

# Goebel Briefing

Government & Finance Committee

June 13, 2012





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## Goebel Lawsuit

- **State of Colorado and City of Denver sued in 1981**
  - Class action lawsuit for failure to provide housing and mental health services
- **Goebel Settlement reached in 1983**
  - Denver to provide 250 housing units for populations with serious and persistent mental illness (SPMI)
  - State to provide support services for SPMI population
  - Term of settlement: 1983-2003



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## OED Special Needs Housing

- **OED Mission: Address the housing and service needs for SPMI populations**
  - Preserve the 250 units made available by the Goebel settlement
- **Extensive non-profit partnerships**
  - Work with over a dozen non-profit housing and service providers to assist SPMI populations
- **\$7M investment in the Goebel Settlement**
  - Does not include OED's investments in projects with "co-occurring circumstances"
    - Colorado Coalition for the Homeless (Homeless)
    - FUSE (Formerly Incarcerated)
    - KARIS (SPMI)
    - Veterans Housing



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Goebel Properties: 2785 Pierce & 3429 Shoshone

- **Del Norte owner of 2785 Pierce & 3429 Shoshone**
  - Pierce St. (4 units) & Shoshone (10 units)
- **2010 OED discovers Pierce St. property listed for sale**
  - OED contacts Del Norte, learns:
    - Master lease contract with property owner for 4 properties including Pierce St. are not renewed, property vacant
    - Del Norte wishes to be released of the Goebel restrictions for 2785 Pierce and 3429 Shoshone
  - OED denies waiver , presents Del Norte with two options for the properties:
    - Find partner to administer the property consistent with the Goebel settlement
    - Return properties to the City
- **Properties quit claimed to City 2/15/2011**



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## Property Disposition

- **OED & Mental Health Center of Denver (MHCD) work to find best use of properties**
  - Sale or use of properties must benefit SPMI populations
  - Special attention to housing best practices and administrative efficiencies
    - Apartments vs. Group Homes
  
- **Decision made to sell both properties**
  - Proceeds of the sale go to the City's Housing for the Mentally Ill (MHI) Fund
  - Funds directed to a acquisition/rehab or new construction of SPMI housing facility
  - Currently identifying suitable properties
  
- **Council Action**
  - Consideration of the sale of the Pierce property today, and the Shoshone property at a later date