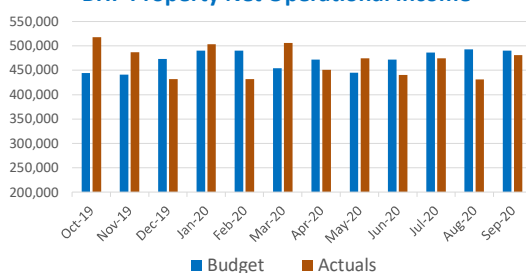
8449 work orders YTD

BHP Unrestricted Cash, Last 12 Month



May 2020 - \$175k HUD Cares Act Funding
July 2020 - Tax Credit Waterfall payments \$1MM
Aug 2020 - HUD CARES Act funds of \$217K

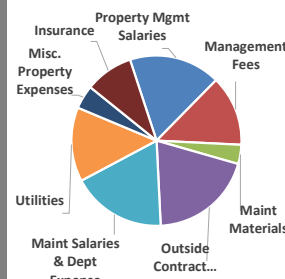
BHP Property Net Operational Income



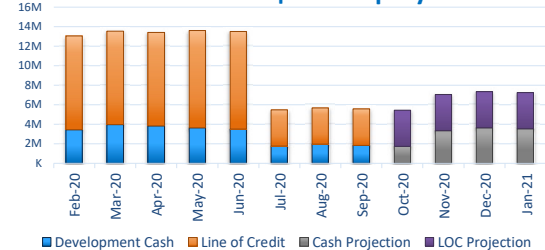
April '20 - Now excludes earned developer fees and other expenses not related to property operations that were previously included in these numbers.

PUPA \$6399

BHP & TC Units



BHP Development Equity



Development Equity Notes

Mar '20 - \$1.85k Inclusionary housing funds received for 2037 Walnut
July '20 - \$6.3MM LOC used for Rally Closing, \$2MM Cash used for Rally
Nov '20 - \$966k Dev Fee West End,
Nov '20 - \$340k Dev Fee & \$400k reimb pre-dev costs Madison Woods
Dec '20 - \$388k Dev Fee Canopy

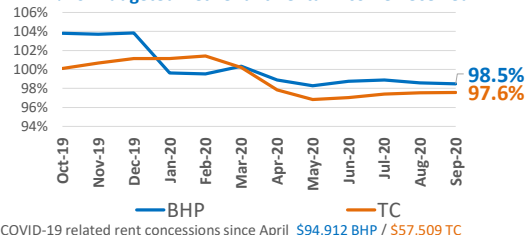
Operating Reserves

Current Operating Reserves
4,148,207
2020 Annualized Expenses
21,596,261

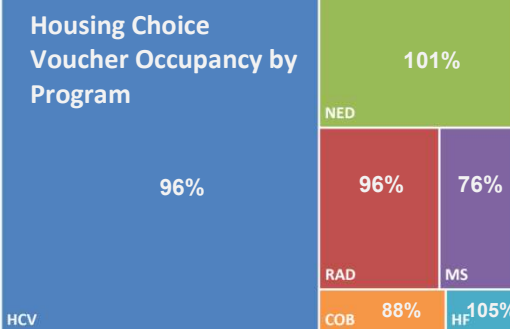
2.3 Months

of annual operating expenses are covered by the current operating reserves.
BHP Target is 2 Months

% of Budgeted Net Tenant Rental Income Received



Housing Choice Voucher Occupancy by Program



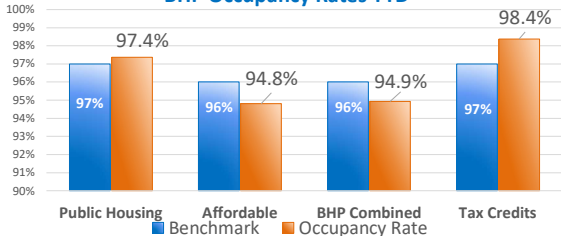
Housing Choice Voucher Notes

HCV - 756 Housing Choice Vouchers
RAD - 135 Rental Assistance Demonstration Vouchers
NED - 181 Non-Elderly Disabled Vouchers
MS - Mainstream 50 + 28 Vouchers + 39 Vouchers (March 2020)
HFP - 22 Housing First Vouchers
COB - 30 City of Boulder Voucher Funding +18 Vouchers (May 2020)

Unit Mix

AMI	BHP	LIHTC
PH/PB	47	395
30%	12	48
40%	38	65
45%	0	17
50%	158	142
60%	149	21
Market	311	0
Total	715	688
All Units	1403	

BHP Occupancy Rates YTD

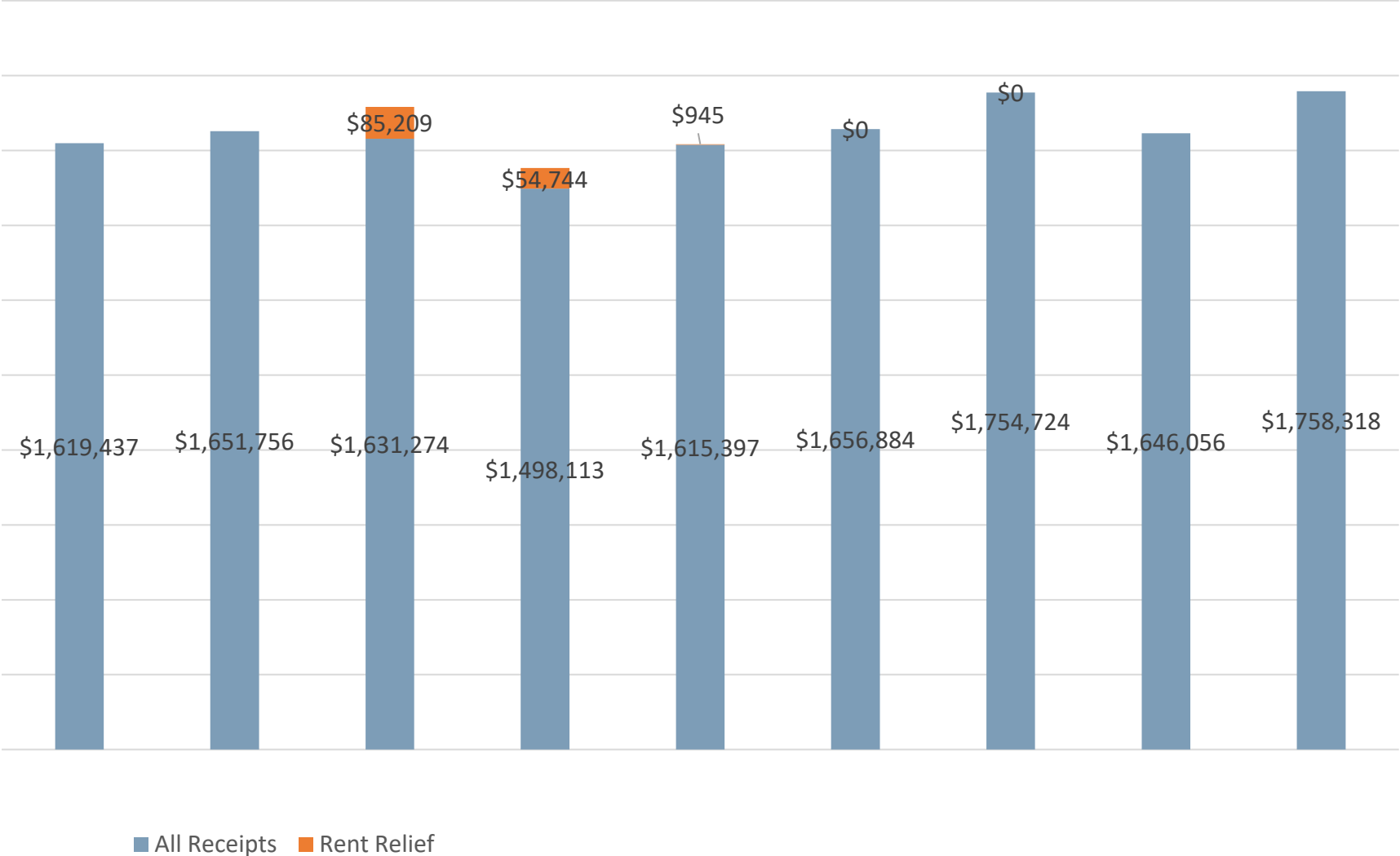


Tax Credit occupancy will not include West End until 2021 due to construction vacancy
Public Housing - holding units vacant for upcoming renovation at Madison



OTHER NOTES:
DSCR - Change in Sept is due to adding Trout Farms now that it has a full year of stabilized financials.
Development Equity - the graph now shows the \$6MM use of LOC fees for the Rally site.

Comparing Tenant Receipts and Subsidies February Through October 2020



MEMO

To: Board of Commissioners
From: Jeremy Durham and Jodi Bogen
Date: November 18, 2020
Re: 2021 Draft Operations Budget

Summary

We present our draft 2021 budget for discussion and direction at this November meeting, with final budget adoption scheduled for the December 9, 2020 meeting. We encourage and welcome any and all questions you may have.

BHP uses a Generally Accepted Accounting Principles-presentation format with both property specific and consolidated financial statements ending with Net Income (Loss). Supplemental information is provided “below the line” to provide the Board and management with a more complete operating cash presentation.

The consolidated BHP draft budget for calendar year 2021 shown below is compared to a Rolling 12 months Actual; October 2019 through September 2020, in lieu of the prior year budget due to significant changes in activity due to the COVID-19 pandemic. The rolling 12 months actuals reflected adjusts for property transitions to provide a comparable analysis to the 2021 Budget.

BHP Consolidated Budget	2021 BUDGET	Rolling 12 months actuals; Oct 2019-Sept 2020	Change in Income Increase (Decrease)	%
Operating Revenue	\$ 16,129,211	\$ 16,364,248	\$ (235,037)	-1%
Operating Expenses	\$ (13,350,979)	\$ (12,660,827)	\$ (690,151)	-5%
Net Operating Income	\$ 2,778,232	\$ 3,703,421	\$ (925,189)	-25%
Voucher Revenue - Federal / Local	\$ 13,827,678	\$ 13,449,457	\$ 378,221	3%
Voucher Expense - Federal / Local	\$ (13,809,678)	\$ (12,176,779)	\$ (1,632,899)	13%
Capital Grants	\$ 2,800,000	\$ 11,773,330	\$ (8,973,330)	-76%
Development Fees	\$ 3,856,032	\$ 797,334	\$ 3,058,698	384%
Interest Income	\$ 2,567,829	\$ 2,428,935	\$ 138,894	6%
Depreciation Expense	\$ (4,219,113)	\$ (4,464,177)	\$ 245,064	5%
Non Capital Reserve Spending	\$ (254,000)	\$ (57,939)	\$ (196,061)	-338%
Mortgage and Other Interest Expense	\$ (2,621,600)	\$ (2,729,288)	\$ 107,688	4%
Gain (Loss) on Sale of Capital Assets	\$ -	\$ (2,377,471)	\$ 2,377,471	-100%
Total Non-Operating Rev/Exp	\$ 2,147,147	\$ 6,643,402	\$ (4,496,255)	-68%
Net Income	\$ 4,925,379	\$ 10,346,823	\$ (5,421,444)	-52%
Debt Principal	\$ (1,368,898)	\$ (1,375,288)	\$ 6,390	0%
Tax Credits cash flow; reduces soft debt	\$ 1,054,700	\$ 1,060,295	\$ (5,595)	1%
Development Equity funding to Operations	\$ 300,000	\$ -	\$ 300,000	-100%
Replacement Reserves Funding	\$ (315,586)	\$ (348,263)	\$ 32,677	9%
Other Adjustments to Operating Cash Basis Reporting	\$ (4,594,948)	\$ (8,576,542)	\$ 3,981,593	-46%
Contribution to Operating Cash	\$ 647	\$ 1,107,025	\$ (1,106,378)	-100%

The 2021 column, darker highlighted items shown above, are the main contributors to deriving the 2021 Contribution to Operating Cash.

Development Equity funds have been separated from Operating Cash since 2018. Developer Fees and Capital Grants funds are significant sources of revenue, \$6,656,032 and \$12,570,664 for 2021 and 2020 respectively that are transferred to the Development Equity fund and are used to fund gap financing for LIHTC closings or the acquisition of real estate.

With a breakdown of Adjustments to Cash Basis Reporting as follows:

Adjustments to Operating Cash Basis Reporting	2021 BUDGET	Rolling 12 months actuals; Oct 2019-Sept 2020	Difference	%
Net Income	\$ 4,925,379	\$ 10,346,823	\$ (5,421,444)	-52%
Adjustments to Net Income				
Plus:				
Amortization & Depreciation	\$ 4,219,113	\$ 4,464,177	\$ (245,064)	-5%
Tax Credits cash flow; pay down of soft debt	\$ 1,054,700	\$ 1,060,295	\$ (5,595)	-1%
Development Equity funding to Operations	\$ 300,000		\$ 300,000	100%
Development Equity funding Tantra/ 30Pearl leasing cos	\$ 553,600		\$ 553,600	
Non Capital Expenditures funded by Reserves	\$ 322,049	\$ 57,939	\$ 264,110	456%
Less:			\$ -	
Soft Debt interest from Tax Credits	\$ (2,533,679)	\$ (2,369,123)	\$ (164,556)	7%
Notes Receivable; 30Pearl	\$ (2,000,000)	\$ (9,371,405)	\$ 7,371,405	
Fixed Asset Expenditures	\$ (550,000)	\$ -	\$ (550,000)	100%
Gain (Loss) on Sale of Assets; non cash	\$ -	\$ 1,839,204	\$ (1,839,204)	-100%
Replacement Reserves Funding	\$ (315,586)	\$ (348,263)	\$ 32,677	-9%
Debt Principal	\$ (1,368,898)	\$ (1,375,288)	\$ 6,390	0%
Transfers to Development Equity Fund	\$ (4,606,032)	\$ (3,197,334)	\$ (1,408,698)	44%
BHP net change in OPERATING Cash	\$ 647	\$ 1,107,025	\$ (1,106,378)	-100%

We are pleased to report that our 2021 Budget (Draft) shows a projected Net Income of \$4,925,379 and a balanced, net positive Operating Cash of \$647. This compares to the Rolling 12-Month Actuals net income of \$10,346,823 and a decrease in Operating Cash of \$1,106,378.

Due to the COVID-19 pandemic, our 2021 budget assumes: increased vacancy across the portfolio, rent increases only at affordable units with vouchers, and no rent increases at market rate units, for a projected net decrease to operating revenue of \$235,027 as compared with trailing 12 month actuals. It also factors resuming higher expenditure levels of property maintenance, higher insurance costs, increases in other non-discretionary expenditures and modest salary increases. This conservative approach anticipates \$925K reduced net income compared to the 12 months actuals presented.

Property transitions reflected in this report includes the conversion of Holiday's 49 units from Tax Credit to BHP workforce ownership mid-2021 as well as the sale of two BHP owned properties; Madison and Woodlands for the entire year 2021. The 12 months' data has been adjusted to include Holiday and exclude Madison and Woodlands to provide apples to apples comparisons.

Summary & Questions for the Board

This budget will meet our needs in 2021. The work ahead is to continue to manage expenses, increase revenue as the conditions allow, monitor cash position, look for new development or acquisition opportunities and continue to reposition assets to be able to sustain our mission over the long term.

With this budget we are asking the Board to approve the following. We welcome your questions on all:

- 2021 Budgeted BHP operating expenses level of \$27,160,657 including Housing Assistance Payments (before depreciation) – Exhibit 1
- 2021 Mortgage Interest Expense of \$2,621,600
- Reserve funding and target levels – described in Section 10
- 2021 Tax credit budgets with operating expense level in aggregate of \$6,977,500- Exhibit 2

Questions for the Board to Consider:

1. Are the general budget assumptions appropriate?
2. Do you support the Operating Reserve target of \$3,000,000 and Replacement Reserve target of \$3,500 per unit consistent with prior years?
3. Do you support reflecting \$300,000 use of unrestricted Development Equity Funds to balance projected 2021 operating cash? This use will be dependent upon actual cash need.
4. Do you support continuing the separate Insurance Reserve to mitigate risk due to higher insurance deductibles and increasing that reserve from \$500,000 to \$800,000 funded through one-time cashflow expected in April 2021 due to the West End LIHTC Partnership having no debt service payment during its 2020 construction period?

1. Section 1 – Design and Process Overview

1.1. 2021 Budget Design

A dominant design characteristic of the BHP budget continues to be the challenge of reflecting the impact of Moving to Work (MTW). HUD requires us to account for all MTW programs and related net assets separately from Non-MTW HUD programs and BHP programs. While each area will be discussed separately in this document, we are providing color coding for ease of understanding. The columns with gold headings represent MTW programs. Non-MTW voucher programs are columns with blue headings. BHP owned properties are columns with purple heading, BHP cost centers are in pink and the total BHP budget is in green. The tax credit properties are separate legal entities and have individual

budgets that are not included in the BHP budget. The individual tax credit budgets are attached as Exhibit 2 for your consideration.

The following chart provides the details of what is included in each program using the color coordination described above.

Moving to Work		Non MTW Programs		BHP Properties	
Program	Units/Vouchers	Program	Units/Vouchers	Program	Units/Vouchers
Public Housing		Non MTW Vouchers		Workforce	
Arapahoe Court	14	Mainstream	138	Holiday - 6 mos 2021	25
Total PH:	14	NED	181	2037 Walnut	26
Section 8 (HCVP)		RAD	135	Arapahoe East	11
HCVP	788	Housing First	22	Cedar / Casey	19
		City of Boulder	48	Bridgewalk	123
		Total Non MTW:	524	Broadway East	44
				Dakota Ridge	13
				Foothills	74
				Hayden Place 18:2	30
				Midtown	13
				Sanitas Place	12
				Tantra Lake	185
				Twin Pines	22
				Trout Farms	31
				Vistoso	15
				Whittier Apts	10
				Total Workforce Units	653
				Central Office Cost Center	
				Administration/IT	Property Management
				Finance	Resident Services
				Development	Maintenance
				Human Resources	Sustainability
				Asset Management	4800 Broadway Building
Tax Credit Properties not included in BHP budget					
Boulder Communities	279				
Broadway West	26				
Canopy	41				
Ciclo	38				
HighMar	59				
Holiday - 6 mos 2021	24	<< Convert from TC			
Lee Hill	31				
Palo Park	35				
Red Oak Park	59				
West End	116				
Westview	34				
Madison	33				
Woodlands	35				
Total Tax Credit:	810				
30 Pearl - 10 mos 2021	40				
30 Pearl - 6 mos 2021	80				
Total Tax Credit:	930				

SUMMARY	BHP Owned Units	Tax Credit Units (incl 30 Pearl)	Total Units	Vouchers	Total Units and Vouchers
Total Portfolio 2021	667	930	1597	1312	2909
Total Portfolio 2020	698	784	1482	1259	2741
Increase (decrease)	-31	146	115	53	168

1.2. Assumption Relating to New Units

Unit changes included in 2021:

- Conversion from Tax Credit ownership to BHP; 49 units at Holiday; quarter 3, 2021.
- 120 Tax Credit units at 30Pearl and full year of 68 Madison Woodlands units
- 32 additional vouchers for HCVP
- 21 additional Mainstream Vouchers

1.3. Budget Process

The 2021 budget was prepared property by property using the assumptions outlined in each program discussion below. The budget includes:

- BHP Financial Management Policies which govern the creation of this budget,
- Detailed budgets for each HUD program segregated into Moving to Work (MTW) programs and Non-MTW voucher programs,
- Detailed budgets for each BHP-owned property,

- Central Office Cost Center budgets including administration, human resources, technology, finance, asset management, property management, maintenance, resident services, sustainability, development projects and development administration,
- Five-year capital reserves plan, and
- Twelve Tax Credit Budgets (not included in the BHP consolidated budget).

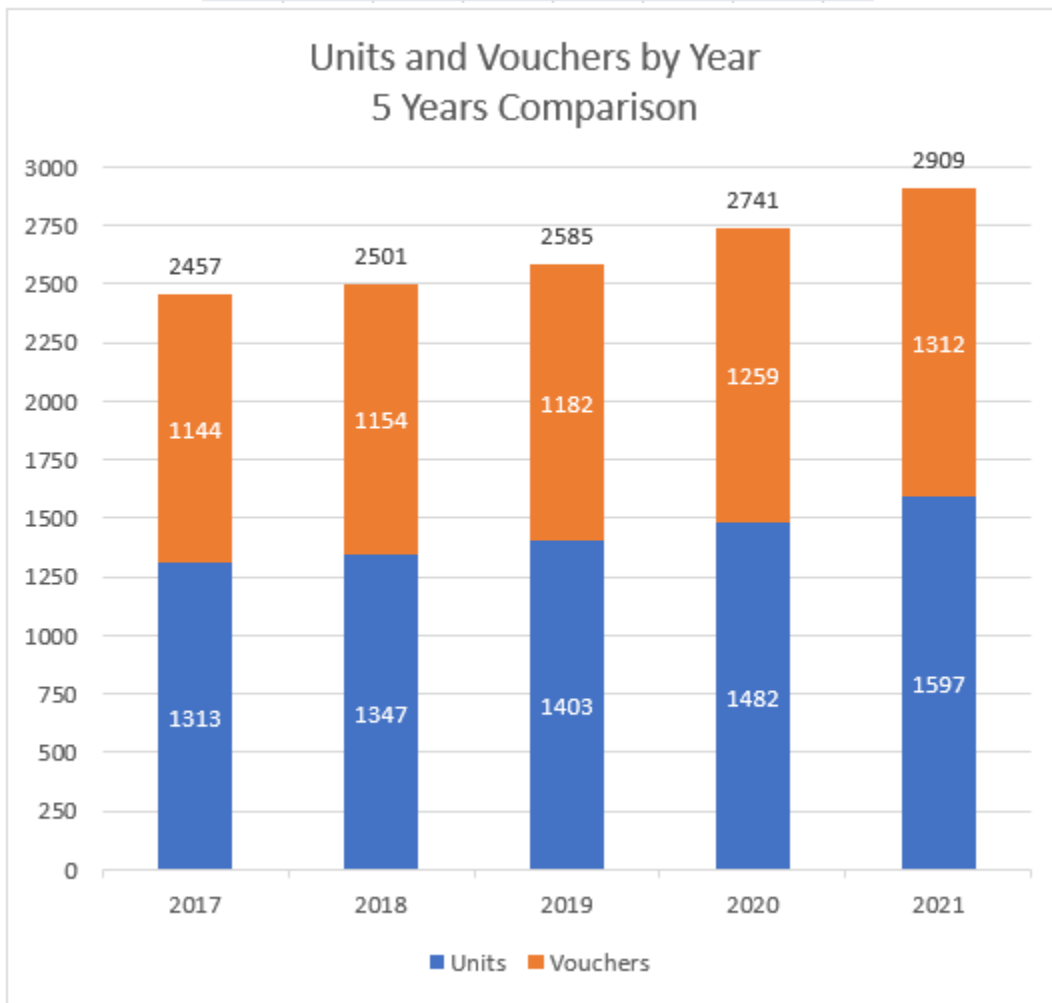
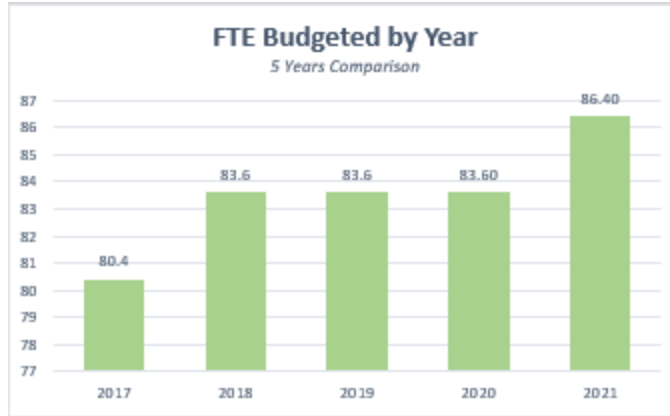
The Board’s approval of the 2021 Budget will adopt all documents by reference.

1.4. BHP Financial Management Policies

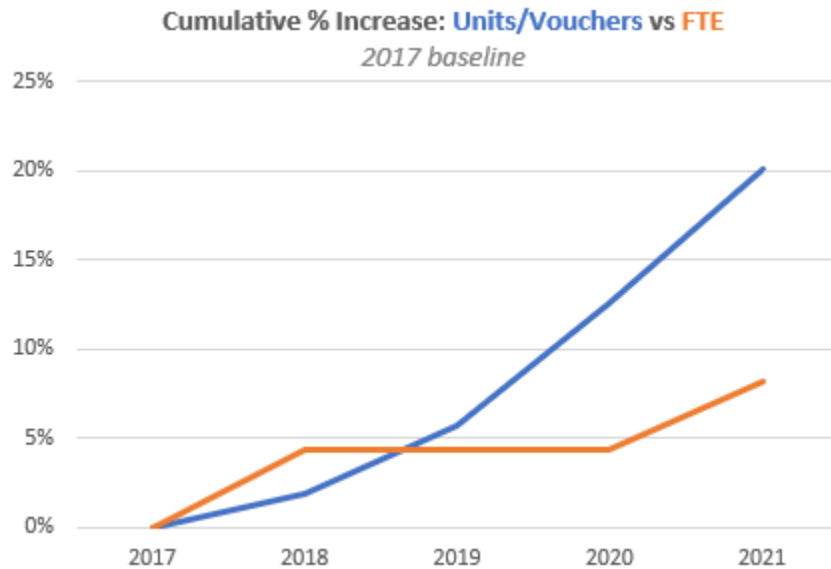
The financial policies that govern the creation of the budget including Revenues, Fixed Assets, Reserves, Debt and Investments. The following terms and provisions of BHP’s Financial Management Policies are applicable to this budget. BHP’s staff will work to update BHP’s Financial Management Policies in the first and second quarter of 2021, following adoption of BHP’s updated Strategic Framework.

- Fiscal Year – Boulder Housing Partners has adopted the calendar year ending December 31, for its fiscal year.
- Annual Budget Process – The preparation process shall be established by the Executive Director and Chief Financial Officer. The budget process for the next fiscal year shall be timed such that a first reading is presented to the Board of Commissioners (“Board”) no later than the November meeting of the Board and a second and final reading and presentation of a resolution of acceptance and approval is presented at the December meeting of the Board. Board approval of the budget is deemed approval of the associated expenses. No specific appropriation of funds is required for specific programs or budget line items.
- Budget Submittal – Net income will be adjusted to an operating cash basis by excluding non-cash revenues and expenses and including cash receipts and disbursements not affecting revenue or expense. After adjustment to cash basis, the Annual Budget shall be balanced. That is, budgeted operating cash expenditures will not exceed the reasonable projection of current year cash receipts.
- Management Authority to Act – Management has the authority to act within the overall spending limits of the operating budget. Management is not constrained by individual line items, only by the overall budgeted operating expenditures.
- Changes to Adopted Budget – Changes to the adopted budget should be rare and limited to material changes in direction or focus of the organization rather than line item adjustments unless a material error in the budget process is discovered after approval by the Board or the Board approves a material additional use of operating reserves for unbudgeted operating expense in the current year. “Material” as used in this Section 2.6 is defined as \$100,000. Any proposed change will be clearly documented and brought to the Finance Committee of the Board for discussion prior to presentation to the Board for approval. Upon approval, a revised submission to HUD of form 52574 is required in the event there is a material change to the Public Housing budget.

2. Section 2 - Overview of Staffing Related to Number of Units & Vouchers



The following chart shows the cumulative percentage increase in staff and the percentage increase in Units and Vouchers over the last 5 years.



	2017	2018	2019	2020	2021
Full Time Employees	80.4	83.6	83.6	83.6	86.40
Cumulative % Increase	0%	4%	4%	4%	8%
Total Units/Vouchers	2457	2501	2585	2741	2909
Cumulative % Increase	0%	2%	6%	13%	20%
Units per FTE	30.6	29.9	30.9	32.8	33.7

We have been able to increase the services we provide to our families and seniors over the last five years while managing the FTE growth with the portfolio growth. Projecting forward for the next three years we would expect growth in FTE to be directly related to growth in our portfolio. Due to the Covid-19 pandemic, we have strategically reviewed staff growth albeit the increase in units at 30Pearl that will come online during 2021.

As a rule of thumb, for each 90-100 units added we project 2.5 additional FTE; 1 property manager, 1 maintenance support and .5 resident services coordinator (or approximately \$180,000 of salary and benefits). This ratio will be affected by the number of units per property, geographic area of the property and the population served. Additional FTE have operating revenue sources from new properties to offset the additional expense.

3. Section 3 –Moving To Work

3.1. General Description

Moving to Work	
Program	Units/Vouchers
Public Housing	
Arapahoe Court	14
Total PH:	14
Section 8 (HCVP)	
HCVP	788

MTW is currently composed of 788 Housing Choice Vouchers, 14 units of Public Housing, the Public Housing Capital Fund Program (CFP), and administrative costs of MTW. These programs are each funded by HUD, but once we receive the funds, they can be spent on any of the MTW programs. The unfunded administrative costs of certain MTW activities can be paid for with revenues from the other MTW programs (e.g., CFP can pay for unfunded administrative costs) to bring the total to net zero cash flow.

3.2. Financial Summary

MOVING TO WORK PROGRAMS	Public Housing/CFP	S8hcvcov	S8 HCVP	MTW Admin	2021 Total Budget	12 Month Rolling Oct '19 - Sept '20	Diff
Total Rental/HAP Income	\$ 258,195	\$ -	\$ 8,879,220	\$ -	\$ 9,137,415	\$ 8,918,133	\$ 219,282
Total Expenses	\$ 138,175	\$ 89,472	\$ 8,917,365	\$ 85,690	\$ 9,230,702	\$ 7,737,614	\$ 1,493,088
Net Income (Loss)	\$ 120,020	\$ (89,472)	\$ (38,145)	\$ (85,690)	\$ (93,287)	\$ 1,180,519	\$ (1,273,806)
Adjustments for Cash Basis							\$ -
Plus:							\$ -
Amortization & Depreciation	\$ 16,212		\$ -	\$ -	\$ 16,212	\$ 65,770	\$ (49,558)
Funding from COVID Reserves		\$ 89,470			\$ 89,470		
Payment on LOC for the Boulders	\$ -		\$ 38,157	\$ -	\$ 38,157		\$ 38,157
Less:							\$ -
Fixed Asset Expenditures	\$ (50,000)	\$ -	\$ -	\$ -	\$ (50,000)		
Net Operating Transfers	\$ (85,690)	\$ -	\$ -	\$ 85,690	\$ -	\$ (1,380,661)	\$ 1,380,661
Net Increase (Decrease) to Cash	\$ 542	\$ (2)	\$ 12	\$ 0	\$ 552	\$ (134,372)	\$ 134,923

3.3. Budget Assumptions:

- Operating Subsidy for public housing is assumed to be consistent with the prior year reduced by the conversion of Madison units toward the end of 2020.
- Housing Choice Voucher - Housing Assistance Payments (HAP) funding based on 2020 budget authority and forecasted HAP expense.
- Housing Choice Voucher administrative fee funding based on estimated unit months leased and an assumption of 80% proration of published rates based on NAHRO estimates.
- HUD Capital Fund Program (CFP) anticipate available 2021 CFP of \$203,000; \$153,000 is planned for Operating grant to fund operating deficit at both public housing and MTW administrative costs.
-\$50,000 remaining will be drawn for a window replacement project at Arapahoe Court.

4. Section 4 – Non-MTW Voucher Programs

4.1. General Description

Non MTW Voucher Programs	Vouchers
City of Boulder	48
Housing First	22
Mainstream	138
NED	181
RAD	135
Total Non-MTW Vouchers:	524
Non MTW Grants	Grant \$
SNAP Consolidated Grant	\$ 368,412

*This grant serves 22 scattered site vouchers with supportive services. It also supports Lee Hill security costs and supportive services at Holiday. This grant was consolidated into one grant in 2020

The Non-MTW Voucher Programs consist of vouchers and grant programs funded by HUD and more recently, the City of Boulder, that are outside the MTW program and required to be reported separately from the MTW program. For the purposes of voucher count, we have included 48 permanently supportive housing vouchers that are currently funded by the City of Boulder.

4.2. Financial Summary

NON-MTW VOUCHER AND GRANT	2021 Total	12 Month Actuals Oct '19 - Sept '20	Diff
Total Revenue	\$ 5,901,963	\$ 4,925,631	\$ 976,332
Total Expenses	\$ 5,919,387	\$ 5,049,255	\$ 870,132
Net Income (Loss)	\$ (17,424)	\$ (123,624)	\$ 106,200
Funding from COVID Reserves	\$ 17,422		
Net Increase (Decrease) to Cash	\$ (2)	\$ (123,624)	\$ 123,622

Budget Assumptions:

- All HAP revenue is spent on HAP, and administrative costs are allocated to each of these Non-MTW voucher programs from the HCV team to offset administrative fees earned so they are projected to operate at net zero income and cash flow for 2021. 2020's actuals reflect a negative \$123,624 impact on cash due to overfunding in 2019 that lead to reduced funding in 2020.
- HCV-HAP Non MTW funding increased over the actuals presented due to additional voucher awards for both Mainstream/HUD program and City of Boulder funding.
- HCV administrative fees consistent with 2020's actuals at 80% proration of published rates.
- Service grant funding consistent with 2020's actuals for SNAP grants.

5. Section 5 – BHP Workforce Properties

5.1. General Description:

The Workforce portfolio includes BHP owned affordable and market rate units:

- 49 units at Holiday will be converted from Tax Credit ownership to BHP ownership July 2021

Workforce Properties			
Program	Units	Program	Units
Holiday	25	Midtown	13
2037 Walnut	26	Sanitas Place	12
Arapahoe East	11	Tantra Lake	185
Cedar / Casey	19	Twin Pines	22
Bridgeway	123	Trout Farms	31
Broadway East	44	Vizioso	15
Dakota Ridge	13	Whittier Apts	10
Foothills	74	Hayden Place 1&2	30
TOTAL:			653

5.2. Financial Summary

BHP Workforce Budget	2021 BUDGET Workforce	Rolling 12 months actuals; Oct 2019-Sept 2020	Change in Income Increase (Decrease)	%
Operating Revenue	\$ 10,709,429	\$ 10,779,252	\$ (69,823)	-1%
Operating Expenses	\$ (5,213,695)	\$ (5,215,414)	\$ 1,719	0%
Operating Transfers to COCC	\$ (240,000)	\$ (2,400,000)	\$ 2,160,000	-90%
Net Operating Income	\$ 5,255,734	\$ 3,163,838	\$ 2,091,897	66%
Capital Grants	\$ 750,000	\$ 2,400,000	\$ (1,650,000)	-69%
Interest Income	\$ 4,750	\$ 12,254	\$ (7,504)	-61%
Depreciation Expense	\$ (3,988,627)	\$ (4,158,731)	\$ 170,104	-4%
Non Capital Reserve Spending	\$ (90,000)	\$ (27,695)	\$ (62,305)	225%
Mortgage and Other Interest Expense	\$ (2,616,998)	\$ (2,731,970)	\$ 114,973	-4%
Total Non-Operating Rev/Exp	\$ (5,940,874)	\$ (4,506,143)	\$ (1,434,731)	\$ 0
Net Income	\$ (685,140)	\$ (1,342,305)	\$ 657,165	-49%
Adjustments to Operating Cash				
Plus:				
Amortization & Depreciation	\$ 3,988,627	\$ 4,158,731	\$ (170,104)	-4%
Non Capital Expenditures funded by Reserves	\$ 80,000	\$ 27,695	\$ 52,305	100%
Less:			\$ -	
Fixed Asset Expenditures	\$ (500,000)	\$ -	\$ (500,000)	-100%
Replacement Reserves Funding	\$ (266,266)	\$ (276,116)	\$ 9,850	-4%
Debt Principal	\$ (1,341,898)	\$ (1,404,574)	\$ 62,676	-4%
Contribution to Operating Cash	\$ 1,275,323	\$ 1,163,431	\$ 111,892	10%

The Workforce portfolio is showing a net loss of (\$685,140) and a positive cash contribution after adjustments for depreciation, debt principal payments and reserve funding from cash flow of \$1,275,323.

5.3. Budget Assumptions

- The rolling 12 months actuals includes a partial year of revenue and expense due to aforementioned changes in units. No new acquisitions of units are identified at this time.
- Due to the COVID-19 pandemic our 2021 budget assumes: increased vacancy across the portfolio, rent increases only at affordable units with vouchers, and no rent increases at market rate units, for a projected net decrease to operating revenue of \$69,823 as compared with trailing 12 month actuals.

- **Market Rate Rents**

Currently, Boulder Housing Partners operates 290 market rate rental units spread over 7 properties. Due to COVID-19, BHP has not projected any rent increases for market rate units. However, if BHP finds that the rental market can sustain increases during 2021, BHP will implement increases where it can and cap increases at 5% for existing tenants. Each 1% increase produces approximately \$56,000 in revenue. Accordingly, a 5% increase produces approximately \$280,000.

When a unit turns over, we will rent a market rate unit at the same monthly price or a little lower than comparable market rate units and we usually lease the units in less than a month of them becoming vacant.

- **Vacancy Loss**
 - Market Rate units are projected at 6-7% (based on COVID-19-driven performance) to reflect current market conditions and potentially slow lease up due to COVID-19 and current market saturation in Boulder.
 - All affordable units are projected at 3% vacancy with the exception of the few sites with lease-up referral programs. These are budgeted at 5% due to program constraints which can create longer lease-up timelines.
- \$2,750,000 Grant Revenue in 2021 include:
 - \$750,000, the second tranche of three, from the City of Boulder, Inclusionary Housing funds for the purchase of Trout Farms.
 - \$2,000,000 from the City of Boulder, Inclusionary Housing funds for the construction of 30Pearl.
- Property and operating costs as a whole remain proportional to the increase in units with the following exceptions:
 - Sites have experienced lower routine maintenance costs due to COVID-19 restrictions.
 - Sites have experienced higher extraordinary maintenance costs due to COVID-19 which include extra cleaning, purchase of PPE and cleaning products, and updating office/communal areas to improve safety.
 - Increased property and liability insurance expense of 9%

6. Section 6 – Central Office Cost Center

6.1. General Description

The Central Office Departments consist of:

Central Office Cost Center	
Administration/IT	Property Management
Finance	Resident Services
Development	Maintenance
Human Resources	Sustainability
Asset Management	4800 Broadway Building

7. Section 7 – Central Office Cost Center

7.1. Financial Summary

BHP Central Office Cost Center Budget	2021 BUDGET; COCC	Rolling 12 months actuals; Oct 2019-Sept 2020	Change in Income Increase (Decrease)	%
Operating Revenue	\$ 4,258,081	\$ 3,857,384	\$ 400,697	10%
Operating Expenses	\$ (6,825,087)	\$ (6,263,333)	\$ (561,754)	9%
Operating Transfers In (from MTW/WF)	\$ 240,000	\$ 2,400,000	\$ (2,160,000)	-90%
Net Operating Income	\$ (2,327,006)	\$ (5,948)	\$ (2,321,057)	39020%
SNAP Grant Revenue	\$ -		\$ -	
SNAP Grant Expense	\$ -		\$ -	
Capital Grants	\$ 2,000,000	\$ 9,371,405	\$ (7,371,405)	-79%
Development Fees	\$ 3,856,032	\$ 797,334	\$ 3,058,698	384%
Interest Income	\$ 2,563,079	\$ 2,417,362	\$ 145,716	6%
Depreciation Expense	\$ (214,275)	\$ (277,422)	\$ 63,147	-23%
Mortgage and Other Interest Expense	\$ (4,600)	\$ (42,099)	\$ 37,499	-89%
Non Capital Reserve Spending	\$ (152,000)	\$ (24,243)	\$ (127,757)	527%
Total Non-Operating Rev/Exp	\$ 8,048,236	\$ 12,242,337	\$ (4,194,102)	-34%
Net Income	\$ 5,721,230	\$ 12,236,389	\$ (6,515,159)	-53%
Adjustments to Operating Cash				
Plus:				
Amortization & Depreciation	\$ 214,275	\$ 277,422	\$ (63,147)	-23%
Tax Credits cash flow; reduces soft debt	\$ 1,054,700	\$ 1,060,295	\$ (5,595)	-1%
Development Equity funding to Operations	\$ 300,000		\$ 300,000	100%
Non Capital Expenditures funded by Reserves	\$ 97,000	\$ 24,243	\$ 72,757	300%
Gain (Loss) on Sale of Assets; non cash	\$ -	\$ 744,607	\$ (744,607)	-100%
Development equity funding; Tantra/ 30Pearl	\$ 553,600			
Soft Debt Interest From Tax Credits	\$ (2,560,679)	\$ (2,382,343)	\$ (178,336)	7%
Replacement Reserves Funding	\$ (49,320)	\$ (103,000)	\$ 53,680	-52%
Notes Receivable; 30Pearl	\$ (2,000,000)	\$ (9,371,405)		
Transfers to Development Equity Fund	\$ (4,606,032)	\$ (2,542,614)	\$ (2,063,418)	81%
BHP net change in OPERATING Cash	\$ (1,275,226)	\$ (56,406)	\$ (1,218,820)	2161%

The central office departments combined show a 2021 net income of \$5,721,230 and negative cash flow of (\$1,275,226). Net Income for the Rolling 12-month actuals is higher than 2021 as a result of a large decrease in Capital Grants awarded in 2020 that provided gap financing for the closing of 30Pearl, and Canopy.

Expenses are in line with 2020 with normal salary increases targeted at 3%. Staff benefits costs reflect a 25% increase in health insurance premiums.

7.2. Budget Assumptions

- Development fee income of \$3,856,032, consists of \$2,708,698 from West End and Canopy earned at Stabilization and Final Closing milestones, \$747,334 from 30Pearl at Construction completion and \$400,000 estimated at closing of Mt Calvary LIHTC.
- Grant revenue of \$105,000 from the BHP foundation and Boulder County to fund 1.5 term positions for Bringing School Home.
- Continuation of the fee-for-service approach to maintenance billing, resulting in 100% recapture of Maintenance Department costs from the properties.
- Employee benefit costs increased significantly at policy renewal as noted above. Overall impact to the organization including tax credits is \$150,000 increase.
- Employee benefit split 70/30; the same split as 2020.
- Resident Services department supported by property fees based on the level of service provided to each property.
- Contributions to replacement reserves for 4800 Broadway is \$55,000 based on estimated replacement schedules for technology improvements to continue efforts for a paperless environment and necessary computer hardware and software upgrades. BHP will begin a lease program to replace its vehicles in lieu of purchasing vehicles beginning at the end of 2020. This alternative to purchasing vehicles will allow us to replace many 10-20+ old vehicles, ensuring the safety of our maintenance staff, reducing down-time while vehicles are repaired, while ultimately saving over \$150K for the next 10 years. It will also reduce the capital outlay to purchase new vehicles.

8. Section 8 – Organizational Debt

Below is a summary of the existing BHP debt in order of loan maturity. The next loan to mature is April 2021; Arapahoe East, Dakota Ridge, Sanitas Place and Twin Pines are jointly collateralized. Upon refinance, BHP will size the loan to draw equity of \$750K minimum. These proceeds will be added to replacement reserves funds, to be used to update the properties based on capital needs analysis.

BHP Mortgage / Bond Summary Schedule					
Property	Interest Rate	Maturity	Original Loan amt	Balance projected @ 12/31/2020	Annual Debt service 2021
**Arap East, Dak Ridge, Sanitas Pl, Twin Pines	3.50%	4/1/2021	\$ 3,572,476	\$ 2,614,109	\$ 55,321
**Arap East, Dak Ridge, Sanitas Pl, Twin Pines	4.50%	4/1/2036	\$ 3,581,253	\$ -	\$ 163,311
Tantra Lake	3.42%	4/1/2027	\$ 29,705,000	\$ 28,030,943	\$ 1,468,144
***Hayden Pl, Whittier	3.85%	7/1/2027	\$ 1,434,971	\$ 1,434,971	\$ 98,233
Hayden Place 2	4.20%	8/1/2027	\$ 600,000	\$ 554,045	\$ 35,524
Cedar & Casey	3.25%	2/1/2028	\$ 2,449,358	\$ 2,335,647	\$ 117,893
Foothills	3.25%	8/31/2028	\$ 7,000,000	\$ 5,873,770	\$ 367,345
Trout Farms	3.97%	6/1/2029	\$ 4,197,000	\$ 4,112,031	\$ 196,892
Bridgewalk	3.86%	4/1/2032	\$ 23,460,000	\$ 22,253,368	\$ 1,233,882
Vistoso	4.79%	11/1/2047	\$ 600,000	\$ 572,609	\$ 38,086
Broadway East	Variable	9/1/2037	\$ 1,715,000	\$ 1,605,000	\$ 145,772
		Totals	\$ 78,315,059	\$ 69,386,494	\$ 3,920,404

* BHP also has a line of Credit with First Bank for \$10 million at a rate of 3.5% collateralized by the office building at 4800 Broadway and 2037 Walnut. The LOC matures 4/15/2023

**BHP will refinance the 4 property loan maturing Q2 2021, refinancing will draw approx \$750K proceeds

***This loan originally included 101 Canyon (sold in 2020 to external buyer) and Woodlands (sold in 2020 to LIHTC managed by BHP)

Debt Service Coverage Ratio measures the net operating income (NOI) divided by the amount of the debt payment for each property. A ratio of 1:1 means that the NOI can just support the debt. These properties are all projected to perform with a debt service coverage ratio of 1.15:1 or better as required by our lenders. The weighted average debt service coverage ratio for these properties is 1.4:1 The additional NOI in excess of the 1:1 ratio provides income which is used to (1) fund replacement reserves, (2) support the Central Office Cost Center (COCC), and (3) fund operating reserves.

9. Section 9 – Consolidated Financial Statements

We have worked diligently to present a budget for 2021 that produces positive net income of \$4,925,379 with a nominal \$647 increase in cash. The Rolling 12-months actuals presented had higher net income by \$5,421,444 due to \$8,973,330 increased capital grant funding offset by \$3,058,698 higher Development in 2021 vs. 2020. We are projecting \$300,000 funded by Development Equity reserves to provide a balanced cash budget, it is important to note that this budget includes full employment. We project to maintain an operating reserve target of \$3,000,000. Though we will be continuing our per unit minimum replacement reserve at \$3,500 per unit, we will use refinancing equity to bolster our replacement reserves to fund expected capital improvements over the next several years.

The consolidated statements with a comparison to 2020 Rolling 12-month actuals (October 2019 through September 2020) are attached; **Exhibit 1**. Using actuals vs prior year budget provides the reader an equivalent comparison due to the significant conversion of 68 units at Woodlands and Madison to a tax credit ownership in 2020.

- Net decrease in operations revenue of \$235,037 due to: expected increased vacancy across the portfolio, rent increases only at affordable units with vouchers, and no rent increases at market rate units.
- Increase in Development Fee income of \$3,058,698. Construction project timelines create vast disparity in Development fee timing which are earned at four milestones of each project. BHP is the developer of 3 ongoing construction project milestones overlapping 2020 and 2021. A new project will commence upon the Mt Calvary LIHTC closing in 2021. Development fees fund a separate Development Equity Reserve, the purpose being to fund acquisitions of affordable housing and predevelopment costs.
- Increase in Voucher revenue and expense of \$2,011,120. HCV revenue is based on 2020 budget authority and 99% proration. HCV expense is expected to increase \$1,295,612 based on an increase of vouchers placed and units leased that the housing choice team has been diligently working on during 2020. This increase also reflects the following additional funding:
 - \$287,000 increased COB voucher revenue; additional vouchers awarded during 2020 are placed in service for an entire 2021 year vs. partial 2020.
 - \$579,401 increased Mainstream voucher revenue as additional voucher awards during 2020 are placed in service for an entire 2021 year vs. partial 2020.
- An increase in salaries and benefits of \$358,421 related to; (1) \$190K or 2.8 additional FTE (2) an overall \$186K or 3% average performance-based merit increase, (3) \$150,000 increase in health insurance premiums. A large portion of these increases are passed on to our tax credit partnerships which are independent financials.
- Decrease in Property Costs of \$51,828 relates to; (1) 2020 included \$220K Covid-19 costs to protect both residents and staff. 2021 provides a \$160K budget for continued Covid-19 specific expenditures, however 2020 included one-time costs to set up staff to work remotely or purchase sanitizing equipment (2) higher than usual unit turn costs of \$45K and (3) offset by increases in utility and insurance costs.
- Increase of \$85,449 in Legal and Predevelopment Expenses. Due to the COVID-19 pandemic we had nominal legal costs. We have provided a budget that anticipates typical annual expenditure levels for prior years.
- A decrease in Capital Grants of \$8,973,330 2021 vs 2020:
 - 2021 budget includes \$2,750,000 COB Inclusionary Funds for
 - 30 Pearl, last tranche \$2M
 - Trout Farms, 2nd tranche of \$750,000.
 - 2020 included COB Inclusionary Funds and Boulder County Worthy Cause grants:
 - 30 Pearl, COB: initial tranches; 8.9M, including \$2.9M land grant
 - 2037 Walnut; COB: 2nd tranche; \$1.85M
 - Cedar Casey; COB: Final tranche; \$550K
 - 30 Pearl; Worthy Cause; \$400K
- A \$107,688 decrease in Mortgage and Other Interest Expense relates to normal amortization of loans offset by increased interest on the refinanced loan in 2021.
- Debt Principal stayed relatively flat; a nominal \$6,390 decrease in 2021 due to increase principal payments offset by refinancing of maturing loan in 2021.

10. Section 10 - Five Year Capital Plan and Reserves

The Five-Year Capital Budget has been analyzed with the current and planned status of our reserves in five areas:

10.1. BHP Operating Reserves

BHP anticipate maintaining \$3,000,000 reserves based on the 2020 operating budget. Based on HUD’s “cash management” experience, the Board approved an increase in 2016 to 2 months of operating cash for BHP or \$3,000,000 as a designated reserve to reflect the reduction in cash reserves allowed by HUD for federal programs. We are proposing that we maintain this target at \$3,000,000 for 2020.

BHP Operating Reserves - Unrestricted	2021 Budget	2022 Projected	2023 Projected	2024 Projected	2025 Projected
Operating Reserves - Projected Beginning Balance	\$ 3,468,835	\$ 3,469,482	\$ 3,494,482	\$ 3,519,482	\$ 3,544,482
Sources:					
Cash Surplus/Deficit from Operations	\$ 647	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Total Sources	\$ 647	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Uses:					
Total Uses	\$ -	\$ -	\$ -	\$ -	\$ -
Balance - End of Year	\$ 3,469,482	\$ 3,494,482	\$ 3,519,482	\$ 3,544,482	\$ 3,569,482
Designations:					
Board Designated Reserve	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000
Surplus /(Deficit) vs Reserve Goal	\$ 469,482	\$ 494,482	\$ 519,482	\$ 544,482	\$ 569,482

10.2. Development Equity Fund

During the year as Development opportunities arise, the Finance Committee and Board of Commissioners review and approve activity for utilizing those funds.

The Development equity fund is mainly used to fund:

- Pre-development expenditures for new acquisitions or LIHTC deals.
- Acquisition of real estate
- The projected source of funds over the next 2 years are:

2021	\$3,633,000
2022	\$7,458,000

10.3. Replacement Reserves

BHP Replacement Reserves - Unrestricted	2021 Budget	2022 Projected	2023 Projected	2024 Projected	2025 Projected
Projected Beginning Balance	\$ 2,959,053	\$ 4,390,636	\$ 3,870,623	\$ 3,319,610	\$ 3,075,597
Sources:					
Refinance 4 property loan Q2; excess funds for rehab	\$ 750,000				
Refinance Holiday loan mid 2020; excess funds held for rehab	\$ 350,000				
Capital Reserve addition; Tax Credit cash flow	\$ 500,000				
Replacement Reserves - Workforce Properties	\$ 318,587	\$ 368,987	\$ 368,987	\$ 368,987	\$ 368,987
Replacement Reserves - COCC	\$ 102,996	\$ 55,000	\$ 55,000	\$ 55,000	\$ 56,100
Total Sources	\$ 2,021,583	\$ 423,987	\$ 423,987	\$ 423,987	\$ 425,087
Uses:					
Capital Needs - use of Refi proceeds	\$ 257,000	\$ 350,000	\$ 350,000	\$ 143,000	
Capital Needs - Workforce Properties (estimate)	\$ 239,000	\$ 494,000	\$ 475,000	\$ 375,000	\$ 400,000
Capital Needs - COCC (estimate)	\$ 144,000	\$ 100,000	\$ 150,000	\$ 150,000	\$ 150,000
Total Uses	\$ 640,000	\$ 944,000	\$ 975,000	\$ 668,000	\$ 550,000
Balance - End of Year	\$ 4,340,636	\$ 3,870,623	\$ 3,319,610	\$ 3,075,597	\$ 2,950,684
Designations:					
Board Designated Reserve	\$ 2,285,500	\$ 2,369,500	\$ 2,369,500	\$ 2,369,500	\$ 2,369,500
Surplus /(Deficit) vs Reserve Goal	\$ 2,055,136	\$ 1,501,123	\$ 950,110	\$ 706,097	\$ 581,184

With our current funding levels averaging \$460/per unit per year, we will be able to accommodate expected repairs while continuing to maintain a target balance of \$3,500 per unit. We believe this level of funding and balances are appropriate for these units. We recommend a board target of \$3,500 per unit for 2021. Additions to reserves during 2021:

- \$750K replacement reserve funding from refinancing will supplement anticipated capital needs for several properties.
- When the Holiday property exits tax credit ownership mid-2021, a refinance will also be executed, which will provide additional \$350K reserves.
- \$500,000 – One-time surplus waterfall from 2020’s West End LIHTC entity distributed in 2021. The excess cash flow is due to this property not having debt service during the construction period.
- Use of these incremental reserves will be based on capital needs analysis.

10.4. MTW Operating Reserves

Moving to Work Reserves are fungible within MTW, but not available for the central office departments or other properties. These reserves are available for any MTW activity including funding Public Housing operations, Housing Choice Voucher HAP and administrative needs or other unfunded MTW activities which include the acquisition or development of affordable units. We are projecting to start the year with an MTW reserve balance of \$666,900. This includes \$125K carryover of Covid Cares Act funding received in 2020, to be expended in 2021 as planned to cover Covid-19 qualified expenditures. No significant changes are projected over the next 5 years.

10.5. Externally Restricted Reserves

These fund balances vary depending on the nature of the restrictions and designated timelines. Below summarizes the composition of restricted reserves as of September 2020.

- \$560,287 Tenant Security deposits, fluctuates per resident tenant move ins or move outs and property acquisitions.
- \$655,087 for non MTW voucher programs (NED/RAD/COB) funds which can only be used to for housing assistance payments:
 - The COB prepaid a full year of funds \$921,875 in 2020 and we anticipate the same funding to occur in 2021. As of September 2020, \$639,750 funds remain from the 2020 prepayment.
 - NED (non-Elderly Disabled) and RAD (Rental Assistance Demonstration) HUD programs; BHP holds \$15,334 excess HAP revenue in excess of expenses.

10.6. Insurance Reserve: 2020 - \$800,000

Due to natural disasters driving insurance industry economics, in 2019 BHP is still unable to renew insurance policies with our previous \$10,000 deductible limits. To mitigate the risk of the higher \$25,000 deductible along with a 1% of replacement value for wind/hail events, a \$500,000 insurance reserve was established in 2019. This reserve was equally funded by Operating Reserves and Development Equity Reserves. During 2020, there were no events that utilized this reserve. At policy renewal September 2020, we again faced higher deductible for our wind/hail deductible from 1% to 2% of replacement value. We anticipate a one-time influx of tax credit cash flow due to West End Communities, LLLP not having regular debt service payment during 2020's construction project. \$300,000 of this one-time surplus cash flow will be added to the insurance reserve to compensate for the higher wind/hail deductible.

The exposure across the entire portfolio for 2% wind/hail deductible is \$3,300,000. An \$800,000 reserve, equal to 24% of our higher deductible exposure, provides a safety net in addition to our operating and replacement reserves.

11. Section 11 – Tax Credit Budgets

At the end of 2020 BHP will be the general partner and .01% owner of the following twelve tax credit entities:

Tax Credit Properties not included in BHP budget	
Boulder Communities	279
Broadway West	26
Canopy	41
Ciclo	38
HighMar	59
Holiday - 6 mos 2021	24
Lee Hill	31
Palo Park	35
Red Oak Park	59
West End	116
Westview	34
Madison	33
Woodlands	35
Total Tax Credit:	810
30 Pearl - 10 mos 2021	40
30 Pearl - 6 mos 2021	80
Total Tax Credit:	930

<< Convert from TC

Each of these properties is managed by BHP in accordance with the requirements of the Limited Partnership Agreement. Annual budgets for the properties are provided and approved by the Investor Limited Partner. The budgets must meet the required debt service coverage limit. The assumptions for these budgets match the BHP affordable properties:

- Increased vacancy (5%) across the portfolio and rent increases only at affordable units with vouchers.
- Property and General Liability insurance increases of 9%, and umbrella insurance policy increases of 23% for tax credit entities specifically due to investor requirements at renewal in September 2020.

A detailed budget for each property is included as **Exhibit 2**. These properties are separate legal entities and therefore never consolidated into the financial statements of BHP.

12. Section 12 –Organizational Summary

Below is a summary to show the scale of the whole organization. The financials statements of the tax credits are not consolidated with BHP.

Total Organization Summary	Total Tax Credits	% of Total All	BHP	% of Total All	Total ALL
Total Operating Revenue	12,176,275	43%	16,129,211	57%	28,305,485
Salaries and Benefits	1,079,919	14%	6,782,306	86%	7,862,224
Total Property Costs	4,366,292	52%	4,011,018	48%	8,377,310
Total Operating Costs	1,531,289	38%	2,537,655	62%	4,068,945
Total Operating Expense	6,977,500	34%	13,330,979	66%	20,308,479
Net Operating Income	5,198,774	65%	2,795,872	35%	7,994,646
Non Operating Income and (Expense)	(11,458,136)	123%	2,129,147	-23%	(9,328,989)
Total NET INCOME (LOSS)	(6,259,362)	469%	4,925,019	-369%	(1,334,343)
Net Increase (Decrease) to Cash	1,984,608	100%	647	0%	1,985,255
Units	930	58%	667	42%	1,597
Vouchers	-	0%	1,312	100%	1,312

Attachments:

Exhibit 1- BHP Summary Budget

Exhibit 2 - Tax Credit Budget Summary

Boulder Housing Partners
2021 Budget Summary

	MTW PH & Sec 8	Non MTW Vouchers	Workforce Properties	Central Office Departments	2021 Budget	Adjusted Rolling 12 mos Actuals 10/2019 - 09/2020 Excl; Mad/WL Incl; Holiday est	Incr (Decr) Income	Incr (Decr) Income %
Operations Revenue								
Tenant Dwelling Rental	\$ 45,600	\$ -	\$ 10,260,865	\$ -	\$ 10,306,465	\$ 10,344,896	\$ (38,431)	0%
HUD-Operating Subsidy	\$ 7,200	\$ -	\$ -	\$ -	\$ 7,200	\$ 6,871	\$ 329	5%
Total Operations Revenue	\$ 52,800	\$ -	\$ 10,260,865	\$ -	\$ 10,313,665	\$ 10,351,767	\$ (38,102)	0%
Fee Revenue								
Asset Mgmt Fee Revenue	\$ -	\$ -	\$ -	\$ 79,980	\$ 79,980	\$ 85,800	\$ (5,820)	-7%
Property Mgmt & Bkpg Fee	\$ -	\$ -	\$ -	\$ 588,449	\$ 588,449	\$ 610,998	\$ (22,549)	-4%
Mgmt Fees - Tax Credits & S8	\$ -	\$ -	\$ -	\$ 1,030,481	\$ 1,030,481	\$ 832,840	\$ 197,641	24%
Resident Services/Grant Mgmt. Fees	\$ 4,800	\$ -	\$ -	\$ 415,964	\$ 420,764	\$ 405,840	\$ 14,924	4%
Total Fee Revenue	\$ 4,800	\$ -	\$ -	\$ 2,114,874	\$ 2,119,674	\$ 1,935,478	\$ 184,196	10%
Grants and Subsidies								
Admin Revenue; voucher programs	\$ 596,532	\$ 329,373	\$ -	\$ -	\$ 925,905	\$ 1,403,719	\$ (477,814)	-34%
Non Federal Op Grants and Donations	\$ 18,445	\$ -	\$ -	\$ 103,553	\$ 121,998	\$ 108,772	\$ 13,226	12%
Federal Operating Grants	\$ 153,168	\$ -	\$ -	\$ -	\$ 153,168	\$ 208,491	\$ (55,323)	-27%
Total Grants and Subsidies	\$ 768,145	\$ 329,373	\$ -	\$ 103,553	\$ 1,201,071	\$ 1,720,982	\$ (519,911)	-30%
Other Revenue								
Tenant Fees and Utility Charges	\$ 1,782	\$ -	\$ 430,984	\$ -	\$ 432,766	\$ 464,599	\$ (31,833)	-7%
Maint Charges to Prop	0	\$ -	\$ -	\$ 2,018,006	\$ 2,018,006	\$ 1,788,932	\$ 229,074	13%
Miscellaneous Revenue	\$ 4,800	\$ -	\$ 17,580	\$ 21,648	\$ 44,028	\$ 102,490	\$ (58,462)	-57%
Total Other Revenue	\$ 6,582	\$ -	\$ 448,564	\$ 2,039,654	\$ 2,494,800	\$ 2,356,021	\$ 138,779	6%
Total Operating Revenue EXcluding HAP/Voucher funding	\$ 832,327	\$ 329,373	\$ 10,709,429	\$ 4,258,081	\$ 16,129,211	\$ 16,364,248	\$ (235,037)	-1%
Federal and local Voucher Revenue								
HCV-HAP/Admin Revenue	\$ 8,255,088	\$ 4,082,500	\$ -	\$ -	\$ 12,337,588	\$ 12,301,853	\$ 35,735	0%
Non Federal Op Grants and Donations	\$ -	\$ 891,600	\$ -	\$ -	\$ 891,600	\$ 603,771	\$ 287,829	48%
Federal Service Grants	\$ -	\$ 598,490	\$ -	\$ -	\$ 598,490	\$ 543,833	\$ 54,657	10%
Total Voucher Revenue	\$ 8,255,088	\$ 5,572,590	\$ -	\$ -	\$ 13,827,678	\$ 13,449,457	\$ 378,221	3%
Total Operating Revenue INcluding HAP / Voucher funding	\$ 9,087,415	\$ 5,901,963	\$ 10,709,429	\$ 4,258,081	\$ 29,956,889	\$ 29,813,705	\$ 143,184	0%

Boulder Housing Partners
2021 Budget Summary

	MTW PH & Sec 8	Non MTW Vouchers	Workforce Properties	Central Office Departments	2021 Budget	Adjusted Rolling 12 mos Actuals 10/2019 - 09/2020 Excl; Mad/WL Incl; Holiday est	Incr (Decr) Income	Incr (Decr) Income %
Operating Expenses								
Salaries and Benefits	\$ 464,272	\$ 226,206	\$ 735,952	\$ 5,355,875	\$ 6,782,306	\$ 6,423,885	\$ (358,421)	-6%
Property Costs								
Management Fees	\$ 198,794	\$ 134,837	\$ -	\$ -	\$ 333,631	\$ 305,514	\$ (28,117)	-9%
Maintenance Materials	\$ 4,392	\$ -	\$ 261,946	\$ 45,712	\$ 312,050	\$ 220,474	\$ (91,576)	-42%
Contract Labor & Repairs	\$ 59,925	\$ -	\$ 963,364	\$ 200,468	\$ 1,223,757	\$ 1,527,859	\$ 304,102	20%
BHP Contract Labor	\$ 18,121	\$ -	\$ 893,559	\$ 57,560	\$ 969,240	\$ 907,671	\$ (61,569)	-7%
Trash and Recycling	\$ 3,510	\$ -	\$ 148,620	\$ 4,623	\$ 156,753	\$ 145,856	\$ (10,897)	-7%
Utilities	\$ 17,374	\$ -	\$ 596,270	\$ 24,048	\$ 637,692	\$ 616,663	\$ (21,029)	-3%
PILOT & HOA fees	\$ 3,710	\$ -	\$ 374,184	\$ -	\$ 377,894	\$ 338,809	\$ (39,085)	-12%
Total Property Costs	\$ 305,826	\$ 134,837	\$ 3,237,943	\$ 332,411	\$ 4,011,018	\$ 4,062,845	\$ 51,828	1%
Other Operating Expenses								
Asset Management Fee	\$ 1,680	\$ -	\$ 78,300	\$ -	\$ 79,980	\$ 77,640	\$ (2,340)	-3%
Consultants and Non Salaried Personnel	\$ 35,321	\$ -	\$ 5,600	\$ 102,200	\$ 143,121	\$ 106,496	\$ (36,625)	-34%
Dues and Fees	\$ 2,062	\$ -	\$ 8,038	\$ 66,984	\$ 77,084	\$ 75,149	\$ (1,935)	-3%
Software and Expendable Equipment	\$ 52,000	\$ -	\$ 4,501	\$ 272,065	\$ 328,566	\$ 248,087	\$ (80,479)	-32%
Insurance Expense	\$ 13,889	\$ -	\$ 390,551	\$ 92,537	\$ 496,977	\$ 455,530	\$ (41,447)	-9%
Legal and Predevelopment Expense	\$ 16,280	\$ -	\$ 17,416	\$ 106,004	\$ 139,700	\$ 54,251	\$ (85,449)	-158%
Miscellaneous - Expense	\$ 17,047	\$ 3,754	\$ 119,016	\$ 157,483	\$ 297,300	\$ 252,356	\$ (44,944)	-18%
Office Supplies/Phone/Printing	\$ 9,056	\$ -	\$ 30,494	\$ 164,928	\$ 204,478	\$ 189,822	\$ (14,656)	-8%
Property Mgmt & Bkpg Fee Exp	\$ 11,982	\$ -	\$ 558,427	\$ -	\$ 570,409	\$ 574,555	\$ 4,146	1%
Resident Services Fee Exp	\$ 6,384	\$ -	\$ 27,456	\$ -	\$ 33,840	\$ 33,764	\$ (76)	0%
Staff Training	\$ 11,600	\$ -	\$ -	\$ 111,100	\$ 122,700	\$ 48,226	\$ (74,474)	-154%
Vehicle Expense	\$ -	\$ -	\$ -	\$ 63,500	\$ 63,500	\$ 58,221	\$ (5,279)	-9%
Total Other Operating Costs	\$ 177,301	\$ 3,754	\$ 1,239,799	\$ 1,136,801	\$ 2,557,655	\$ 2,174,097	\$ (383,558)	-18%
Total Operating Expenses EXcluding HAP / Voucher expense	\$ 947,400	\$ 364,797	\$ 5,213,695	\$ 6,825,087	\$ 13,350,979	\$ 12,660,827	\$ (690,151)	-5%
Voucher Funding and Expense								
HCV-HAP Expense	\$ 8,255,088	\$ 4,082,500	\$ -	\$ -	\$ 12,337,588	\$ 11,041,976	\$ 1,295,612	12%
Service Grant Expense & COB Voucher program	\$ -	\$ 1,472,090	\$ -	\$ -	\$ 1,472,090	\$ 1,134,803	\$ 337,287	30%
Total Voucher Expense	\$ 8,255,088	\$ 5,554,590	\$ -	\$ -	\$ 13,809,678	\$ 12,176,779	\$ 1,632,899	13%
Total Operating Expenses Including HAP / Voucher expense	\$ 9,202,488	\$ 5,919,387	\$ 5,213,695	\$ 6,825,087	\$ 27,160,657	\$ 24,837,606	\$ 942,748	4%
Operating Transfers In (Out)	\$ -	\$ -	\$ (240,000)	\$ 240,000	\$ -	\$ -	\$ -	0%
Net Operating Income INcluding Voucher activity	\$ (115,073)	\$ (17,424)	\$ 5,255,734	\$ (2,327,006)	\$ 2,796,232	\$ 4,976,099	\$ (2,179,867)	-44%

Boulder Housing Partners
2021 Budget Summary

	MTW PH & Sec 8	Non MTW Vouchers	Workforce Properties	Central Office Departments	2021 Budget	Adjusted Rolling 12 mos Actuals 10/2019 - 09/2020 Excl; Mad/WL Incl; Holiday est	Incr (Decr) Income	Incr (Decr) Income %
Non Operating Income (Expense)								
Capital Grants	\$ 50,000	\$ -	\$ 750,000	\$ 2,000,000	\$ 2,800,000	\$ 11,773,330	\$ (8,973,330)	-76%
Development Fees	\$ -	\$ -	\$ -	\$ 3,856,032	\$ 3,856,032	\$ 797,334	\$ 3,058,698	384%
Interest Income	\$ -	\$ -	\$ 4,750	\$ 2,563,079	\$ 2,567,829	\$ 2,428,935	\$ 138,894	6%
Amortization and Depreciation Expense	\$ (16,212)	\$ -	\$ (3,988,627)	\$ (214,275)	\$ (4,219,113)	\$ (4,464,177)	\$ 245,064	5%
Non Capital Reserve Spending	\$ (12,000)	\$ -	\$ (90,000)	\$ (152,000)	\$ (254,000)	\$ (57,939)	\$ (196,061)	-338%
Mortgage and Other Interest Expense	\$ (3)	\$ -	\$ (2,616,998)	\$ (4,600)	\$ (2,621,600)	\$ (2,729,288)	\$ 107,688	4%
Total Non-operating Income (Expense)	\$ 21,786	\$ -	\$ (5,940,874)	\$ 8,048,236	\$ 2,129,147	\$ 7,748,195	\$ (5,619,048)	-73%
TOTAL NET INCOME (LOSS) before Sale of Assets	\$ (93,287)	\$ (17,424)	\$ (685,140)	\$ 5,721,230	\$ 4,925,379	\$ 12,724,294	\$ (7,798,915)	-61%
Gain (Loss) on Sale of Capital Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,377,471)	\$ 2,377,471	-100%
TOTAL NET INCOME (LOSS) including Sale of Assets	\$ (93,287)	\$ (17,424)	\$ (685,140)	\$ 5,721,230	\$ 4,925,379	\$ 10,346,823	\$ (5,421,444)	-52%
Adjustments to Operating Cash								
Plus:								
Amortization & Depreciation	\$ 16,212	\$ -	\$ 3,988,627	\$ 214,275	\$ 4,219,113	\$ 4,464,177	\$ (245,064)	-5%
Tax Credits cash flow; reduces soft debt	\$ -	\$ -	\$ -	\$ 1,054,700	\$ 1,054,700	\$ 1,060,295	\$ (5,595)	-1%
Development Equity funding to Operations	\$ -	\$ -	\$ -	\$ 300,000	\$ 300,000	\$ -	\$ 300,000	
Development Equity funding to leasing 30P costs				\$ 43,600	\$ 43,600		\$ 43,600	
Development Equity funding; PreDev Tantra				\$ 510,000	\$ 510,000	\$ -	\$ 510,000	
MTW Reserves; funding Operational exp	\$ 38,157				\$ 38,157		\$ 38,157	
Non cash interest swap			\$ 27,000		\$ 27,000	\$ 13,221	\$ 13,779	104%
HUD COVID Cares act funding Operational Exp	\$ 89,470				\$ 89,470		\$ 89,470	
Non Capital Expenditures funded by Reserves		\$ 17,422	\$ 80,000	\$ 97,000	\$ 194,422	\$ 57,939	\$ 136,483	236%
Less:								
Debt Principal	\$ -	\$ -	\$ (1,368,898)	\$ -	\$ (1,368,898)	\$ (1,375,288)	\$ 6,390	0%
Soft Debt interest from Tax Credits	\$ -	\$ -		\$ (2,560,679)	\$ (2,560,679)	\$ (2,382,344)	\$ (178,335)	-7%
Fixed Asset Expenditures	\$ (50,000)	\$ -	\$ (500,000)		\$ (550,000)	\$ -	\$ (550,000)	
Gain (Loss) on Sale of Assets; non cash					\$ -	\$ 1,839,204	\$ (1,839,204)	-100%
Replacement Reserves Funding			\$ (266,266)	\$ (49,320)	\$ (315,586)	\$ (348,263)	\$ 32,677	9%
Notes Receivable; 30Pearl				\$ (2,000,000)	\$ (2,000,000)	\$ (9,371,405)	\$ 7,371,405	79%
Transfers to Development Equity Fund	\$ -	\$ -	\$ -	\$ (4,606,032)	\$ (4,606,032)	\$ (3,197,334)	\$ (1,408,698)	-44%
Net Operating Cash	\$ 552	\$ (2)	\$ 1,275,323	\$ (1,275,226)	\$ 647	\$ 1,107,025	\$ (1,106,378)	-100%
Transfers to Development Equity Fund:								
COB IH Funds; Trout Farms				\$ (750,000)	\$ (750,000)	\$ -	\$ (750,000)	
COB IH Funds; 2037						\$ -	\$ -	
COB IH Funds; Cedar Casey					\$ -	\$ (550,000)	\$ 550,000	
COB IH Funds; Canopy						\$ -	\$ -	
Worthy Cause Funds Loaned to 30 Pearl						\$ -	\$ -	
Developer Fees				\$ (3,856,032)	\$ (3,856,032)	\$ (797,334)	\$ (3,058,698)	
MTW CFP funds used towards acquisitions					\$ -	\$ -	\$ -	
Total Transfers to Development Equity Fund	\$ -	\$ -	\$ -	\$ (4,606,032)	\$ (4,606,032)	\$ (3,197,334)	\$ (1,408,698)	-14%

2021 TAX CREDIT BUDGET	Boulder Communities	Broadway West	Canopy	Ciclo	West End Communities	High Mar	Holiday (exit mid year)	Lee Hill	Palo Park	Red Oak Park	30 Pearl	Westview	Madison Woods
Operations Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tenant Dwelling Rental	\$ 3,481,750	\$ 335,010	\$ 581,200	\$ 552,300	\$ 1,992,074	\$ 717,605	\$ 280,528	\$ 447,797	\$ 443,529	\$ 725,813	\$ 951,341	\$ 460,705	\$ 1,068,176
Tenant Fees	\$ 7,993	\$ 450	\$ 1,748	\$ 1,648	\$ 1,235	\$ 968	\$ 970	\$ 780	\$ 1,505	\$ 1,165	\$ 4,440	\$ 1,157	\$ 1,638
Interest Income	\$ 330	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 66	\$ -	\$ -	\$ 6,192	\$ -	\$ -	\$ 2,280
Laundry Revenue	\$ 11,556	\$ 4,020	\$ -	\$ -	\$ 3,420	\$ 60	\$ -	\$ 1,860	\$ -	\$ 1,200	\$ -	\$ -	\$ 5,100
Tenant Work Order Charges	\$ -	\$ -	\$ -	\$ 270	\$ 216	\$ -	\$ -	\$ 60	\$ 600	\$ -	\$ 1,200	\$ 240	\$ -
Tenant Reimb - Utilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ -	\$ -	\$ 25,707	\$ -	\$ -	\$ -	\$ 240
Miscellaneous Revenue	\$ 9,576	\$ -	\$ -	\$ -	\$ 1,920	\$ 4,200	\$ -	\$ -	\$ 180	\$ -	\$ -	\$ -	\$ 2,256
Total Revenue	\$ 3,511,205	\$ 339,480	\$ 582,948	\$ 554,218	\$ 1,998,865	\$ 752,833	\$ 281,564	\$ 450,497	\$ 471,521	\$ 734,370	\$ 956,981	\$ 462,102	\$ 1,079,690
Operating Expenses													
Salaries and Benefits	\$ 320,176	\$ 29,837	\$ 47,051	\$ 43,608	\$ 133,120	\$ 67,707	\$ 27,192	\$ 98,096	\$ 40,166	\$ 67,707	\$ 88,203	\$ 39,018	\$ 78,036
Property Costs													
Management Fees	\$ 210,586	\$ 28,682	\$ 34,977	\$ 33,253	\$ 118,182	\$ 41,492	\$ 16,956	\$ 41,510	\$ 40,482	\$ 39,630	\$ 57,642	\$ 24,906	\$ 53,684
Maintenance Materials	\$ 78,792	\$ 8,208	\$ 9,918	\$ 6,780	\$ 24,882	\$ 13,740	\$ 5,306	\$ 7,656	\$ 6,432	\$ 14,928	\$ 15,000	\$ 9,804	\$ 23,862
Contract Labor & Repairs	\$ 320,519	\$ 40,048	\$ 30,520	\$ 23,496	\$ 109,010	\$ 64,042	\$ 22,726	\$ 97,500	\$ 37,342	\$ 64,208	\$ 47,750	\$ 38,600	\$ 78,262
BHP Contract Labor	\$ 395,240	\$ 40,077	\$ 34,321	\$ 16,627	\$ 167,028	\$ 60,970	\$ 33,079	\$ 40,077	\$ 30,805	\$ 33,790	\$ 73,450	\$ 40,290	\$ 77,813
Trash & Recycling	\$ 86,400	\$ 10,402	\$ 15,000	\$ 7,176	\$ 26,961	\$ 6,742	\$ 60	\$ 5,340	\$ 10,764	\$ 26,056	\$ 17,010	\$ 7,261	\$ 30,866
Utilities	\$ 357,354	\$ 29,729	\$ 40,996	\$ 40,976	\$ 125,834	\$ 80,210	\$ 5,229	\$ 46,761	\$ 52,638	\$ 79,767	\$ 67,200	\$ 30,046	\$ 85,497
HOA Fees	\$ -	\$ -	\$ -	\$ 10,500	\$ -	\$ -	\$ 78,636	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Property Costs	\$ 1,448,891	\$ 157,146	\$ 165,732	\$ 138,808	\$ 571,898	\$ 267,196	\$ 161,992	\$ 238,844	\$ 178,463	\$ 258,379	\$ 278,052	\$ 150,907	\$ 349,984
Operating Expenses													
Audit Fees	\$ 6,900	\$ 6,900	\$ 6,900	\$ 6,900	\$ 8,400	\$ 6,900	\$ 6,900	\$ 6,900	\$ 6,900	\$ 6,900	\$ -	\$ 6,900	\$ -
Background Checks	\$ 1,220	\$ 152	\$ 136	\$ 126	\$ 627	\$ 152	\$ 119	\$ 90	\$ 228	\$ 216	\$ 675	\$ 216	\$ 361
Bad Debt Expense	\$ 17,449	\$ 1,677	\$ 2,915	\$ 2,771	\$ 9,819	\$ 3,743	\$ 1,416	\$ 2,197	\$ 2,228	\$ 3,561	\$ 1,800	\$ 2,264	\$ 2,184
Bank Fees	\$ -	\$ -	\$ -	\$ 120	\$ -	\$ 1,956	\$ -	\$ -	\$ 276	\$ 1,500	\$ -	\$ 60	\$ 276
Community Center Expense	\$ 1,800	\$ 400	\$ -	\$ -	\$ 1,000	\$ 600	\$ -	\$ 500	\$ -	\$ -	\$ -	\$ -	\$ -
Consultants	\$ 14,188	\$ 500	\$ 500	\$ 996	\$ 3,000	\$ 1,000	\$ -	\$ 1,000	\$ 500	\$ 500	\$ 2,000	\$ -	\$ 1,600
Dues & Fees	\$ 6,501	\$ 4,130	\$ 560	\$ 3,950	\$ 10,102	\$ 7,835	\$ 230	\$ 4,762	\$ 14,843	\$ 11,923	\$ -	\$ 150	\$ 12,339
Insurance Expense	\$ 166,779	\$ 21,145	\$ 38,653	\$ 45,600	\$ 114,687	\$ 45,349	\$ 14,088	\$ 33,086	\$ 36,595	\$ 44,070	\$ 70,333	\$ 25,399	\$ 68,394
Legal Expense	\$ 1,680	\$ 1,400	\$ 750	\$ 560	\$ 3,600	\$ 1,120	\$ 280	\$ 1,400	\$ 900	\$ 840	\$ 2,000	\$ 600	\$ 1,400
Mileage	\$ 600	\$ 60	\$ 120	\$ 60	\$ 336	\$ 480	\$ 17	\$ 80	\$ 102	\$ 216	\$ 135	\$ 80	\$ 243
Misc. / Community Events	\$ 3,200	\$ 300	\$ -	\$ 500	\$ 2,950	\$ 12,010	\$ 50	\$ 1,300	\$ 310	\$ 550	\$ -	\$ 625	\$ 800
Advertising & Marketing	\$ 720	\$ 100	\$ 200	\$ 200	\$ 300	\$ -	\$ 30	\$ -	\$ -	\$ -	\$ 400	\$ -	\$ 150
Office Supplies	\$ 3,022	\$ -	\$ 200	\$ -	\$ 2,100	\$ 840	\$ -	\$ 1,500	\$ 516	\$ 240	\$ 600	\$ -	\$ -
Phone & Internet Expense	\$ 23,688	\$ 1,890	\$ 6,552	\$ 7,200	\$ 12,288	\$ 4,800	\$ -	\$ 4,320	\$ 3,000	\$ 2,400	\$ 7,500	\$ -	\$ 12,000
Res Svc Fee Exp	\$ 167,400	\$ -	\$ 14,760	\$ -	\$ 72,384	\$ 44,856	\$ -	\$ -	\$ 15,127	\$ 22,656	\$ -	\$ -	\$ 36,432
Other Misc. Costs	\$ 25,770	\$ 77	\$ 730	\$ 278	\$ 7,460	\$ 4,755	\$ 146	\$ 650	\$ 1,080	\$ 810	\$ 4,540	\$ 102	\$ 1,347
Total Operating Costs	\$ 440,917	\$ 38,731	\$ 72,976	\$ 69,261	\$ 249,053	\$ 136,396	\$ 23,276	\$ 57,785	\$ 82,606	\$ 96,382	\$ 89,983	\$ 36,396	\$ 137,526
Total Operating Expenses	\$ 2,209,984	\$ 225,715	\$ 285,759	\$ 251,677	\$ 954,071	\$ 471,299	\$ 212,460	\$ 394,725	\$ 301,234	\$ 422,469	\$ 456,239	\$ 226,322	\$ 565,546
Net Operating Income	\$ 1,301,221	\$ 113,765	\$ 297,189	\$ 302,541	\$ 1,044,794	\$ 281,534	\$ 69,104	\$ 55,772	\$ 170,287	\$ 311,901	\$ 500,743	\$ 235,780	\$ 514,144

2021 TAX CREDIT BUDGET	Boulder Communities	Broadway West	Canopy	Ciclo	West End Communities	High Mar	Holiday (exit mid year)	Lee Hill	Palo Park	Red Oak Park	30 Pearl	Westview	Madison Woods
Other Income (Expense)													
Amortization Expense	\$ (15,948)	\$ (2,191)	\$ (5,367)	\$ -	\$ -	\$ (2,958)	\$ -	\$ (2,269)	\$ (4,001)	\$ (4,560)	\$ -	\$ (1,323)	\$ -
Depreciation	\$ (2,996,781)	\$ (257,787)	\$ (653,738)	\$ -	\$ (738,334)	\$ (461,762)	\$ (119,634)	\$ (242,778)	\$ (379,255)	\$ (453,445)	\$ -	\$ (207,320)	\$ (257,718)
Note Interest Expense	\$ (1,250,696)	\$ -	\$ (144,069)	\$ (37,444)	\$ (341,914)	\$ (102,335)	\$ (61,475)	\$ (25,000)	\$ (2,721)	\$ (41,891)	\$ (353,231)	\$ (21,136)	\$ -
Mortgage Interest Expense	\$ (532,880)	\$ (41,852)	\$ (197,288)	\$ (208,838)	\$ (687,064)	\$ (143,063)	\$ (36,833)	\$ -	\$ (91,072)	\$ (197,351)	\$ -	\$ (132,815)	\$ -
TOTAL NET INCOME (LOSS)	\$ (3,495,085)	\$ (188,064)	\$ (703,271)	\$ 56,259	\$ (722,518)	\$ (428,585)	\$ (148,838)	\$ (214,275)	\$ (306,762)	\$ (385,346)	\$ 147,512	\$ (126,814)	\$ 256,426
Adjustments for Cash Basis													
PLUS:													
Amortization and Depreciation	\$ 3,012,729	\$ 259,977	\$ 659,104	\$ -	\$ 738,334	\$ 464,721	\$ 119,634	\$ 245,047	\$ 383,256	\$ 458,005	\$ -	\$ 208,643	\$ 257,718
Interest on Soft Notes	\$ 1,250,696	\$ -	\$ 144,069	\$ 37,444	\$ 341,914	\$ 102,335	\$ 61,475	\$ 25,000	\$ 2,721	\$ 41,891	\$ 353,231	\$ 21,136	\$ -
LESS:													
Debt Principal	\$ (281,460)	\$ (22,279)	\$ (56,226)	\$ (48,982)	\$ (200,229)	\$ (86,873)	\$ (40,392)	\$ -	\$ (52,386)	\$ (58,653)	\$ -	\$ (64,745)	\$ -
Replacement Reserves Funding	\$ -	\$ (9,438)	\$ -	\$ -	\$ -	\$ (18,141)	\$ 4,902	\$ (11,625)	\$ (11,472)	\$ (13,105)	\$ (21,000)	\$ (11,220)	\$ -
Total Bonds Payable	\$ -	\$ -	\$ 4,813	\$ -	\$ -	\$ 3,246	\$ 24	\$ -	\$ 5,344	\$ 26,595	\$ -	\$ 8,273	\$ -
Net Increase (Decrease) to Cash	\$ 486,881	\$ 40,196	\$ 48,488	\$ 44,721	\$ 157,502	\$ 36,703	\$ (3,195)	\$ 46,443	\$ 20,700	\$ 77,011	\$ 479,743	\$ 35,274	\$ 514,144
DSCR	1.60	1.77	n/a	n/a	n/a	1.23	1.38		1.19	1.24	0.10	1.20	n/a
Expense Coverage Ratio								\$ 1.20					

MEMO

To: Board of Commissioners
From: Karen Kreutzberg
Date: November 18, 2020
Re: **2021 MTW Annual Plan – Final to be submitted to HUD**

Moving to Work Program

In the Moving to Work (MTW) Program, we are required to submit an annual plan proposing the initiatives we wish to implement, and the statutory changes needed. Due to the unusual circumstances of the pandemic, we are not proposing any new activities for 2021. This will be our tenth year in the demonstration program and we currently have 16 existing activities. There is significant administrative cost to implement and report annually on each activity. In addition, most new activities have a direct impact on our residents or participants.

The 2021 MTW Annual Plan was released for public review on October 15, 2020. A public hearing was held via Zoom on November 3, 2020. No one attended the hearing, and no public comment was received. The Plan is due to HUD with Board approval on November 18, 2020.

Action Requested

Approval of the 2021 MTW Annual Plan. Adoption of the Resolution #2020-13, Certifications of Compliance with Regulations: Board Resolution to Accompany the Annual Moving to Work Plan.

CERTIFICATIONS OF COMPLIANCE

**U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
OFFICE OF PUBLIC AND INDIAN HOUSING**

**Certifications of Compliance with Regulations:
Board Resolution to Accompany the Annual Moving to Work Plan**

Acting on behalf of the Board of Commissioners of the Moving to Work Public Housing Agency (MTW PHA) listed below, as its Chairman or other authorized MTW PHA official if there is no Board of Commissioners, I approve the submission of the Annual Moving to Work Plan for the MTW PHA Plan Year beginning (01/01/2021), hereinafter referred to as "the Plan", of which this document is a part and make the following certifications and agreements with the Department of Housing and Urban Development (HUD) in connection with the submission of the Plan and implementation thereof:

- (1) The MTW PHA published a notice that a hearing would be held, that the Plan and all information relevant to the public hearing was available for public inspection for at least 30 days, that there were no less than 15 days between the public hearing and the approval of the Plan by the Board of Commissioners, and that the MTW PHA conducted a public hearing to discuss the Plan and invited public comment.
- (2) The MTW PHA took into consideration public and resident comments (including those of its Resident Advisory Board or Boards) before approval of the Plan by the Board of Commissioners or Board of Directors in order to incorporate any public comments into the Annual MTW Plan.
- (3) The MTW PHA certifies that the Board of Directors has reviewed and approved the budget for the Capital Fund Program grants contained in the Capital Fund Program Annual Statement/Performance and Evaluation Report, form HUD-50075.1 (or successor form as required by HUD).
- (4) The MTW PHA will carry out the Plan in conformity with Title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 504 of the Rehabilitation Act of 1973, and title II of the Americans with Disabilities Act of 1990.
- (5) The Plan is consistent with the applicable comprehensive housing affordability strategy (or any plan incorporating such strategy) for the jurisdiction in which the PHA is located.
- (6) The Plan contains a certification by the appropriate state or local officials that the Plan is consistent with the applicable Consolidated Plan, which includes a certification that requires the preparation of an Analysis of Impediments to Fair Housing Choice, for the MTW PHA's jurisdiction and a description of the manner in which the Plan is consistent with the applicable Consolidated Plan.
- (7) The MTW PHA will affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o) and 24 CFR 903.15(d), which means that it will take meaningful actions to further the goals identified in the Assessment of Fair Housing (AFH) conducted in accordance with the requirements of 24 CFR 5.150 through 5.180, that it will take no action that is materially inconsistent with its obligation to affirmatively further fair housing, and that it will address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3). Until such time as the MTW PHA is required to submit an AFH, and that AFH has been accepted by HUD, the MTW PHA will address impediments to fair housing choice identified in the Analysis of Impediments to fair housing choice associated with any applicable Consolidated or Annual Action Plan under 24 CFR Part 91.
- (8) The MTW PHA will comply with the prohibitions against discrimination on the basis of age pursuant to the Age Discrimination Act of 1975.
- (9) In accordance with 24 CFR 5.105(a)(2), HUD's Equal Access Rule, the MTW PHA will not make a determination of eligibility for housing based on sexual orientation, gender identify, or marital status and will make no inquiries concerning the gender identification or sexual orientation of an applicant for or occupant of HUD-assisted housing.
- (10) The MTW PHA will comply with the Architectural Barriers Act of 1968 and 24 CFR Part 41, Policies and Procedures for the Enforcement of Standards and Requirements for Accessibility by the Physically Handicapped.
- (11) The MTW PHA will comply with the requirements of section 3 of the Housing and Urban Development Act of 1968, Employment Opportunities for Low-or Very-Low Income Persons, and with its implementing regulation at 24 CFR Part 135.
- (12) The MTW PHA will comply with requirements with regard to a drug free workplace required by 24 CFR Part 24, Subpart F.

- (13) The MTW PHA will comply with requirements with regard to compliance with restrictions on lobbying required by 24 CFR Part 87, together with disclosure forms if required by this Part, and with restrictions on payments to influence Federal Transactions, in accordance with the Byrd Amendment and implementing regulations at 49 CFR Part 24.
- (14) The MTW PHA will comply with acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 and implementing regulations at 49 CFR Part 24 as applicable.
- (15) The MTW PHA will take appropriate affirmative action to award contracts to minority and women's business enterprises under 24 CFR 5.105(a).
- (16) The MTW PHA will provide HUD or the responsible entity any documentation needed to carry out its review under the National Environmental Policy Act and other related authorities in accordance with 24 CFR Part 58. Regardless of who acts as the responsible entity, the MTW PHA will maintain documentation that verifies compliance with environmental requirements pursuant to 24 Part 58 and 24 CFR Part 50 and will make this documentation available to HUD upon its request.
- (17) With respect to public housing and applicable local, non-traditional development the MTW PHA will comply with Davis-Bacon or HUD determined wage rate requirements under section 12 of the United States Housing Act of 1937 and the Contract Work Hours and Safety Standards Act.
- (18) The MTW PHA will keep records in accordance with 24 CFR 85.20 and facilitate an effective audit to determine compliance with program requirements.
- (19) The MTW PHA will comply with the Lead-Based Paint Poisoning Prevention Act and 24 CFR Part 35.
- (20) The MTW PHA will comply with the policies, guidelines, and requirements of OMB Circular No. A-87 (Cost Principles for State, Local and Indian Tribal Governments) and 24 CFR Part 200.
- (21) The MTW PHA will undertake only activities and programs covered by the Plan in a manner consistent with its Plan and will utilize covered grant funds only for activities that are approvable under the Moving to Work Agreement and Statement of Authorizations and included in its Plan.
- (22) All attachments to the Plan have been and will continue to be available at all times and all locations that the Plan is available for public inspection. All required supporting documents have been made available for public inspection along with the Plan and additional requirements at the primary business office of the PHA and at all other times and locations identified by the MTW PHA in its Plan and will continue to be made available at least at the primary business office of the MTW PHA.

Boulder Housing Partners
MTW PHA NAME

CO016
MTW PHA NUMBER/HA CODE

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

R.E. Harris
NAME OF AUTHORIZED OFFICIAL

Board of Commissioners Chair
TITLE

SIGNATURE

DATE

*** Must be signed by either the Chairman or Secretary of the Board of the MTW PHA's legislative body. This certification cannot be signed by an employee unless authorized by the MTW PHA Board to do so. If this document is not signed by the Chairman or Secretary, documentation such as the by-laws or authorizing board resolution must accompany this certification.**

MEMO

To: Board of Commissioners
From: Laura Sheinbaum and Jeremy Durham
Date: November 18, 2020
Re: **Tantra Apartments Inducement Resolution #2020-14**

Summary

BHP plans to issue private activity bonds as part of the financing plan for the renovation of the Tantra Lake Apartments. BHP Development staff is currently working on due diligence for a non-competitive 4% LIHTC application for the Tantra Apartments, which we anticipate submitting in Q1 of 2021.

Resolution #2020-14 allows BHP to issue up to \$36,000,000 in Private Activity Bonds to help fund the acquisition and renovation of the Tantra Apartments, establishes BHP as an entity legally authorized to issue bonds, states the basis and purpose of the bonds and the amount, cites the legislative and tax rationale, and authorizes us to move forward with the issuance of the PABs. BHP anticipates sourcing the required bond cap for this project from the City of Boulder, CHFA, and/or the State of Colorado.

Importantly, the approval of Inducement Resolution #2020-14 allows BHP to be reimbursed by the to-be-formed LIHTC partnership for project costs incurred prior to the financial closing of the project.

Background

BHP acquired 185 units at the Tantra Lake Apartments in 2016. At that time, instability in the equity and debt markets prevented BHP from utilizing PABs and LIHTCs to fund the acquisition of the property. Instead, BHP utilized conventional financing in conjunction with funding from the City of Boulder to acquire the property. At the time of acquisition 75 of the 185 units were restricted as permanently affordable with the remaining 110 placed in BHP's market rate portfolio.

BHP staff has identified 2021 as the appropriate time to move forward with an acquisition/renovation LIHTC project at Tantra. Development staff is currently completing due diligence with the target of submitting a non-competitive 4% LIHTC application for Tantra in the first quarter of 2021.

Recommendation

We recommend that the Board approve Resolution #2020-14 to allow for the future issuance of Private Activity Bonds which will be used to finance the renovation of the Tantra Apartments.

Action Requested

Approval of Resolution #2020-14 to allow for the future issuance of private activity bonds for the Tantra Apartments.

F8CERTIFICATE RELATING TO RESOLUTION

I, the undersigned Executive Director of the Housing Authority of the City of Boulder, Colorado, d/b/a Boulder Housing Partners, a body corporate and politic of the State of Colorado (the "Authority"), hereby certify that (i) the attached Resolution of the Authority (the "Resolution") was duly adopted by the Board of Commissioners of the Authority at a meeting thereof duly called and held on November 18, 2020 at which meeting a quorum was present and acting throughout; (ii) the Resolution has been compared by us with the original thereof recorded in the minutes book of the Authority and is a correct transcript therefrom and of the whole of said original; and (iii) the Resolution has not been altered, amended or repealed, and is in full force and effect on the date hereof.

IN WITNESS WHEREOF, we have hereunto set our hands this November 18, 2020.

By _____
Jeremy Durham
Executive Director
Housing Authority of the City of Boulder, Colorado, d/b/a
Boulder Housing Partners, a body corporate and politic
of the State of Colorado

**RESOLUTION
NO. 14 SERIES OF 2020**

**A RESOLUTION DECLARING THE INTENT OF THE BOARD OF COMMISSIONERS
OF THE HOUSING AUTHORITY OF THE CITY OF BOULDER, COLORADO, D/B/A
BOULDER HOUSING PARTNERS, A BODY CORPORATE AND POLITIC OF THE
STATE OF COLORADO TO ISSUE ITS MULTIFAMILY HOUSING REVENUE BONDS**

WHEREAS, the Housing Authority of the City of Boulder, Colorado, d/b/a Boulder Housing Partners, a body corporate and politic of the State of Colorado (the “Authority”) was legally established with the Colorado Secretary of State on September 22, 1966; and

WHEREAS, the Authority is authorized and empowered by Part 2, Article 4, Title 29 of the Colorado Revised Statutes, as amended (the “Act”) and the Supplemental Public Securities Act, Part 2, Article 57, Title 11 of the Colorado Revised Statutes, as amended (the “Supplemental Act”) to issue its revenue bonds to the end that dwelling accommodations may be provided to persons, without regard to income, as long as the project substantially benefits persons of low income as determined by the Authority; and

WHEREAS, the Housing Authority of the City of Boulder, Colorado, d/b/a Boulder Housing Partners, a body corporate and politic of the State of Colorado, including any low-income housing tax credit entity, subsidiaries, affiliates, successors or assigns (the “Borrower”) desires to finance a portion of (a)(i) the acquisition, construction, improvement, rehabilitation, expansion, equipping and placing in service of an approximately 145-unit multifamily housing project located at 750 W. Moorhead Circle and 1000 W. Moorhead Circle, in Boulder, CO 80305 known or to be known as Tantra Apartments (or such other name as designated by the Borrower) (the “Development”); (b) funding of any reserves or capitalized interest with respect to the Development; and (c) the payment of the costs of issuance with respect to the Development (collectively, the “Project”)

WHEREAS, the Authority intends to issue its multifamily housing revenue bonds (the “Bonds”), in one or more series, in an aggregate principal amount not to exceed \$36,000,000 in connection with financing or refinancing of the Project pursuant to the Act and the Supplemental Act; and

WHEREAS, the Authority will use its best efforts to obtain private activity bond volume cap allocation in the amount of \$36,000,000 pursuant to the Colorado Private Activity Bond Ceiling Allocation Act, Part 17 of Article 32 of Title 24, Colorado Revised Statutes, as amended (the “Allocation Act”), for use in the issuance of private activity bonds; and

WHEREAS, the Authority will enter into one or more loan agreements or other types of financing agreements (the “Financing Agreement”) pursuant to which the Authority will loan the proceeds of the Bonds to the Borrower, or an affiliated entity thereof; and

WHEREAS, the Development is located within the boundaries of the City of Boulder, Colorado; and

WHEREAS, the Project will qualify as a “project” within the meaning of the Act; and

WHEREAS, the Board of Commissioners of the Authority (the “Board”) has concluded that the Project is consistent with the goals and objectives of the Authority; and

NOW THEREFORE, be it resolved by the Board of Commissioners of the Housing Authority of the City of Boulder, Colorado, d/b/a Boulder Housing Partners, a body corporate and politic of the State of Colorado, as follows:

Section 1. In order to finance the Project, the Authority shall, subject to the provisions hereof, take all necessary and advisable steps to effect the issuance of the Bonds pursuant to the Act and Supplemental Act in an aggregate principal amount not to exceed \$36,000,000, which amount shall be determined by the Authority in a bond resolution to be considered for adoption at another meeting. The Bonds shall not constitute the debt or indebtedness of the Authority or a multiple-fiscal year direct or indirect debt or other financial obligation of the Authority whatsoever, within the

meaning of any provision or limitation of the Constitution or statutes of the State of Colorado (the "State"), and shall not constitute nor give rise to a pecuniary liability or financial obligation of the Authority. The Bonds shall never be deemed to be an obligation of any officer, agent or employee of the Authority in such person's individual capacity, and no such person shall be subject to personal liability by reason of the issuance of the Bonds. The Bonds shall be special, limited obligations of the Authority and payable solely from and secured by a pledge of revenues derived from and payable by the Borrower pursuant to the Financing Agreement with the Authority. No Board member, officer, official, employee or agent of the Authority shall be subject to any personal liability in connection with the Bonds, the Project or the provisions of this Resolution.

Section 2. The Authority hereby ratifies and authorizes the submission of an application for private activity bond volume cap allocation from the statewide balance and a carryforward election of such private activity bond volume cap allocation to the Colorado Department of Local Affairs.

Section 3. In connection with the management and preservation of the Authority's private activity bond volume cap allocations, the Authority is hereby authorized to execute any Internal Revenue Service ("IRS") form and to enter into assignment agreements and delegation agreements with other Colorado "issuing authorities" as defined in Section 24-32-1703(12), Colorado Revised Statutes, as amended. The Chairperson or any Commissioner of the Board of Commissioners of the Authority (the "Board") or the Executive Director of the Authority is hereby authorized and directed to execute any such IRS form and to execute and deliver any such assignment agreements or delegation agreements that are necessary to manage and preserve the Authority's private activity bond volume cap allocation.

Section 4. The Authority will use its best effort to obtain private activity bond volume cap allocation in the amount of \$36,000,000; and, upon the Authority receiving such private activity bond volume cap allocation, the Authority will award the Project up to \$36,000,000 of its private activity volume cap allocation.

Section 5. The Board hereby finds, determines, recites and declares the Authority's intent that this Resolution constitute an official indication of the present intention of the Authority to issue the Bonds as herein provided, subject to: (a) the delivery of an approving opinion of Bond Counsel to the Authority; (b) the Borrower obtaining sufficient debt and equity financing acceptable to the Authority; (c) the execution and delivery by the Borrower of indemnity agreements and agreements providing that the Borrower pay or reimburse the costs and expenses of the Authority, all to the satisfaction of the Authority; and (d) the adoption of a final bond resolution by the Board. The Authority's discretion to accept or not to accept items relating to the Project or additional financing therefor or relating to credit, security, sale or marketing aspects of the Bonds is intended for the protection of the Authority's interest, and any such acceptance shall not be construed to impose upon the Authority any duties to, nor to confer any rights against the Authority upon, any bondholders, investors or other third parties.

Section 6. No costs or expenses whether incurred by the Authority or any other party in connection with the issuance of the Bonds or the preparation or review of any documents by any legal or financial consultants retained in connection herewith shall be borne by the Authority. The Authority shall have the right to select and retain legal, financial and other consultants in connection with the proposed financing, and all fees, costs and expenses of such consultants, along with all other such costs and expenses shall be paid from the proceeds of the Bonds or otherwise borne by the Borrower regardless of whether the Bonds are issued. The Authority may require such deposits or

advances as it deems desirable for such fees, costs and expenses, and may require reimbursement of any such fees, costs and expenses paid by the Authority.

Section 7. Prior to the execution of any Financing Agreement, mortgage, indenture of trust, bond purchase agreement or any other necessary documents and agreements in connection with such Bonds, such documents and or agreements shall be submitted for approval to the Authority, and, if satisfactory to the Authority, their execution shall be authorized by resolution of the Board pursuant to law.

Section 8. The Authority hereby desires to declare its official intent, pursuant to 26 C.F.R. § 1.150-2, to issue the Bonds and thereby permit the Authority and the Borrower to reimburse itself from proceeds of the Bonds for certain expenditures incurred in connection with the Project prior to issuance of the Bonds.

Section 9. The Authority hereby agrees to collaborate with the Borrower to obtain a sufficient amount of private activity bond volume cap allocation to permit the issuance of the Bonds on a tax-exempt basis.

Section 10. The Board hereby appoints Kutak Rock LLP as bond counsel for the Bonds.

Section 11. All commitments of the Authority contained herein are subject to the condition that within 730 days of the date hereof, or such shorter period of time available under applicable law, unless otherwise extended by the Authority, the Bonds to be issued pursuant hereto shall be issued and sold. In the event that the Bonds to be issued pursuant hereto are not issued within 730 days, or such shorter period of time available under applicable law, the Authority shall be under no obligation to perform any of the terms and conditions contained herein.

Section 12. All actions not inconsistent with the provisions of this Resolution heretofore taken by the Board or any officer or employee of the Authority in furtherance of the issuance of the Bonds are hereby ratified, approved and confirmed.

Section 13. All resolutions or parts thereof concerning the subject matter hereof in conflict with this Resolution are hereby repealed to the extent of such conflict. This repeal shall not be construed to revive any resolution or part thereof, heretofore repealed.

Section 14. The agreements of the Authority set forth above are expressly conditioned upon the ability and willingness of the Authority to issue the Bonds as tax-exempt obligations under the Internal Revenue Code of 1986, as amended. Nothing contained in this Resolution shall be construed as requiring the Authority to issue the Bonds and the decision to issue the Bonds shall be in the complete discretion of the Authority.

Section 15. If any section, paragraph, clause or provision of this Resolution, with the exception of any section, paragraph, clause or provision limiting the Authority's financial obligation, shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 16. This Resolution shall take effect immediately upon its introduction and passage.

PASSED, ADOPTED AND APPROVED this 18th day of November, 2020.

HOUSING AUTHORITY OF THE
CITY OF BOULDER, COLORADO, A BODY
CORPORATE AND POLITIC, DOING BUSINESS AS
BOULDER HOUSING PARTNERS

By _____
R.E. Harris
Chair, Board of Commissioners

Attested to this 18th day of November, 2020 by:

By _____
Jeremy Durham
Executive Director

FUTURE BOARD ITEMS

We've gathered the requested informational items the Board has asked to either learn more about or discuss. This is our current list and approximate timeline.

	<u>Anticipated Date</u>
• Closing Resolutions for Gunbarrel	December 2020
• Property Tax Exemption for Third Party PSH Development	December 2020
• 2021 Budget Approval	December 2020
• Lee Hill Annual Report	December 2020
• BHP Foundation Update	December 2020
• Website Redesign	1 st Quarter 2021
• Changes to Admin Plan	1 st Quarter 2021
• Moving to Work Annual Report	April 2021
• Closing for Mt. Calvary	October 2021
• Closing for Tantra Lake	October 2021
• LIHTC Income Averaging and Middle-Income Housing	As Time Allows
• LIHTC Overview Presentation	As Time Allows
• ManagerPlus Presentation	As Time Allows
• Asset Positioning Plan	As Time Allows
• Senior Services Overview	As Time Allows
• Partnership Awards	(When in-person meetings resume)

2020 Boulder Housing Partners Commissioner's Calendar

Date	Group	Time
JANUARY	BOARD RECESS	N/A
Mon. February 10	Development Committee (as needed)	4:00-5:00
Wed. February 12	Board Meeting	9:00-11:30
Mon. March 16	Finance Committee – 2019 Review	3:00-4:00
Mon. March 16	Development Committee (as needed)	4:00-5:00
Wed. March 18	Board Meeting	9:00-11:30
Thurs. April 2	NPG Committee	3:30-5:00
Mon. April 6	Development Committee (as needed)	4:00-5:00
Wed. April 8	Annual Board Meeting	9:00-11:30
Thurs. May 7	NPG Committee	3:30-5:00
Mon. May 11	Development Committee (as needed)	4:00-5:00
Wed. May 13	Board Meeting	9:00-11:30
Tues. June 8	Development Committee (as needed)	4:00-5:00
Wed. June 10	Board Meeting	9:00-11:30
Mon. June 29	Finance Committee – Audit Review	3:00-4:00
Thurs. July 2	NPG Committee	3:30-5:00
Mon. July 6	Development Committee (as needed)	4:00-5:00
Wed. July 8	Board Meeting	9:00-11:30
AUGUST	BOARD RECESS	N/A
Tues. September 8	Finance Committee	3:00-4:00
Tues. September 8	Development Committee (as needed)	4:00-5:00
Wed. September 9	Board Meeting	9:00-11:30
Mon. October 12	NPG Committee	3:00-4:00
Mon. October 12	Development Committee (as needed)	4:00-5:00
Wed. October 14	Board Meeting	9:00-11:30
Tues. November 16	Finance Committee – Draft Budget	3:00-4:00
Tues. November 16	Development Committee (as needed)	4:00-5:00
Wed. November 18	Board Meeting	9:00-11:30
Mon. November 30	Finance Committee – Final Budget	3:00-4:00
Mon. November 30	Development Committee (as needed)	4:00-5:00
Wed. December 9	Board Meeting	9:00-11:30

2021 Boulder Housing Partners Commissioner's Calendar

Date	Group	Time
JANUARY	BOARD RECESS	N/A
Mon. February 8	Development Committee (as needed)	4:00-5:00
Wed. February 10	Board Meeting	9:00-11:30
Thurs. March 4	Quarterly NPG Committee	3:30-5:00
Mon. March 8	Finance Committee – 2020 Review	3:00-4:00
Mon. March 8	Development Committee (as needed)	4:00-5:00
Wed. March 10	Board Meeting	9:00-11:30
Mon. April 12	Development Committee (as needed)	4:00-5:00
Wed. April 14	Annual Board Meeting	9:00-11:30
Thurs. May 6	Special NPG Committee	3:30-5:00
Mon. May 10	Development Committee (as needed)	4:00-5:00
Wed. May 12	Board Meeting	9:00-11:30
Thurs. June 3	Quarterly NPG Committee	3:30-5:00
Tues. June 7	Finance Report – Audit & Financials Review	3:00-4:00
Tues. June 7	Development Committee (as needed)	4:00-5:00
Wed. June 9	Board Meeting	9:00-11:30
Mon. July 12	Development Committee (as needed)	4:00-5:00
Wed. July 14	Board Meeting	9:00-11:30
AUGUST	BOARD RECESS	N/A
Thurs. September 9	Quarterly NPG Committee	3:30-5:00
Mon. September 13	Finance Committee – Financials Review	3:00-4:00
Mon. September 13	Development Committee (as needed)	4:00-5:00
Wed. September 15	Board Meeting	9:00-11:30
Mon. October 11	Development Committee (as needed)	4:00-5:00
Wed. October 13	Board Meeting	9:00-11:30
Tues. November 8	Finance Committee – Draft 2022 Budget Review	3:00-4:00
Tues. November 8	Development Committee (as needed)	4:00-5:00
Wed. November 10	Board Meeting	9:00-11:30
Thurs. December 9	Quarterly NPG Committee	3:30-5:00
Mon. December 13	Finance Committee – Final 2022 Budget Review & Financials	3:00-4:00
Mon. December 13	Development Committee (as needed)	4:00-5:00
Wed. December 15	Board Meeting	9:00-11:30