

Department of Housing Stability

DRMC Updates

Safety Committee Meeting

FEBRUARY 5, 2020

HOST launch

- ❑ Department of Housing Stability (HOST) created via Executive Order 145 in October 2019
- ❑ Staff transferred in from Denver Economic Development and Opportunity (formerly Office of Economic Development, OED) and Department of Human Services (DHS), hiring several positions over coming months
- ❑ HOST has formal authority over \$71M+ budget starting in 2020 calendar year



DENVER

HOUSING STABILITY

“At the end of the day, what we are driving toward is **the goal of housing stability for all** of our residents across the entire income spectrum across this city.”

- Mayor Michael B. Hancock



healthy, housed, and connected

Purpose of DRMC Updates

- Update code sections that point to OED and DHS with new reference to HOST as appropriate
- Make policy updates to Chapter 27 of the DRMC (housing) that have been vetted with Council and stakeholders
- Reimagine advisory committee structure to become smaller, more focused body to provide input along housing continuum

Article III, Chapter 27 Changes

- ❑ Article III, Chapter 27 of the DRMC is the Preservation Ordinance
- ❑ Purpose of the ordinance is to help preserve affordability of city's portfolio of income-restricted rental housing stock
- ❑ Preservation Ordinance has been updated over the last several years to include right of first refusal, stronger notice requirements
- ❑ Proposed policy change would allow a developer to record a perpetual covenant (99+ years) in exchange for city waiving the right of first refusal
- ❑ Proposed change promotes long-term affordability

Article IV, Chapter 27 Changes

- ❑ Article IV, Chapter 27 of the DRMC is the Inclusionary Housing Ordinance – no longer applies to new for-sale projects after 2016
- ❑ Purpose of the ordinance was to create affordable homeownership opportunities for moderate-income households
- ❑ Portfolio of 1,300+ affordable homes are still administered by the City even though no new agreements being negotiated
- ❑ Proposed updates would allow HOST to continue to use administrative resources from the IHO to support compliance as rebate payments are paid out
- ❑ Ordinance allows 5% admin fee, proposing to add percent OR \$250K

Article IV, Chapter 27 Changes, con't

- ❑ Proposed updates would give city ability to utilize multiple affordability instruments to ensure compliance with affordability terms
- ❑ Currently, we utilize covenants per ordinance requirement
- ❑ Proposed updates would allow use of performance deed of trust (PDOT) and/or lien in addition to covenants
- ❑ PDOT and liens would not be required, HOST discretion in their use
- ❑ These other tools are used in other communities across country to enhance compliance with terms of affordability portfolio
- ❑ HOST will continue to explore with partners, CAO, City Council how such tools can be effectively implemented in Denver

Article V, Chapter 27 Changes

- ❑ Clarify use of property tax resources for preservation or new construction of supportive housing
- ❑ Reimagine the advisory committee membership to:
 - ❑ Better reflect HOST focus across the entire housing continuum
 - ❑ Respond to best practices and stakeholder feedback to create a smaller, more focused body of strategic advisors
 - ❑ Create meaningful opportunity for residents with lived expertise to participate in advisory structure
 - ❑ Create a balance of high level strategic input from small group of advisors and engage wider group of experts on specific subject areas (ex: finance products, policy concepts)

Housing Stability Strategic Advisors
PROPOSED: meets at least 6x per year

Outcome Area Stakeholder Table(s)
Impacted Resident, Partner, and Provider Input
PROPOSED: each meets at least 2x per year

Funder Table
Partner coordination on priorities & opportunities
PROPOSED: meets at least 2x per year

Housing Stability
Keeping people in their current homes and reducing involuntary displacement

Homelessness Resolution
Resolving episodes of homelessness and creating permanent exits to stable housing

Housing Opportunity
Creating and preserving housing opportunities and promoting access to affordable homes

Funders
Convening active funders in housing and homelessness to coordinate efforts

Advisory Committees - Proposed

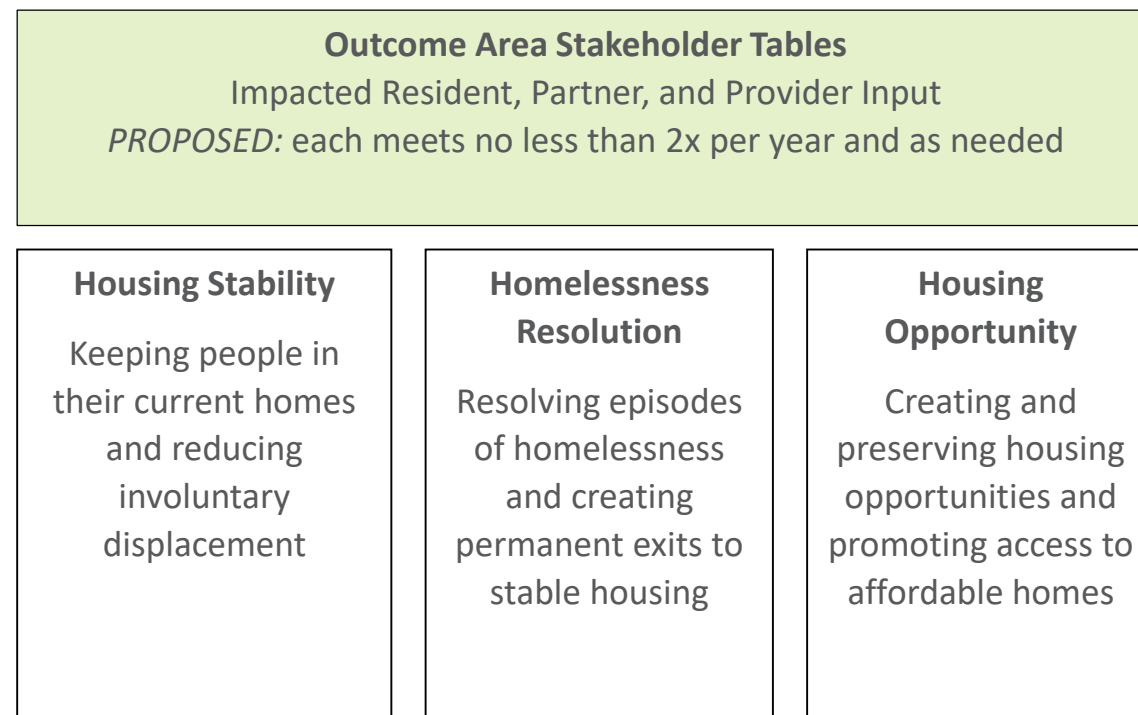
- ❑ HOST is proposing to create a smaller and more focused body to:
 - ❑ Guide spending priorities along housing continuum
 - ❑ Guide policy priorities along housing continuum
 - ❑ Receive and monitor regular updates on expenditures of housing stability resources, programmatic and policy updates
 - ❑ Review and recommend annual action plans for strategic plan implementation
 - ❑ Inform structure and cadence of regular department updates to stakeholders and public on financial, development, programmatic, and policy updates
 - ❑ Membership would include representatives from the more broad input tables (next slides), and representatives appointed by Mayor and City Council

Housing Stability Strategic Advisors

PROPOSED: meets every other month or no less than 6x per year

Advisory Committees - Proposed

- ❑ HOST is proposing to create table(s) for a wider range of stakeholders and impacted residents to:
 - ❑ Provide input on the priorities outlined in strategic plan
 - ❑ Provide input on the specific actions and investments prioritized on an annual basis
 - ❑ Provide specific feedback on proposed finance products, programmatic opportunities, and policy proposals
 - ❑ Provide input on the metrics tracked by the department and opportunities/barriers to achieving metrics
 - ❑ Receive regular updates on financial, development, programmatic, and policy updates from department
- ❑ Input tables would align with the structure of the new department to focus on Housing Stability, Homelessness Resolution, and Housing Opportunity
- ❑ Membership would include diverse set of stakeholders, impacted residents, and providers

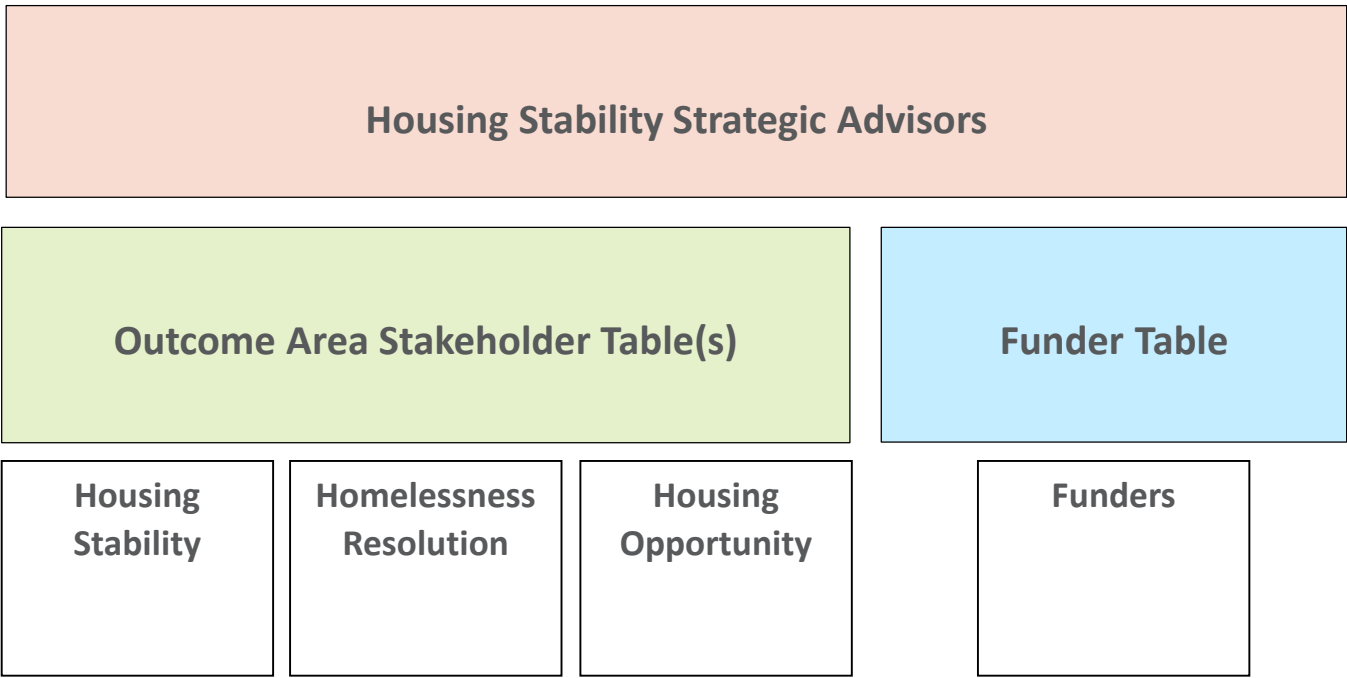


Advisory Committees - Proposed

- ❑ HOST is proposing to create table for active funders in housing and homelessness to:
 - ❑ Coordinate strategies along housing continuum to support development/preservation pipeline
 - ❑ Identify opportunities to expand and leverage resources for housing and homelessness
 - ❑ Provide specific feedback on proposed finance products, programmatic opportunities, and policy proposals
 - ❑ Receive regular updates on financial, development, programmatic, and policy updates from department
- ❑ Input tables would collaborate across experts and funding partners, but would provide specific opportunities for housing finance experts to coordinate efforts and discuss pipeline of housing development
- ❑ Membership would include other public, private, and quasi-governmental funders

Funder Table
Partner coordination on priorities & opportunities
PROPOSED: meets no less than 2x per year
and as needed

Funders
Convening active funders in housing and homelessness to coordinate efforts



Membership of Strategic Advisors group would include total of 11 members:

- 2 reps with expertise in housing stability
- 2 reps with expertise in homelessness resolution
- 2 reps with expertise in housing opportunity
- 1 rep from the funder table
- 2 reps from housing or homelessness technical assistance organizations
- 1 rep at-large community member appointed by Mayor
- 1 rep at-large community member appointed by City Council

Seeking balance of professional and lived expertise, with at least 3 positions filled by those with lived expertise.

Membership

Mayoral Appointed Members

- ❑ 1 rep – Housing Stability
- ❑ 1 rep – Homelessness Resolution
- ❑ 1 rep – Housing Opportunity
- ❑ 1 rep - Funder
- ❑ 1 rep – Technical Expert
- ❑ 1 rep – At Large Community Member

Council Appointed Members

- ❑ 1 rep – Housing Stability
- ❑ 1 rep – Homelessness Resolution
- ❑ 1 rep – Housing Opportunity
- ❑ 1 rep – Technical Expert
- ❑ 1 rep – At Large Community Member

Membership

- ❑ All 11 members of the Housing Stability Strategic Advisors would be confirmed by City Council
- ❑ Both Mayor and City Council can recommend members for the Outcome or Funder tables, convened by HOST
- ❑ Members will serve 3 year terms, staggered initially
- ❑ Members would elect chair and other leadership positions as determined by the body
- ❑ Leadership positions elected by members for 2 year term
- ❑ First meeting would be on or before October 1, 2020 to leverage HOST new strategic planning process

Changes based on Stakeholder, Council Feedback

- ❑ Membership includes balance of Mayoral and Council appointments
- ❑ Membership includes balance of members with professional and lived expertise along housing continuum
- ❑ Structure of the input tables reflects HOST structure and aligns with biggest needs in the community, including close coordination between funders on pipeline, resource opportunities
- ❑ Timeline for advisory body kick off by October 1, 2020 reflects:
 - ❑ Robust outreach for all positions
 - ❑ Time for confirmation process
 - ❑ Strategic planning process for HOST

HOST Strategic Plan

- ❑ New plan will:
 - ❑ Align core components of existing plans (Housing an Inclusive Denver, Shelter Strategy) into new, comprehensive strategic plan for HOST
 - ❑ Fill in gaps such as strategies to support residents experiencing homelessness between shelter response and permanent housing
 - ❑ Prioritize investments across new HOST portfolio
- ❑ HOST will bring the new plan to City Council for approval in accordance with Article V, Chapter 27 of DRMC
- ❑ Seeking October 1, 2020 submission date for 2021 plan implementation
- ❑ New plan would replace/update Housing an Inclusive Denver and be implemented through annual action plans
- ❑ HOST will provide annual and more regular reports on progress as needed

Timeline and Key Milestones – 2020

January - February 2020

All transferring staff transition to HOST

Hiring for new and vacant positions

DRMC Package Updates

Strategic Planning, Stakeholder and Public Engagement

Service Level Agreement

Operating Procedures

March – April 2020

Hiring for new and vacant positions

Strategic Planning, Stakeholder and Public Engagement

Updates to HOST website, communication materials

Schedule of procurements for HOST investments

Operating Procedures

May – June 2020

Strategic Planning, Stakeholder and Public Engagement

Updates to HOST website, communication materials

Schedule of procurements for HOST investments

Annual Housing Stability Forum

July – August 2020

Strategic Plan Finalized, Approval Process Starts

Proposed Transition into formal Advisory Committee structure

Council Request

- ❑ **HOST staff is seeking Council approval of 20-0047 to amend the Denver Revised Municipal Code to:**
 - ❑ Update references to HOST
 - ❑ Make policy updates to Chapter 27
 - ❑ Create smaller and more focused advisory body that includes members with professional and lived expertise, jointly appointed by Mayor and City Council