



BOARD
BUSINESS MEETING

April 10, 2019

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 Annual Meeting

Location: 4800 Broadway, Boulder, CO 80304

April 10, 2019 • 9:00 am-11:30 am

AGENDA

		Page #
9:00-9:30	Standing Agenda and Annual Meeting Items	
	1. Call to Order and Determination of a Quorum	
	2. Tony Adams Oath of Office	
	3. Public Participation	
	4. Officer Elections	
	5. Committee Assignments	
	6. Approval of Minutes from February 13, 2019	2
	7. Finance and Operations Update	5
9:30-11:00	Meeting Agenda	
	1. Lee Hill Annual Report	16
	2. Preference for Vouchers for the Homeless	19
	3. Legislative Support for Housing Related Bills	24
	4. MTW Annual Report	33
	5. Service for Families (Part 2)	
11:00-11:30	Board Matters	
	1. Resident Representative Council Update	
	2. Board Announcements	
	3. Additions to this Agenda	
	4. Future Board Items and Board Calendar	36
11:30	Adjournment	

**BOULDER HOUSING PARTNERS
BUSINESS MEETING OF THE BOARD OF COMMISSIONERS
FEBRUARY 13, 2019 9:00 AM
4800 BROADWAY, BOULDER, COLORADO 80304**

Commissioner Soraci
Commissioner Levy
Commissioner Ruzzin
Commissioner Klerman
Commissioner Walker
Commissioner Harris
Commissioner Griffin
Commissioner McCord (ABSENT)
Commissioner Yates (ABSENT)

Jeremy Durham
Penny Hannegan
Rene Brodeur
Laura Sheinbaum
Karin Stayton
Amanda Maya
Jodi Bogen
Karen Kreutzberg
Tim Beal
Lyndall Ellingson
Melissa McGinley
Jason Acuña

Others Present:
David Heistercamp, Counsel
John Wesley, Resident
Teresa Garcia, *ELPASO*

I. Call to order and Determination of a Quorum

Commissioner Soraci called the meeting of the Board of Commissioners to order at 9:04 am.
A quorum was declared.

II. Public Participation

John Wesley, resident at Northport (apt. #104), raised concerns he has regarding Northport. BHP staff will schedule a meeting with Mr. Wesley to address them.

III. Approval of the Meeting Minutes

Consent agenda items approved:
1. Minutes from 1-9-2019

**COMMISSIONER HARRIS MOVED TO APPROVE THE MINUTES FROM 1-9-2019.
COMMISSIONER WALKER 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 December financial statements, an overview of 2018, and answered questions from the Board.

V. Business Agenda

Foundation Board Member Approval – Teresa Garcia.
An introductory video of the organization of *ELPASO* was shown.

COMMISSIONER KLERMAN MOVED TO APPROVE THE NOMINATION OF TERESA GARCIA AS THE NEW FOUNDATION BOARD MEMBER. COMMISSIONER SORACI SECONDED THE MOTION.
The motion to approve the nomination passed unanimously.

Services for Families Presentation (Part 1) by Karin Stayton, Director of Resident Services, and Amanda Maya Dickson, Resident Services Program Manager, Boulder Housing Partners.

Executive Session per Colorado Statute C.R.S. 24-6-402(4)(a) Real Estate Matters

COMMISSIONER WALKER MADE A MOTION TO RECESS INTO EXECUTIVE SESSION PER COLORADO STATUTE CRS-24-402 (4)(a) TO DISCUSS REAL ESTATE MATTERS. COMMISSIONER GRIFFIN SECONDED THE MOTION.

The motion passed unanimously.

The Board recessed at 10:45 am into Executive Session as per Colorado Statute C.R.S. 26-6-402(4)(a) to discuss Real Estate Matters.

COMMISSIONER KLERMAN MADE A MOTION FOR THE AUTHORIZATION TO MOVE FORWARD WITH AN OFFER TO PURCHASE THE DISCUSSED PROPERTY WITH APPROVAL FOR STAFF TO NEGOTIATE UP TO THE DISCUSSED AMOUNT. ANY OFFER WILL BE CONTINGENT ON DUE DILIGENCE. COMMISSIONER LEVY SECONDED THE MOTION.

COMMISSIONER KLERMAN MADE A MOTION TO ADJOURN THE EXECUTIVE SESSION OF THE BOARD OF COMMISSIONERS. COMMISSIONER HARRIS SECONDED THE MOTION.

The motion passed unanimously.

The Board met in executive session for 45 minutes at which time the only matters discussed were those related to Real Estate matters.

VI. Board Matters

Resident Representative Council Update

Commissioner Griffin reported for the Resident Representative Council and stated that a Membership Chairman has been added to the council.

Board Announcements

Commissioner Soraci requested that commissioners announce prior to the Board meeting if they have to leave early in order to accommodate the schedule.

Commissioner Levy stated that she would be absent from the next board meeting.

Additions to the Agenda

There were no additions to the agenda.

Future Board Items

The commissioner meet and greet has been rescheduled to March 5, 2019 from 4-5:30 pm at the BHP main office.

VII. Adjourn

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

The meeting of the Board of Commissioners adjourned at 11:45 am.

Seal
DATE: 2/13/2019

Valerie Soraci,
Chairperson, Board of Commissioners
Boulder Housing Partners

Jeremy Durham
Executive Director

Jason Acuña
Recording Secretary

FINANCE SUMMARY

FEBRUARY 2019

BHP
Statement of Activities

Year to Date - February 28, 2019

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

	YTD Actual	YTD Revised budget	Variance \$	% Var	Ref	Variance Explanation
REVENUE						
Operations Revenue						
Tenant Dwelling Rental	\$ 1,961,813	\$ 1,933,898	\$ 27,915	1%		
Non Dwelling Rental Income	19,478	16,043	3,434	21%		
HUD-Operating Subsidy	6,150	9,000	(2,850)	-32%		
Total Operations Revenue	1,987,441	1,958,941	28,499	1%		
Fee Revenue						
Property Mgmt & Asset Mgmt Fees	126,717	126,697	20	0%		
Development Fees	0	0	0	0%		
Mgmt Fees - Tax Credits & S8	123,916	109,018	14,898	14%		
Res Svc Income	67,584	67,110	474	1%		
Total Fee Revenue	318,217	302,824	15,392	5%		
Grants and Subsidies						
HCV-HAP/Admin Revenue	1,731,984	1,962,109	(230,125)	-12%	A	Lower lease up on vouchers continue from prior year
Non Federal Grants and Donations	54,680	57,669	(2,989)	-5%		
Non Federal Capital Grants and Donations	111,666	250,000	(138,334)	-55%	B	Relates to COB prefunding of 30Pearl predevelopment costs, timing will track to budget beginning March
Federal Capital Grants	0	0	0	0%		
Federal Service Grants	91,498	91,165	333	0%		
Total Grants and Subsidies	1,989,828	2,360,942	(371,114)	-16%		
Other Revenue						
Tenant Fees and Utility Reimbursements	69,855	52,612	17,242	33%		
Interest Income	259,253	265,455	(6,201)	-2%		
Laundry Vending	17,632	14,055	3,577	25%		
Maint Charges to Prop	239,688	271,480	(31,793)	-12%	C	Typical slow starts on property workorders, will continue to monitor
Miscellaneous Revenue	(4,239)	4,108	(8,347)	-203%	D	Negative income in January due to write off of prior year charge to resident
Total Other Revenue	582,189	607,711	(25,522)	-4%		
Total Revenue	4,877,674	5,230,419	(352,745)	-7%		
EXPENSES						
Salaries and Benefits						
Salaries and Benefits	1,054,554	1,018,247	(36,307)	-4%		
Total Salaries and Benefits	1,054,554	1,018,247	(36,307)	-4%		

BHP
Statement of Activities

Year to Date - February 28, 2019

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

	YTD Actual	YTD Revised budget	Variance \$	% Var	Ref	Variance Explanation
Property Costs						
Management Fees	45,958	42,571	(3,387)	-8%		
Maintenance Materials	38,293	61,659	23,366	38%		
Contract Labor & Repairs	124,690	179,178	54,488	30%	E	Typical slow start to year on outside contract costs
BHP Contract Labor	131,413	162,122	30,710	19%		
Extraordinary Expense	149	0	(149)	0%		
Garbage and Trash Removal	30,310	32,839	2,529	8%		
Water and Sewer	65,314	55,007	(10,307)	-19%		
Electricity	22,199	27,688	5,489	20%		
Gas	41,564	45,278	3,714	8%		
Utility Billing	3,117	3,115	(2)	0%		
PILOT	3,886	3,767	(119)	-3%		
HOA Fees	23,281	25,064	1,783	7%		
Total Property Costs	530,173	638,288	108,115	17%		
Operating Expenses						
Audit Fees	10,333	11,152	819	7%		
Bad Debt Expense - Tenants	135	15,125	14,990	99%		
Board Expense	110	3,183	3,073	97%		
Consultants & Contract Labor	15,675	34,287	18,612	54%		
Depreciation & Amortization	751,271	783,316	32,045	4%		
Dues and Fees	12,614	17,850	5,236	29%		
Expendable Equipment	16,669	26,351	9,683	37%		
Financing Costs	0	0	0	100%		
HCV-HAP Expense	1,512,362	1,822,338	309,976	17%	F	Relates to continued lower HAP voucher lease up mentioned for HAP revenue above
Insurance Expense	86,571	87,709	1,138	1%		
Interest Expense	36,757	34,758	(1,999)	-6%		
Legal Expense	3,049	12,479	9,429	76%		
Mileage & Vehicle Expense	8,538	14,275	5,737	40%		
Miscellaneous - Expense	6,827	20,600	13,773	67%		
Mortgage Interest Expense	404,778	430,348	25,570	6%		
Bond Fees - wfbe	4,595	7,715	3,120	40%		
Advertising/Marketing	15,726	5,471	(10,255)	-187%		
Office Supplies	2,865	7,941	5,076	64%		
Other Administrative Expenses	3,072	5,324	2,252	42%		
Phone Expense	13,966	17,588	3,622	21%		
Printing & Postage Expense	9,020	11,236	2,216	20%		
Property Mgmt & Asset Mgmt Fees	126,717	126,696	(20)	0%		
Resident Services Fees	21,488	21,564	76	0%		
Staff Training	4,832	25,452	20,620	81%		
Service Grant Expense	107,681	115,175	7,494	7%		
Total Operating Costs	3,175,652	3,657,932	482,280	13%		
Total Expenses	4,760,378	5,314,466	554,088	10%		
Income before Gain on Acq./Disp. Of Assets	\$ 117,296	\$ (84,047)	\$ 201,343	-240%		
Gain (Loss) on Acq./Disp. of Assets	5,915	0	5,915	100%		
TOTAL NET INCOME (LOSS)	\$ 123,211	\$ (84,047)	\$ 207,259	-247%		

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

BHP
Balance Sheet
February 28, 2019 and December 31, 2018

	Actual February-19	Actual December-18	Net Change YTD	Ref	Comments
ASSETS					
Current Assets					
Unrestricted Cash and Cash Equivalents	\$ 5,948,348	\$ 5,060,907	\$ 887,440	G	COB prefunded \$1MM Predev costs 30Pearl in January; reduced by \$150K spent
Reserved Cash - Replacements and Other	2,803,937	2,765,781	38,156		
Accounts Receivable	502,021	361,034	140,987	H	\$200K -escrow for property acquisitions - \$100K returned in March
Accounts Receivable-Tax Credits	1,020,689	926,143	94,546		
Accounts Receivable - BHP Intercompany	0	0	0		
Notes Receivable – Current	183,842	234,163	(50,322)		
Prepaid Expenses	281,957	336,156	(54,199)		
Supplies-Inventory	8,394	1,595	6,799		
Total Current Assets	10,749,187	9,685,780	1,063,408		
Restricted Cash					
Restricted Cash - Other	803,967	829,025	(25,059)		
Restricted Cash - Section 8	80,060	48,583	31,477		
Restricted Cash - Tenant Security Deposits	523,637	487,951	35,686		
Total Restricted Cash	1,407,664	1,365,559	42,104		
Capital Assets					
Construction in Progress	1,914,687	1,519,791	394,897	I	Pre-development costs for 4 projects; Canopy, Canyon Pointe, Glen Willow and 30Pearl
Furniture Fixtures and Equipment	950,402	944,016	6,385		
Real Estate Assets-Land and Buildings	142,345,757	137,740,877	4,604,879	J	\$4.6MM addition of Broadway East assets, exited Tax Credit ownership in January
Less: Accum Depreciation Real Estate Assets	(38,851,016)	(38,107,177)	(743,838)	K	Normal activity
Total Capital Assets	106,359,830	102,097,507	4,262,323		
Other Assets					
Notes Receivable	54,278,334	56,990,243	(2,711,909)	L	\$2.7MM Forgiveness of Broadway East Soft debt as part of Exit
Development Fees Receivable	3,071,546	3,071,546	0		
Interest Receivable Notes	5,124,458	5,036,044	88,414		
Partnership Investments	408,147	408,150	(3)		
Net Amortized Costs	2,409,474	2,411,260	(1,786)		
Total Other Assets	65,291,960	67,917,245	(2,625,285)		
TOTAL ASSETS	183,808,640	181,066,090	\$ 2,742,550		

BHP
Balance Sheet
February 28, 2019 and December 31, 2018

	Actual February-19	Actual December-18	Net Change YTD	Ref	Comments
LIABILITIES & EQUITY					
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 625,950	\$ 723,182	\$ (97,232)	M	Normal decrease due to year end accruals
Accrued Payroll	221,800	149,835	\$ 71,965		
Accrued Payroll Taxes and Benefits	196,696	39,505	\$ 157,192	N	COB benefits; waiting for COB to pull ACH for 5 pay periods; caught up in March
Accrued Compensated Absences	276,641	258,181	\$ 18,459		
Other Accrued Expenses	168,403	203,107	\$ (34,703)		
Deferred Revenue	1,220,756	223,946	\$ 996,809	O	Increase due to \$1MM COB unspent COB prefunding of 30Pearl PreDev costs
Current Portion of Long Term Debt	1,270,396	1,298,018	\$ (27,622)		
Current Port Bonds Payable	55,000	0	\$ 55,000		
Prepaid Rent	29,914	27,662	\$ 2,252		
Security Deposits	524,576	492,067	\$ 32,508		
Total Current Liabilities	4,590,132	3,415,503	1,174,629		
Long-Term Liabilities					
Notes Payable	9,720,695	9,720,695	\$ -		
Accrued Interest Payable	21,972	20,028	\$ 1,944		
Mortgages Payable	69,358,780	69,547,479	\$ (188,698)	P	Normal activity
Bonds Payable	1,825,424	0	\$ 1,825,424	Q	\$1.8MM addition of Bond payable related to Broadway East exit from Tax Credit to BHP
Net Pension Liability	11,325,569	11,325,569	\$ -		
Total Long-Term Liabilities	92,252,440	90,613,770	1,638,670		
TOTAL LIABILITIES	96,842,572	94,029,273	2,813,299		
EQUITY					
Total Equity	86,966,068	87,036,817	(70,749)		
TOTAL LIABILITIES AND EQUITY	\$ 183,808,640	\$ 181,066,090	\$ 2,742,550		

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

Note (2): BHP has a Line of Credit available for borrowing of up to \$9.6 Million.

BHP
Statement of Cash Flows
Year to Date - February 28, 2019

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

	For the month of February 28, 2019	Year to Date	Ref	Current Month Comments
Reconciliation of Net Income to Net Cash Provided				
(Used) by Operating Activities				
Net Income (Deficit)	\$ (112,434)	\$ (61,789)		
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities				
Increase (Decrease) in Accum. Depreciation	375,176	745,624	R	Normal activity
(Increase) Decrease in Accounts Receivable	170,278	(104,848)	S	\$200K escrow for property acquisitions; \$100K returned in March
(Increase) Decrease in Prepaid Expenses	46,363	54,199		
Increase (Decrease) in Prepaid Rent and Security Deposits	(25,435)	34,761		
(Increase) Decrease in Supplies/Inventory	(29)	(6,799)		
(Increase) Decrease in Reserved Cash	(13,859)	(38,156)		
(Increase) Decrease in Restricted Cash	(52,043)	(42,104)		
Increase (Decrease) in Payables and Accrued Expenses	276,760	(15,005)	T	COB benefits; waiting for COB to pull ACH for 5 pay periods; caught up in March
Increase (Decrease) in Deferred Revenue	1,007,157	996,809	U	Increase due to \$1MM COB unspent COB prefunding of 30Pearl PreDev costs
Increase (Decrease) in Deferred Inflows	0	0		
Increase (Decrease) in Pension Liability	0	0		
Total Adjustments	1,784,367	1,624,481		
Net Cash Provided (Used) by Operating Activities	1,671,933	1,562,693		
Cash Flows from Investing Activities				
(Increase) Decrease in Construction in Progress	(374,125)	(394,897)	V	Pre development costs for 4 projects; Canopy, Canyon Pointe, Glen Willow and 30Pearl
(Increase) Decrease in Furniture Fixtures and Equipment	(6,385)	(6,385)		
(Increase) Decrease in Real Estate Assets	13,990	(4,604,879)	W	\$4.6MM addition due to Broadway East exit of Tax Credit to BHP ownership
(Increase) Decrease in Notes and Interest Receivable	(72,376)	2,673,821	X	\$2.7MM forgiveness of Broadway East soft debt due to Tax Credit ex
Net Cash Provided (Used) by Investing Activities	(438,897)	(2,332,341)		
Cash Flows from Financing Activities				
Increase (Decrease) in Current Portion of Long Term Debt	(13,830)	27,379		
Increase (Decrease) in Notes Payable	0	0		
Increase (Decrease) in Mortgages and Bonds Payable	(98,676)	1,638,670	Y	\$1.8MM Bond payable due to Broadway East exit from Tax Credit to BHP ownership
Net Cash Provided (Used) by Financing Activities	(112,506)	1,666,048		
Net Increase (Decrease) in Cash and Cash Equivalents				
Net Increase (Decrease) in Cash and Cash Equivalents	1,129,490	896,400	Z	COB prefunded \$1MM Predev costs 30Pearl in January; reduced by \$150K spent
Unrestricted Cash and Cash Equivalents - Beginning	4,818,857	5,051,947		
Unrestricted Cash and Cash Equivalents - Ending	5,948,348	5,948,348		

BHP CASH Report

December-17 December-18 January-19 February-19

<u>Unrestricted Cash Available for Operations</u>	Balance	Balance	Balance	Balance	Board Target	Surplus (Deficit)
BHP Operating Reserves	2,826,509	2,603,438	2,340,854	3,009,159	3,000,000	9,159
BHP Replacement Reserves	2,302,114	2,765,781	2,790,078	2,803,937	2,176,500	627,437
BHP Development Reserve						
Total Unrestricted BHP Cash	5,128,623	5,369,219	5,130,932	5,813,096	5,176,500	636,596

Board Target

2 Months of operating expenses (including HAP)
\$3,500 per Workforce Unit

Feb; includes \$340K from Canyon Pointe transferred and \$179K from Broadway East exit

<u>Development Resources, Including LOC</u>	Balance	Balance	Balance	Balance
BHP Development Reserve	2,486,623	1,136,194	1,053,268	1,763,449
Line of Credit - Available		2,870,999	2,871,305	2,871,305

<u>Unrestricted Cash - Restricted by Property/Program</u>	Balance	Balance	Balance	Balance	Board Target	Surplus (Deficit)
Project Based Operating Reserve	402,984	480,046	555,846	302,189	165,000	137,189
MTW Reserves ⁽¹⁾	1,677,117	841,230	877,849	873,550	0	873,550
Total Unrestricted Cash Restricted by Program	2,080,101	1,321,276	1,433,695	1,175,739	165,000	1,010,739

Board Target

Transferred \$340K to BHP Operating Reserves in Feb
HUD expects to hold all reserves so target reduced to zero

⁽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
Canyon Pointe	183,478	252,861	259,003	265,126
<u>Other Restricted Funds</u>			0	0
Tantra Rehab Funds ⁽²⁾	1,094,332	301,186	292,414	292,414
Habitat Funds	213,502	107,774	107,774	107,774
Broadway East Bond Restricted Funds			2,959	2,679
COB PSH Program Funds		90,359	76,303	56,985
S8/FSS Escrow	61,131	76,845	69,351	75,192
Section 8 NED NRA(HAP)	13,006	48,583	55,988	80,060
Total Restricted Cash Other	1,565,449	877,608	863,792	880,230

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

March 2018 - February 2019

Property	Address	Units	PUPA EGI	PUPA OpEx	Reserves	PUPA NOI Net of Reserves	PUPA Debt	Adjusted DSCR (1)
Arapahoe Court	951,953 Arapahoe	14	\$ 4,773	\$ (6,727)	\$ -	\$ (1,955)	\$ -	-
Madison	1130-1190 35th St.	33	\$ 8,262	\$ (7,684)	\$ -	\$ 579	\$ -	-
Public Housing I Sub Total:		47	\$ 7,223	\$ (7,399)	\$ -	\$ (176)	\$ -	-
Canyon Pointe	700 Walnut	82	\$ 15,167	\$ (5,788)	\$ (745)	\$ 8,634	\$ 2,976	2.90
Glen Willow (2)	301-333 Pearl St.	34	\$ 15,074	\$ (7,143)	\$ (300)	\$ 7,631	\$ -	-
Project Based Sub Total:		116	\$ 15,139	\$ (6,185)	\$ (615)	\$ 8,340	\$ 2,976	2.90
Arapahoe East	4610 Arapahoe	11	\$ 12,768	\$ (8,678)	\$ (300)	\$ 3,790	\$ 1,748	2.17
Dakota Ridge	4900 10th St.	13	\$ 17,947	\$ (5,089)	\$ (300)	\$ 12,558	\$ 7,513	1.67
Sanitas Place	3640 Broadway	12	\$ 11,372	\$ (8,023)	\$ (300)	\$ 3,049	\$ 3,020	1.01
Twin Pines	1700 22nd St.	22	\$ 11,801	\$ (5,419)	\$ (300)	\$ 6,082	\$ 3,083	1.97
Combine Loan One Subtotal		58	\$ 13,273	\$ (6,502)	\$ (300)	\$ 6,472	\$ 3,810	1.70
101 Canyon	101-103 Canyon	6	\$ 22,266	\$ (9,480)	\$ (300)	\$ 12,486	\$ 7,667	1.63
Hayden Place	34th & Hayden Place	24	\$ 10,888	\$ (6,046)	\$ (300)	\$ 4,542	\$ 3,286	1.38
Whittier	1946 Walnut St.	10	\$ 12,997	\$ (7,534)	\$ (300)	\$ 5,163	\$ 2,629	1.96
Woodlands (4)	2600 Block of Mapleton	35	\$ 13,912	\$ (7,938)	\$ (300)	\$ 5,674	\$ 5,069	1.12
Combine Loan Two Subtotal		75	\$ 13,491	\$ (7,402)	\$ (300)	\$ 5,789	\$ 4,381	1.32
Twenty37 Walnut	2037 Walnut	26	\$ 21,399	\$ (5,716)	\$ (175)	\$ 15,333	\$ 3,508	4.37
Bridgewalk	602-698 Walden Circle	123	\$ 20,273	\$ (5,641)	\$ (550)	\$ 14,083	\$ 9,950	1.42
Broadway East	3160 Broadway	44	\$ 11,395	\$ (7,215)	\$ (330)	\$ 3,850	\$ 2,012	-
Casey	2453 Broadway	6	\$ 19,258	\$ (7,557)	\$ (275)	\$ 11,426	\$ 8,657	1.32
Cedar	1240 Cedar	13	\$ 18,167	\$ (6,582)	\$ (300)	\$ 11,285	\$ 5,063	2.23
Foothills	4500 block of 7th/8th	74	\$ 14,345	\$ (6,849)	\$ (300)	\$ 7,196	\$ 4,959	1.45
Hayden Place 2 (3)	3480 Hayden Place	6	\$ 12,221	\$ (7,104)	\$ (300)	\$ 4,817	\$ 5,915	0.81
Tantra Lakes	807-999 Moorhead	185	\$ 17,950	\$ (7,710)	\$ (300)	\$ 9,940	\$ 7,929	1.25
Midtown (2)	837 20th St.	13	\$ 12,514	\$ (7,240)	\$ (300)	\$ 4,974	\$ -	-
Vistoso	4500 Baseline	15	\$ 11,131	\$ (7,974)	\$ (300)	\$ 2,857	\$ 2,542	1.12
Workforce Sub Total:		638	\$ 16,411	\$ (6,916)	\$ (345)	\$ 9,142	\$ 6,236	1.47
Portfolio Totals:		801	\$ 15,688	\$ (6,839)	\$ (364)	\$ 8,479	\$ 5,398	1.57

March 2018 - February 2019

Tax Credit Properties	Address	Units	PUPA EGI	PUPA OpEx	Reserves	PUPA Net of Reserves	PUPA Debt	Adjusted DSCR (1)
Broadway West	3120 Broadway	26	\$ 11,435	\$ (6,777)	\$ (330)	\$ 4,328	\$ 2,464	1.76
High Mar	4990 Moorhead Ave	59	\$ 11,695	\$ (6,783)	\$ (258)	\$ 4,655	\$ 3,868	1.20
Holiday	1500 Lee Hill	49	\$ 10,795	\$ (5,637)	\$ (200)	\$ 4,958	\$ 3,264	1.52
Lee Hill (5)	1175 Lee Hill	31	\$ 14,352	\$ (11,196)	\$ (375)	\$ 2,781	\$ -	-
Palo Park	3295 Palo Pkwy	35	\$ 11,335	\$ (6,716)	\$ (175)	\$ 2,519	\$ 2,093	1.20
Red Oak Park	27th & Valmont	59	\$ 11,569	\$ (6,341)	\$ (338)	\$ 4,890	\$ 3,884	1.26
WestView	4600 Broadway	34	\$ 12,560	\$ (5,721)	\$ (300)	\$ 6,539	\$ 5,567	1.17
Boulder Communities	Various	279	\$ 11,643	\$ (6,445)	\$ (520)	\$ 4,678	\$ 2,953	1.58
Tax Credit Sub Total:		572	\$ 11,741	\$ (6,646)	\$ (396)	\$ 4,581	\$ 3,090	1.48

Effective Gross Income \$ **6,550,626**

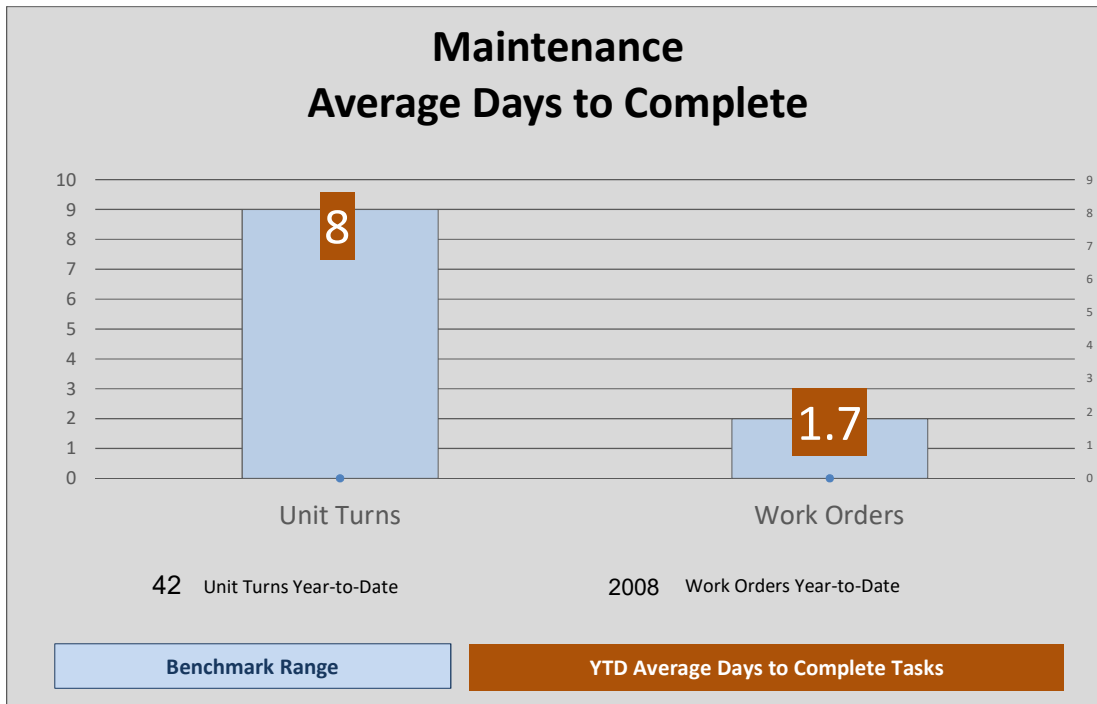
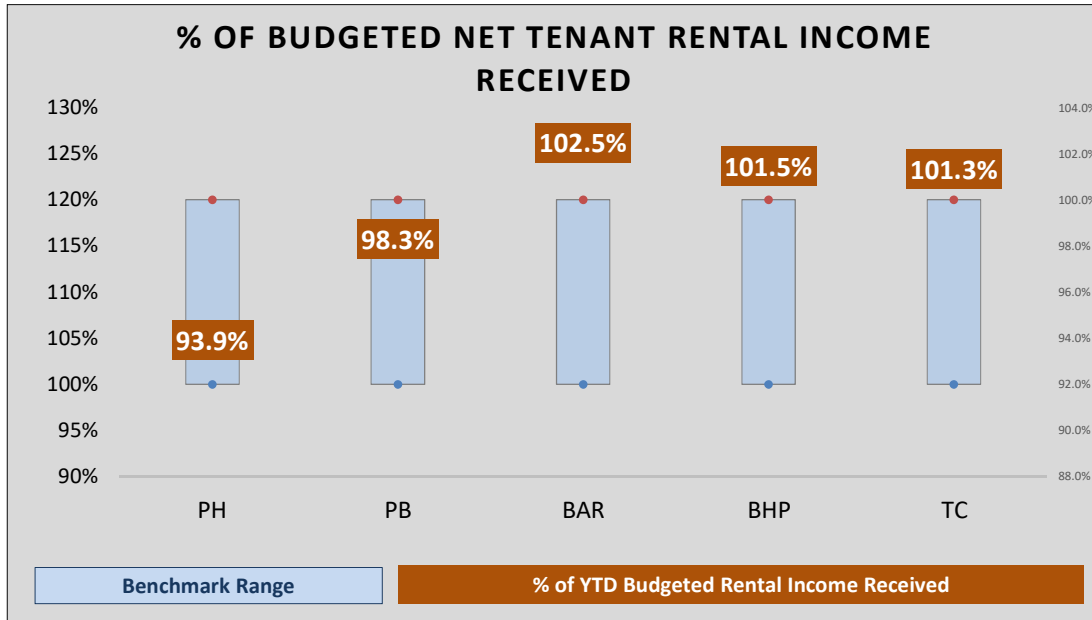
Properties in Transition	Address
Orchard House (2)	1603 Orchard St.
Valmont/Wallace	2625 Valmont Rd.
Orchard Grove	Valmont and 34th
Palo Park	4525 Palo Parkway
Twenty37 Walnut	2037 Walnut

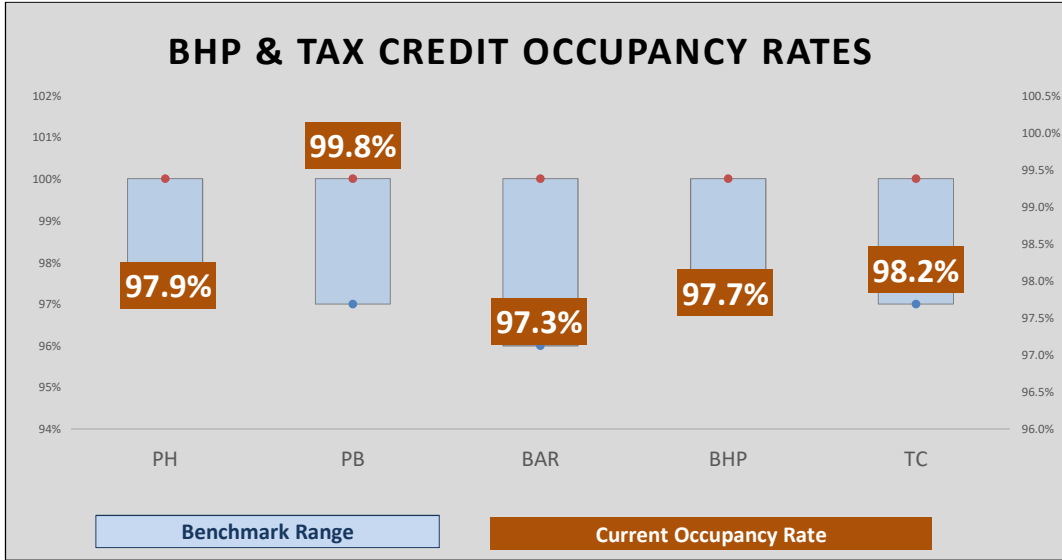
Index of terms
PUPA - Per Unit Per Annum
EGI - Effective Gross Income = (Total Revenue - Grant Revenue)
Op Ex - Operating Expenses = (Total Expenses-Capital Expenses-Extraordinary Maintenance and Non-Op Ex)
NOI - Net Operating Income = (Net Income + Non Op Ex)
DSCR - Debt Service Coverage Ratio = NOI/Debt
ADJUSTED - For Capital Grants, Capital Exp. and Extraordinary Maint.

NOTES: 1.15 DSCR is the Minimum Benchmark for all properties

- (1) DSCR is calculated after required reserve contributions. Portfolio totals include NOI from properties with no debt. All excess cash from properties is used in BHP operations.
- (2) Midtown is pledged as collateral for BHP Line of Credit
- (3) Hayden Place 2 does not have DSC requirement given the small number of units. One vacant can have substantial affect on ratio
- (4) Woodlands affected by \$23K roof and gutter repairs between Nov-Mar.
- (5) Lee Hill does not have permanent debt so DSCR does not apply.

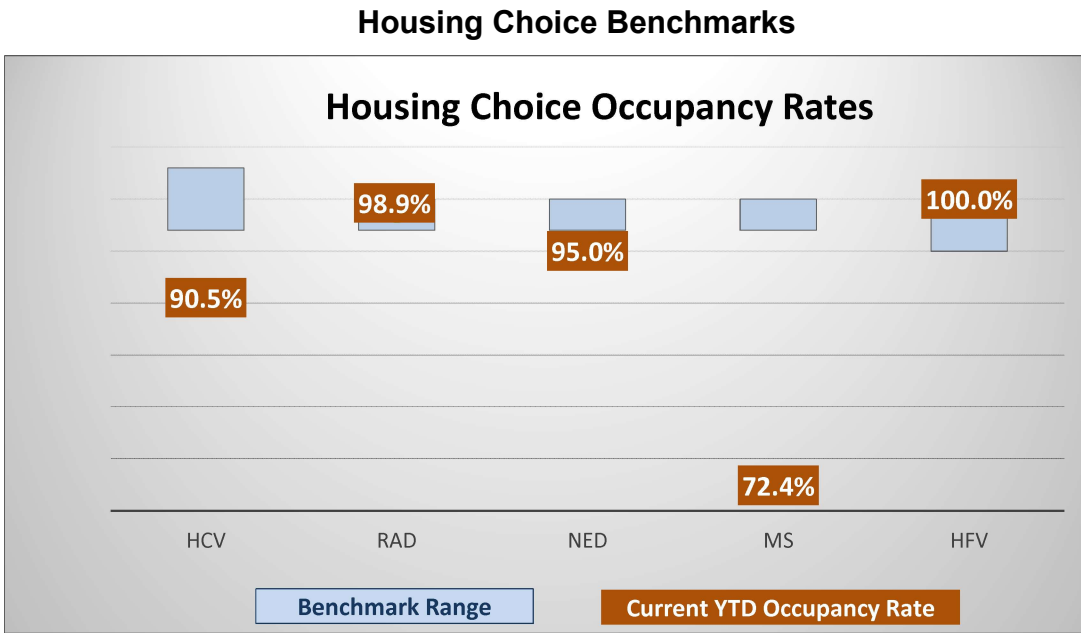
Property Management Benchmarks





NOTES: PH - Public Housing Sites
 BAR - Boulder Affordable Rentals
 TC - Tax Credit Sites

PB - Project Based Contract Sites
 BHP - Combined PB, PH & BAR Sites

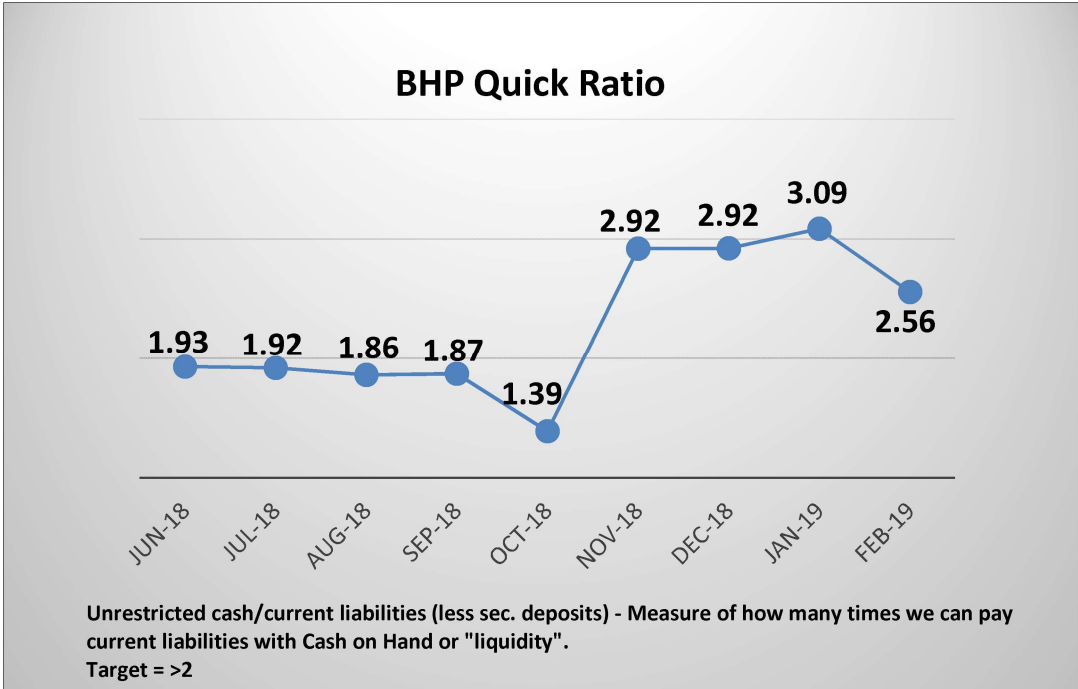
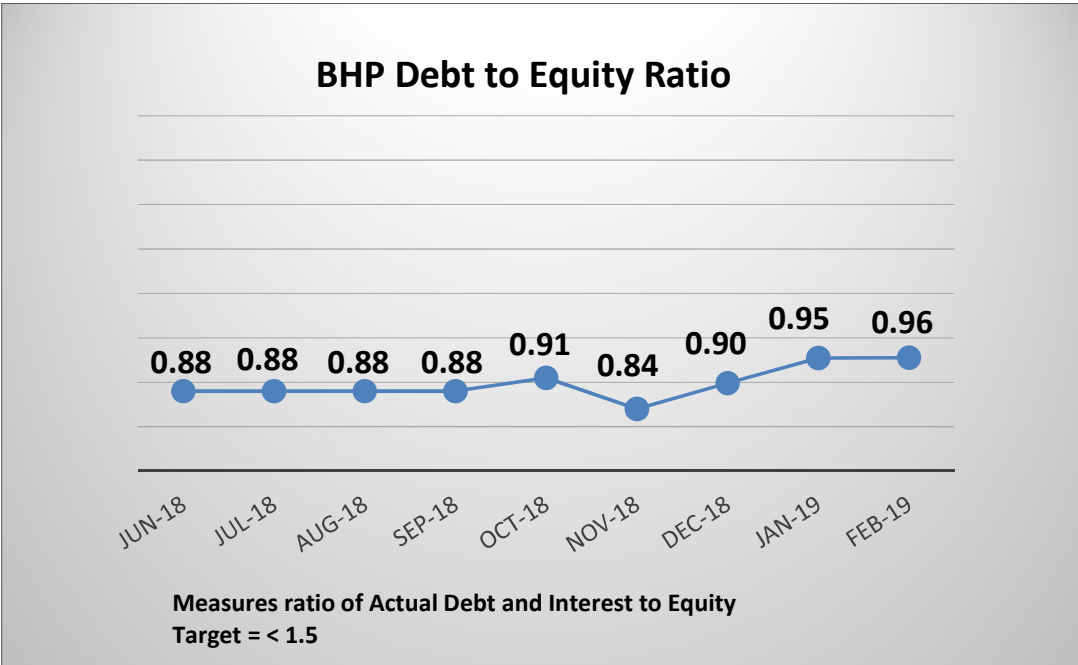


NOTES: MS - BHP received 28 additional Mainstream vouchers at the end of 2018 that are in the process of being leased up. There are now 78 total vouchers in the program.
 HCV - Several households achieved over-income status and left the program in December 2018. These vouchers are in the process of being leased up.

HCV - Housing Choice Voucher
 RAD - Rental Assistance Demonstration Vouchers
 NED - Non-Elderly Disabled Vouchers

MS - Mainstream 50 + 28 Vouchers
 HFV - Housing First Vouchers

Financial Benchmarks



NOTES: Quick Ratio was significantly impacted by the balloon payment of the \$3.4MM Canyon Pointe mortgage in November. The quick ratio calculation excludes Line of Credit liability.

MEMO

To: Board of Commissioners
From: Lyndall Ellingson
Date: March 13, 2019
Re: **Lee Hill Annual Report**

1175 Lee Hill 4th Annual Public Hearing

Per the Good Neighbor Statement of Operations for 1175 Lee Hill, the BHP's Board of Commissioners will hold an annual public hearing. At that time, the Board will review the report noted in Section 9, the "Monitoring Plan," and consider any proposed changes, generated by BHP or proposed by the community, to the Good Neighbor Statement of Operations. The 2018 results will be presented by staff at the Board Meeting.

Monitoring Plan

We have prepared the fourth annual report for to the Board of Commissioners and the community regarding the operations and outcomes related to 1175 Lee Hill. This report protects the privacy of our residents and will be shared with neighbors and the public after the Board has reviewed and commented on the annual report following the public hearing. The report includes an annual summary and progress report of the following:

- (1) the operations at the site for the prior year;
- (2) the number and types of complaints and responses, community outreach, relationships and activities;
- (3) the residents' successes based on the following metrics, when feasible providing comparable statistics from other Housing First programs:
 - Number of clients moved into housing;
 - Number of clients still housed;
 - Changes in clients' income;
 - Changes in clients' skills';
 - Number and nature of 911 calls to the property;
 - Number of lease violations.

When feasible, BHP will arrange to have an independent third-party entity audit the data related to outcomes from the program. In addition, the agencies funding the project, such as HUD, will conduct periodic audits of the program.

Amendments to the Good Neighbor Statement of Operations for 1175 Lee Hill:

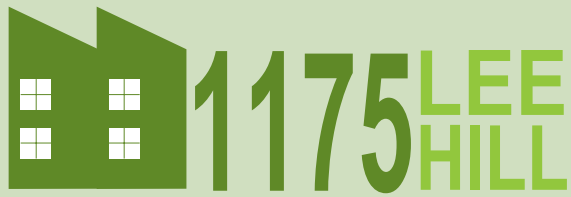
BHP's Board of Commissioners will hold an annual public hearing regarding 1175 Lee Hill. At that time, the Board will review the report noted in Section 9 and consider any proposed changes, generated by BHP or proposed by the community, to the Good Neighbor Statement of Operations. Any amendment will be preceded by a public notice on BHP's website and to any interested person on the mailing list, a public comment period prior to the board meeting, and discussion and a decision by the Board at an open public meeting. The public notice will include information on which sections are proposed to be amended.

The Lee Hill Advisory Committee recommends amending section 4.3 of the GNSO, which states:

During the first year of operations, BHP formed an Advisory Committee that was composed of representatives selected from neighborhood groups (e.g. HOAs), BHP staff, and BSH case managers. The purpose of this committee is to provide a forum for ongoing communication and integration, and furthering community relationships. Quarterly meeting agendas are created by the members of the group based on community concerns. Meeting notes are made available to the BHP Board of Commissioners and the community.

On January 19, 2019, the Lee Hill Advisory Committee meeting took place at 1175 Lee Hill, where the committee agreed to meet twice annually. If amended, section 4.3 will state:

During the first year of operations, BHP formed an Advisory Committee that was composed of representatives selected from neighborhood groups (e.g. HOAs), BHP staff, and BSH case managers. The purpose of this committee is to provide a forum for ongoing communication and integration, and furthering community relationships. Meetings are held twice a year or as needed, and agendas are created by the members of the group based on community concerns. Meeting notes are made available to the BHP Board of Commissioners and the community.



ANNUAL REPORT

2018 Year Four at Lee Hill

Boulder Housing Partners and the Boulder Shelter for the Homeless are pleased to present this annual report for 1175 Lee Hill.

The Lee Hill community opened on **November 3, 2014**, offering 31 households the opportunity to live in permanent supportive housing as they transition out of chronic homelessness.

This summary tells a story of a place where **community members are rebuilding their lives**, and neighbors have had no occasion to reach out for intervention.



Providing Homes, Creating Community, Changing Lives

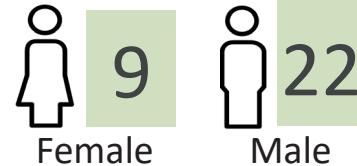


Food • Shelter • Hope
BOULDER SHELTER for the HOMELESS

WHO LIVES THERE?

31
Residents

40 ← Ages → 79



HOW DID THINGS GO?

0 Neighbor Calls to Police

16 Calls for emergency service

0 Neighbor complaints to BHP

11 Original Residents still at Lee Hill

99% Occupancy Rate

WHAT HAPPENED?

of Residents who now have access to:

31 Medicaid/Medicare

23 Social Security Income (SSI & SSDI)

8 Aid to the Needy and Disabled



17+ Partner Agencies

MEMO

To: Board of Commissioners
From: Karen Kreutzberg
Date: March 13, 2019
Re: **Voucher Set Aside for Homeless Solutions of Boulder County**

At the October 2018 Board of Commissioners meeting, staff presented BHP’s waitlist and admission preferences for our properties and voucher program (table attached). Now we are bringing you a set aside preference for the Housing Choice Voucher program based on our work with Homeless Solutions of Boulder County.

Background

BHP provides a preference in the Housing Choice Voucher Program in order to prioritize who we serve with our limited supply of vouchers. Preference is given to households who live and/or work within Boulder County AND who are either single-person households who are elderly or persons with disabilities, or families with children. Preference is given equally to these three types of household and numbers are selected randomly through the lottery system.

BHP has vouchers that are dedicated to a certain population, based on the type of funding we receive from HUD and the City of Boulder. Currently, BHP’s vouchers are dedicated to the following populations:

Total vouchers	1,182	Percentage
Non-elderly disabled	259	22%
Permanent Supportive Housing (PSH)	73	6%
All other populations	850	72%

- Non-elderly disabled vouchers are specifically for households who have at least one member who is a person with a disability and is younger than 62.
- Permanent Supportive Housing are households that have at least one member who has been chronically homeless with at least one disabling condition (no age requirement).
- All populations are vouchers that have no specific target population and serve those who qualify for our local preference.

In October 2017, Boulder County, the City of Boulder, the City of Longmont, and community partners launched Homeless Solutions for Boulder County (HSBC), a new system of services for single adults experiencing homelessness. Housing, with appropriate supports, is the evidence-based solution to homelessness. Doing this effectively requires added coordination of and investment in housing resources for HSBC clients.

This new focus and increased coordination among community partners to secure housing and support service resources is already showing results. In the first year, successes include:

- 11 clients housed with supportive services through a partnership between the City of Boulder, Boulder Shelter for the Homeless and BHP which is a locally funded PSH program.
- Seven additional HUD-VASH vouchers through Boulder County Housing Authority which provide permanent supportive housing to veterans experiencing chronic homelessness.
- 28 new Housing Choice Vouchers awarded to BHP for people under age 62 who have a disabling condition with a preference given to individuals experiencing homelessness or institutionalization.
- 20 project-based vouchers through the Division of Housing awarded to Boulder County, Boulder Shelter for the Homeless, the Inn Between of Longmont, and Mental Health Partners to convert existing units to permanent supportive housing.
- 70 units of proposed permanent supportive housing production in the next three years as a result of the City of Boulder working with developers of new housing
- Six units (based on turnover) through BHP have a set aside for chronically homeless adults receiving services through Boulder Shelter for the Homeless.
- Six affordable rental housing units created through a master lease program between Bridge House and Congregation Har-Hashem to house those earning 30% of the area median income and are graduates of the Ready to Work program.
- \$2.4 million grant (spread out over 5 years) for supportive services from the Substance Abuse and Mental Health Services Administration (SAMHSA) awarded to Boulder County Community Services Department and Mental Health Partners that will help individuals experiencing homelessness obtain and maintain their housing and connect to other resources (e.g., behavioral health treatment).

Though these early successes are important, they are not sufficient to meet the needs of HSBC clients. A set aside for HSBC clients for the Housing Choice Voucher program would build on this foundation and provide critical resources to clients who continue to experience homelessness. With the data from the first full year of operations, HSBC has placed an emphasis on working with those who are local residents, based on the limited supply of resources.

Analysis

The unmet need among HSBC clients is significant. While HSBC partners helped 383 clients leave the shelter system in the first year of services (October 2017-September 2018), many clients continue to stay in shelter. In the first year:

- 2,448 clients sought homeless services for single adults countywide.
 - Of those individuals, 1,850 sought services in the City of Boulder, and;
 - 598 clients sought services in the City of Longmont.
- Many of these individuals had strong connections to Boulder County:

- 47% reported being in the County for at least one year
 - 41% had been in the County for at least two years
 - 25% report having family in the County
- The acuity of need among HSBC clients is high. Of clients who sought services in the first year:
 - 55% report experiencing homelessness for at least 12 months out of the past three years
 - 70% reported a disabling condition that makes it difficult for them to maintain housing independently

BHP and Boulder County Housing Authority have worked together to create a set aside of turnover vouchers each year that would be offered to clients coming through Homeless Solutions of Boulder County. To maintain a balance of who we serve, we propose that 20% of tenant-based vouchers that turn over each year would be allocated for this set aside. This number would be determined each year in January and offered to clients coming through the HSBC Coordinated Entry System throughout the year.

As an example, in 2018, BHP had 112 tenant-based vouchers turn over. Twenty percent would be 22 vouchers that would then be offered through HSBC. The other 90 would be offered through the lottery process to the randomly selected winners.

Currently applicants who win the lottery and are homeless are less likely to receive the paperwork and make it through the process to be issued a voucher and successfully lease up. By providing this set aside to the homeless who will come through the Coordinated Entry System, the chance of successful lease up increases greatly due to them having the necessary supportive services to assist with the process of receiving housing assistance and being housed. Applicants who receive a voucher through this set aside will still need to qualify for the preference explained above that is in place for all vouchers.

Implementation

If approved, this voucher set aside would be re-evaluated in two years. Evaluation metrics will include the lease up success rate, the time between referral and lease up, and the percentage of households who remain housed at certain intervals (6, 12 and 24 months).

We believe that if homeless households receive the support they need to lease up, they will be successful in getting housed and even more importantly, staying housed. The expectation would be that 90% of the applicants being provided a set aside voucher would successfully lease up.

This change needs to be included in our Housing Choice Voucher Administrative Plan and made available for public review for 45-days prior to being adopted by the Board.

Recommendation

Staff recommends releasing the change for public review by April 22, 2019. A public hearing will be held in May. The change would be approved and inserted into the Admin Plan at the June board meeting. Staff would then work with HSBC for implementation beginning in July.

Housing Choice Vouchers	# of Vouchers in Type	Application Method	Preference/ Restriction	Affordability	Properties
Moving to Work	850	Lottery	Local, Elderly/ Disabled, Families with Children	0 - 50%	358 Project Based Vouchers in BHP properties
Non-Elderly Disabled	259	Lottery/ Referrals	Local, Young (less than 62) and Disabled	0 - 50%	
Permanent Supportive Housing	73	BC Coordinated Entry	Chronically Homeless	0 - 30%	Lee Hill, Holiday (10 PBV units)
Program Type	# of Units	Application Method	Preference/ Restriction	Affordability (AMI)	Properties
Public Housing	47	Waitlist, Referral from and Partnership with CPWD (AC)	Local, Elderly/ Disabled, Families with Children (MD)	0 - 80%	Arapahoe Court, Madison
Project-Based Contract	116	Waitlist	Local, Elderly/ Disabled, Families with Children (GW)	0 - 50%	Canyon Pointe, Glen Willow
Boulder Affordable Rentals	310 (35 PBV)	Interest list, Family Self Sufficiency (WL), Referral by Boulder Shelter (CAS, CED)	Local (CAS, CED, WL), Chronically homeless (CAS, CED)	0 - 60%	Arapahoe East, Bridgewalk, Casey, Cedar, Dakota Ridge, Foothills, Hayden Place, Midtown, Sanitas Place, Tantra Lake, Twin Pines, Vistoso, Whittier, Woodlands
Tax Credit	616 (364 PBV)	Interest list, Bringing School Home waitlist held by EFAA (BE, DC, IH, KA, MN)	Local (PBV properties), Elderly (HM, WP), Elderly/ Disabled (NP), Natural Disaster Displacement (PP), Chronically Homeless (LH-31)	0 - 60%	Broadway East, Broadway West, Diagonal Court, High Mar, Holiday, Iris Hawthorn, Kalmia, Lee Hill, Manhattan, Northport, Palo Park, Red Oak Park, Walnut Place, WestView
Market Rate	284	First-come, first-served	None	N/A	101 Canyon, Bridgewalk, Casey, Cedar, Cornell House, Foothills, Tantra Lake, Twenty 37

MEMO

To: Board of Commissioners
From: Jeremy Durham
Date: April 10, 2019
Re: **Housing Related House Bills in Colorado Legislature**

Two bills are under consideration in the Colorado House that could bring additional much-needed funding to the development and preservation of affordable housing throughout the state. The first is HB19-1228, which would expand the Colorado State Low Income Housing Tax Credit. The second has not been assigned a bill number as of this writing and would appropriate unused funds from Colorado's Unclaimed Property Trust Fund to affordable housing. The full text of HB19-1228 and the fact sheet provided by the Colorado Center on Law and Policy for the Unclaimed Property Trust Fund bill are attached to this memo.

Background

HB19-1228

Currently, under Colorado's Affordable Housing Tax Credit, CHFA may allocate up to \$5 million annually. This bill will increase the annual cap to \$10 million from 2020-2024.

Modeled after the national Low Income Housing Tax Credit (federal LIHTC), the State Tax Credit program has directly supported the development of 4,796 affordable units between 2015-2018. Additionally, this program, when partnered with the federal 4 percent credit, has brought \$37 million in previously untapped federal 4 percent LIHTC to Colorado projects.

HB19-1228 passed the House Finance Committee by a bipartisan vote of 7-3 and now heads to the Appropriations Committee. This bill has seen strong support by affordable housing advocacy organizations, like Housing Colorado, and housing authorities and non-profit housing providers statewide.

Unclaimed Property Trust Fund

This bill appropriates a portion of unused funds in Colorado's Unclaimed Property Trust Fund while also protecting the 20-year claims reserves, ensuring that all claims will always be paid and there will be an excess reserve cushion.

Under this bill, one half of the excess balance in the Colorado Unclaimed Property fund (around \$40MM per year) would be appropriated to the Division of Housing.

Analysis

HB19-1228 would further support affordable housing development and rehabilitation/preservation. BHP has received state credit awards in each of the last two years and has applied this year for State Tax Credit funding for 30 Pearl. The Colorado State Tax Credit round this year is extremely competitive, with financing requests outnumbering available funds three to one.

The Unclaimed Property Trust Fund bill would provide another much-needed financing mechanism for the development and acquisition of affordable housing. With a funding source as large as this is proposed, the Division of Housing could provide the bulk of funding for entire projects (as the 9% LIHTC does), and/or provide a large amount of gap financing to facilitate developments and acquisitions that don't come to fruition because of financing shortfalls.

Recommendation

Staff recommends that BHP add its name to the list of those organizations supporting both of these bills.

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 19-0959.01 Bob Lackner x4350

HOUSE BILL 19-1228

HOUSE SPONSORSHIP

Bird and Titone, Gray, McLachlan, Soper

SENATE SPONSORSHIP

Zenzinger and Tate, Bridges, Gardner, Priola, Rodriguez

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE AGGREGATE AMOUNT OF THE TAX**
102 **CREDITS THAT THE COLORADO HOUSING AND FINANCE**
103 **AUTHORITY MAY ALLOCATE IN A CALENDAR YEAR UNDER THE**
104 **COLORADO AFFORDABLE HOUSING TAX CREDIT.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Currently, under the affordable housing tax credit, during each calendar year of the period beginning in 2015 and ending in 2024 the Colorado housing and finance authority (CHFA) may allocate tax credits

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

in an aggregate amount up to \$5 million annually. The bill increases the annual aggregate cap to \$10 million for the years beginning on January 1, 2020, and ending on December 31, 2024.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 39-22-2102, **amend**
3 (7)(a); and **add** (7)(a.5) as follows:

4 **39-22-2102. Credit against tax - affordable housing**
5 **developments.** (7) During each calendar year of the period beginning
6 January 1, 2015, and ending December 31, 2024, the authority may
7 allocate a credit, the full amount of which may be claimed against the
8 taxes imposed by this article 22 for each taxable year of the six-year
9 credit period. The aggregate amount of all credits allocated by the
10 authority in each calendar year of the period beginning January 1, 2015,
11 and ending December 31, 2024, shall not exceed the amount of:

12 (a) Five million dollars for credits allocated ANNUALLY BEGINNING
13 ON JANUARY 1, 2015, AND ENDING DECEMBER 31, 2019, pursuant to
14 subsection (1) of this section and section 39-22-2105 combined, except
15 for credits allocated in 2015 and 2016 for qualified developments that are
16 located in a county that is designated by the qualified allocation plan as
17 having been impacted by a natural disaster;

18 (a.5) TEN MILLION DOLLARS FOR CREDITS ALLOCATED ANNUALLY
19 BEGINNING ON JANUARY 1, 2020, AND ENDING ON DECEMBER 31, 2024,
20 PURSUANT TO SUBSECTION (1) OF THIS SECTION AND SECTION 39-22-2105
21 COMBINED.

22 **SECTION 2. Act subject to petition - effective date.** This act
23 takes effect September 1, 2019; except that, if a referendum petition is
24 filed pursuant to section 1 (3) of article V of the state constitution against

1 this act or an item, section, or part of this act within the ninety-day period
2 after final adjournment of the general assembly, then the act, item,
3 section, or part will not take effect unless approved by the people at the
4 general election to be held in November 2020 and, in such case, will take
5 effect on the date of the official declaration of the vote thereon by the
6 governor.



Affordable Housing Crisis in Colorado

HB XXXX Fact Sheet -- draft 3/26/19

Owning or renting a home is out of reach for many

- Since 2011 housing costs have risen by more than 40% while wages have risen by just 11%.
- Average HUD calculated Fair Market Rent for a two-bedroom apartment in the Front Range metropolitan areas is just under \$1,500/month. A household **must earn over \$60,000 annually** or almost \$30/hour to afford this rent. The estimated average wage for a renter is \$17.59/hour.
- Outside the metropolitan area, the average rent for a two-bedroom apartment is \$976/month. To make this affordable, a household **must earn an hourly wage of \$18.77/hour (or \$40,000 annually)**. The estimated average wage for a renter in non-metro areas of the state is about \$13/hour—well below the hourly wage needed to afford the rent on a two-bedroom apartment.

The market is not building homes that are affordable to many Coloradans

- As of the most recent HUD data, **275,000 Colorado households were spending more than half their income** on their mortgage or rent. This includes over 162,000 renters.
- Over **6000 households on the Eastern Plains, 9000 households in the Central Mountains and 32,000 on the Western Slope** are weighed down by the cost of housing.

Percent of Colorado renters and home owners spending 50% or more of income on housing by region

	Front Range	Eastern Plains	Central Mountains	Western Slope
Less than 30% AMI	67%	55%	54%	62%
31% to 50% AMI	33%	17%	26%	36%
51% to 80% AMI	12%	6%	9%	16%
81% to 100% AMI	4%	3%	3%	7%

Source: HUD CHAS data based on 2010-2014 American Community Survey

Healthy Economy Requires a Healthy Housing Market

- **Thriving communities have a range of housing options for people across the income spectrum.** These communities are more appealing to businesses looking to relocate and to families looking to put down roots. Home construction provides an economic boost for communities.
- **More affordable housing options in rural Colorado would help attract teachers and health care professionals.**

- **Affordable housing supports the larger economy.** If housing were more affordable for the thousands of Coloradans paying more than 30 percent of their income on housing, there would be a \$2 billion boost in spending on food, clothing, health care, recreation and other household expenditures. This spending could support local businesses and contribute \$89 million in additional sales tax for important public services.

Housing that is Affordable Provides a Platform for Long-Term Stability

- **Reduces housing instability, and homelessness** - - Families that can afford their housing costs are more stable, their children do better in school, and they can save for emergencies, education and retirement.
- **Reduces poverty and the impact of poverty on children** - - Reducing the rent burden in low-income families frees up more resources for children and results in better outcomes.
- **Reduces health care and other public services costs** - - The provision of affordable housing decreases Medicaid expenditures and use of emergency services and increases use of primary care to improve health. The health impacts of stabilizing housing also improve mental health.

Proposal to Increase Funding for Affordable Housing

- The bill appropriates a portion of the unused funds in Colorado’s Unclaimed Property Trust Fund **while protecting the 20-year claims reserve**. The bill ensures **all claims** will always be paid and there would always be an **excess** reserve cushion.
- **\$40 million per year** or one-half of the excess balance in the fund would be appropriated to the Division of Housing for a wide range of housing needs.
- HB19-XXX reflects discussions of a **broad group of stakeholders from urban and rural areas** convened by Democrats and Republicans in the House and Senate that identified the needs in their communities
- The funds would support grants and loans for the following purposes:
 - Homeownership for households with income up to 120% of the area median income;
 - Home modification and rehabilitation;
 - Mobile home repair and replacement;
 - Land and infrastructure costs to support affordable rental and/or ownership workforce housing developments; and
 - Funding for the development, acquisition, and rehabilitation of affordable rental housing.
- Rental assistance programs that benefit the following populations:
 - Homeless families with school-age children;
 - Medicaid clients in nursing homes who can live in their communities with in-home services;
 - Family unification and related programs that support a two-generation solution to intergenerational poverty;
 - Homeless veterans;
 - Low-income households with an annual income at or below 60% of the area median income;
 - Survivors of domestic violence.



Availability of Unclaimed Property Funds for Housing

The Unclaimed Property Trust Fund (UPTF) holds money and other property that has been turned over the Treasurer to keep until the owner claims it.

Revenue and claims paid during the past 10 years are as follows:

Year	Revenue		Payments		Net revenue after claims paid
2008	\$ 65,256,232		-\$22,814,000		\$42,442,232
2009	\$ 56,526,108		-\$24,714,000		\$31,812,108
2010	\$ 56,233,687		-\$24,321,000		\$31,912,687
2011	\$ 55,053,483		-\$22,061,000		\$32,992,483
2012	\$ 65,107,876		-\$28,128,000		\$36,979,876
2013	\$ 74,558,294		-\$21,390,000		\$53,168,294
2014	\$ 72,713,976		-\$26,484,000		\$46,229,976
2015	\$ 70,959,211		-\$29,842,000		\$41,117,211
2016	\$ 82,557,425		-\$26,834,000		\$55,723,425
2017	\$ 89,753,804		-\$21,509,000		\$68,244,804
Revenue	\$ 688,720,096	Claims Paid	-\$248,097,000	Revenue net of Claims	\$440,623,096

Current data from the Treasurer's office is as follows:

UNCLAIMED PROPERTY TRUST FUND (\$ MILLIONS)						
	FY13-14 Actual	FY14-15 Actual	FY15-16 Actual	FY16-17 Actual	FY17-18 Actual	FY18-19 Estim
Beginning net assets	\$124.5	\$168.0	\$189.0	\$170.7	\$238.8	\$292.1
Net revenue (after claims paid)	\$46.2	\$41.1	\$55.7	\$68.3	\$84.5	\$61.6
Interest/Misc. income	\$1.5	\$2.0	\$1.9	\$2.3	\$4.7	\$5.0
GROSS REVENUE	\$47.7	\$43.1	\$57.6	\$70.6	\$89.2	\$66.6
UP operating expenses	-\$2.6	-\$2.5	-\$2.6	-\$2.5	-\$3.5	-\$2.3
Transfers from CoverColorado	\$15.0	n/a	n/a	n/a	n/a	n/a
Transfer to Health Benefit Exchange	-\$15.0	n/a	n/a	n/a	n/a	n/a
Transfer to Adult Dental Fund (SB13-	-\$1.6	-\$19.6	-\$30.5	\$0.0	-\$32.4	-\$17.4
Transfer to Adult Dental Fund (HB16-	n/a	n/a	-\$34.8	n/a	n/a	n/a
Transfer to General Fund (HB16-140)	n/a	n/a	-\$8.0	n/a	n/a	n/a
TOTAL EXPENSE	-\$4.2	-\$22.1	-\$75.9	-\$2.5	-\$35.9	-\$19.7
End Total Fund Balance	\$168.0	\$189.0	\$170.7	\$238.8	\$292.1	\$339.0
REQUIRED RESE	-\$106.5	-\$109.9	-\$115.6	-\$125.0	-\$141.9	-\$156.1
Available Fund Balance	\$61.5	\$79.1	\$55.1	\$113.8	\$150.2	\$182.9

The fund maintains a reserve to assure there will always be sufficient funds to pay claims. The Required Reserve for FY2018-19 is \$156,100,000. This is the amount that would be required to

pay all claims for the next 20 years. In FY2018-19 the fund is projected to have \$183,000,000 more than is needed to pay expenses and protect the reserve. ⁱ

HB19-xxxx proposes using the lesser of \$40,000,000 per year or 50% of the “Available Fund Balance.” In years when TABOR revenues exceed the revenue cap, transfers would be suspended.

In 2018, the JBC analyst projected fund deposits, claims paid and expenses by applying historic rates of increase.

JBC Analyst Projected Fund balances
5-year period

Year	Projected Revenue	Projected Claim Payout	Adult Dental Expenses	Fund Operating Expenses	Interest & Misc. Income	Fund Balance
2018			\$33,000,000	\$2,400,000	\$1,996,434	\$238,830,000
2019	\$94,270,510	\$24,810,000	\$33,660,000	\$2,448,000	\$2,134,188	\$274,316,698
2020	\$99,162,103	\$25,554,300	\$34,333,200	\$2,496,960	\$2,281,447	\$313,375,787
2021	\$104,459,697	\$26,320,929	\$35,019,864	\$2,546,899	\$2,438,867	\$356,386,659
2022	\$110,196,993	\$27,110,557	\$35,720,261	\$2,597,837	\$2,607,149	\$403,762,145
2023	\$116,410,483	\$27,923,874	\$36,434,667	\$2,649,794	\$2,787,042	\$455,951,336

The chart below shows the effect on the Fund Balance of withdrawing housing funds, which demonstrates that appropriating those funds would not threaten the Required Reserve.

Year	Projected Revenue	Projected Claim Payout	Adult Dental Expenses	Fund Operating Expenses	Interest & Misc. Income	Fund Balance*	Housing Funds	Fund Balance after Housing Funds
2018			\$33,000,000	\$2,400,000	\$1,996,434	\$238,830,000		
2019	\$94,270,510	\$24,810,000	\$33,660,000	\$2,448,000	\$2,134,188	\$274,316,698	(\$30,000,000)	\$244,316,698
2020	\$99,162,103	\$25,554,300	\$34,333,200	\$2,496,960	\$2,281,447	\$283,375,787	(\$30,000,000)	\$253,375,787
2021	\$104,459,697	\$26,320,929	\$35,019,864	\$2,546,899	\$2,438,867	\$296,386,659	(\$30,000,000)	\$266,386,659
2022	\$110,196,993	\$27,110,557	\$35,720,261	\$2,597,837	\$2,607,149	\$313,762,145	(\$20,000,000)	\$293,762,145
2023	\$116,410,483	\$27,923,874	\$36,434,667	\$2,649,794	\$2,787,042	\$325,951,336	(\$20,000,000)	\$305,951,336

*Fund Balance reduced by cumulative amount of Housing Funds appropriation

ⁱ Data shows that approximately 38% of the funds deposited in any year will be paid in claims over the next 20 years. Twenty years after funds are initially deposited, it is statistically unlikely the remaining 68% of funds will be claimed. Of the \$89,753,804 deposited in 2017, the Controller projects that \$29,417,008 will be paid between 2017 and 2037. The remaining \$60,336,796 will likely never be claimed. Hence, the balance in the fund will continue to grow.

MEMO

To: Board of Commissioners
From: Karen Kreutzberg
Date: April 2019
Re: **Highlights from the 2018 Moving to Work Annual Report**

Staff is pleased to present the 2018 Moving to Work Annual Report. This was submitted to HUD on March 21, 2019.

Background

Boulder Housing Partners has been participating in the U.S. Department of Housing and Urban Development's Moving to Work (MTW) Demonstration Program since 2012. Agencies that participate in this program have the authority and flexibility to change or adjust regulations under the 1937 U.S. Housing Act as it relates to the Housing Choice Voucher and Public Housing programs. Changes made must relate to the three statutory goals as set forth by Congress in 1996:

1. Use federal dollars more effectively
2. Move families with children towards self sufficiency
3. Increase housing choices for low-income families

Each year, BHP must prepare an Annual Plan outlining the changes that we are requesting. The plan is approved by our Board of Commissioners in October and then submitted to HUD for approval, with implementation of new activities starting in January. At the end of each year, BHP must prepare the Annual Report showing the results and progress we have made on the activities that we have implemented.

A requirement under the MTW program is to continue to serve the same demographic of people as we would if we were not participating in the demonstration program. This prohibits agencies from changing the population they serve in order to save money, serve more families, or prioritize one group over another. BHP continues to serve the same demographic of households, which has historically been a 60/40 split, 60% of our households being elderly or persons with disabilities and 40% classified as work-able families (This percentage increases to 66/34 split when we include all our vouchers. Some vouchers are not subject to MTW flexibility based on voucher type per HUD regulations.).

Since our introduction into the program, we have created, and HUD has approved, 24 activities. Fifteen of these activities are still active today and progress is reported on them in the 2018 MTW Annual Report. Two of the activities were never implemented and seven have been consolidated into existing activities. The full list of current activities includes:

- 2018 – 1: Project-Based Voucher Waivers
- 2016 – 1: Flat Tiered Rent for Housing Choice Work-Able Families

- 2016 – 2: Rent simplification for elderly and disabled households
- 2016 – 3: Landing Landlords
- 2016 – 4: Bringing School Home Referral Process
- 2015 – 1: Affordable Housing Acquisition and Development Fund
- 2014 – 4: Removed the flat rent option for all Public Housing households
- 2014 – 5: Changes in mobility options for Woodlands Community Family Self-Sufficiency Program
- 2013 – 1: Housing Quality Standard (HQS) Inspections Schedule
- 2013 – 2: Eliminate Utility Reimbursement Payments
- 2013 – 3: Local Voucher Program in Partnership with Safehouse Progressive Alliance for Non-Violence (SPAN)
- 2013 – 4: Use of Replacement Housing Factor Funds for other Affordable Housing
- 2012 – 4: Rent simplification for all households
- 2012 – 5: Elimination of 40% cap on income towards rent
- 2012 – 6: Flat utility allowance

A Few Highlights from the 2018 MTW Annual Report

Rent Simplification for Households who are Elderly or Persons with Disabilities

This was our first rent simplification activity and our first activity to be fully implemented. It has been in place since 2012 and modified slightly over the years. The two main elements of this activity include rent based on 26.5% of gross rent and triennial recertifications (with no need to report income increases in between regularly scheduled recertifications). Households continue to enjoy the benefits of not having to gather all the required documentation and complete all the required forms every year. Households can keep the raises they receive in their fixed income for three full years. Rent is set for the three-year period (unless they move to a different unit and a different variable causes a change) which allows for easier budgeting. We have seen an 8% increase in the portion of tenant rent, which corresponds to an increase in average income of 23% (from \$11,616 in 2013 to \$14,233 in 2018).

Flat Tiered Rent for Housing Choice Work-Able Families

Under this simplified rent structure, work-able families are recertified every two years and are able to keep increases in income until their next recertification. The original core group of families that were transitioned to this rent structure in 2014 were recertified again effective June 2018. There was an average income increase from 2014 to 2018 of 84.4% (from \$23,737 to \$43,761). The average rent burden for this same group over the same time period went from 29% to 30%. In 2018, we had 34 families leave the program, 24 had income increases to the point where their income covered the entire portion of rent and no assistance was being received, and 10 voluntarily gave up their vouchers prior to submitting the paperwork.

One of these households shared her story. She is a single mother of two whose only income

source was child support when she entered the public housing program in 2012. Prior to the conversion of the public housing units, she moved out with a voucher in 2015. She went to school to be a nurse. With the increase in her income, she knew she would no longer qualify for assistance so voluntarily gave up her voucher in June 2018. This program has had many success stories like this one.

Elimination of the 40% Income Cap towards Rent

In 2012, we removed the 40% income cap towards rent for voucher holders. The HUD rule states that if a household wishes to rent a unit that is more expensive than what the voucher allows, they must pay the difference along with their portion of rent based on income. If the rent portion the household needs to pay is more than 40% of their monthly income, they cannot lease that unit. We removed this limit and allow families to pay rent above 40% of their monthly income (if they choose to do so). No families have been evicted or unable to make the rent payments since this flexibility was given to families in the program.

Landing Landlords

We were able to finally fully implement all the elements of the Landing Landlords activity in 2018, which include:

- Moving Compliance
- Landlord Incentive Payment
- Damage Claim Fund
- Security Deposit Revolving Loan Fund

Moving compliance has been implemented since 2016. In 2018, there were eight households who were asked to come into compliance prior to being able to move with continued assistance. Six of the eight came into compliance and moved. Two were terminated from the program for non-compliance with the program.

The last three elements were finally implemented in August 2018, when we began to issue vouchers again. We made four incentive payments to new landlords. We had three participants request a loan from the Security Deposit Revolving Loan Fund which were granted. The Damage Claim Fund was also implemented, however due to the structure of this fund, we won't see any requests until 2019. There is also a county-wide effort to create a damage claim fund (also being called a Landlord Assurance Fund) for all voucher holders. There are currently four voucher administering agencies in Boulder County (BHP, Boulder County Housing Authority, Longmont Housing Authority and Mental Health Partners).

Attachments

The 2018 MTW Annual Report will be emailed. It is also available on our website <https://boulderhousing.org/mtw>

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>
• Strategic Goals Retreat	May 2019
• Glen Willow / Canyon Pointe Closing Resolutions	May or June, 2019
• Canopy at Red Oak Park Closing Resolutions	May or June, 2019
• MTW Annual Plan – Ideas for 2020 Check-in with Board	June 2019
• Update from Kurt Firnhaber, City of Boulder	June or July, 2019
• MTW Annual Plan – Draft for Release	September 2019
• MTW Annual Plan – Approval for HUD Submission	October 2019
• Admin Plan Annual Updates	November 2019
• LIHTC and 60% Area Median Income Averaging	As Time Allows
• Property Tax Exemption	As Time Allows
• Services for Seniors and People with Disabilities	As Time Allows
• Record Retention Policy	Pending NPG Recommendation

2019 BHP Commissioner's Calendar

Date	Group	Time
Mon. Jan. 7	Finance Committee	3:00-4:00
Mon. Jan. 7	Development Committee	4:00-5:00
Wed. Jan 9	Board Meeting	9:00-11:30
Mon. Feb. 11	Finance Committee	3:00-4:00
Mon. Feb. 11	Development Committee	4:00-5:00
Wed. Feb. 13	Board Meeting	9:00-11:30
Thurs. Mar. 7	NPG Committee	3:30-5:00
Mon. Mar. 11	Finance Committee	3:00-4:00
Mon. Mar. 11	Development Committee	4:00-5:00
Wed. Mar. 13	Board Meeting	9:00-11:30
Mon. Apr. 8	Finance Committee	3:00-4:00
Mon. Apr. 8	Development Committee	4:00-5:00
Wed. Apr. 10	Annual Board Meeting	9:00-11:30
Mon. May 6	Finance Committee	3:00-4:00
Mon. May 6	Development Committee	4:00-5:00
Wed. May 8	Strategic Plan Retreat	9:00-11:30
Thurs. Jun. 6	NPG Committee	3:30-5:00
Tues. Jun. 11	Finance Committee	3:00-4:00
Tues. Jun. 11	Development Committee	4:00-5:00
Wed. Jun. 12	Board Meeting	9:00-11:30
Mon. Jul. 8	Finance Committee	3:00-4:00
Mon. Jul. 8	Development Committee	4:00-5:00
Wed. Jul. 10	Board Meeting	9:00-11:30
August	Board Recess	N/A
Thurs. Sept. 5	NPG Committee	3:30-5:00
Mon. Sept. 9	Finance Committee	3:00-4:00
Mon. Sept. 9	Development Committee	4:00-5:00
Wed. Sept. 11	Board Meeting	9:00-11:30
Mon. Oct. 14	Finance Committee	3:00-4:00
Mon. Oct. 14	Development Committee	4:00-5:00
Wed. Oct. 16	Board Meeting & Strategic Plan Retreat	9:00-2:30
Tues. Nov. 12	Finance Committee	3:00-4:00
Tues. Nov. 12	Development Committee	4:00-5:00
Wed. No. 13	Board Meeting	9:00-11:30
Thurs. Dec. 5	NPG Committee	3:30-5:00
Mon. Dec. 9	Finance Committee	3:00-4:00
Mon. Dec. 9	Development Committee	4:00-5:00
Wed. Dec. 11	Board Meeting	9:00-11:30