

**DENVER HOUSING TO HEALTH PAY FOR SUCCESS SOCIAL IMPACT BOND  
PARTNERSHIP AGREEMENT**

**BY AND BETWEEN**

**THE CITY AND COUNTY OF DENVER, COLORADO**

**AND**

**INTERMEDIARY SPV CONTROLLED BY THE CORPORATION FOR SUPPORTIVE  
HOUSING**

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## SOCIAL IMPACT BOND CONTRACT

THIS DENVER HOUSING TO HEALTH PAY FOR SUCCESS SOCIAL IMPACT BOND PARTNERSHIP AGREEMENT (this “**Contract**”) is made and entered into as of the date of the latest signature set forth on the signature pages hereto (the “**Execution Date**”) by and between the **CITY AND COUNTY OF DENVER, COLORADO** (the “**City**”) and **A DELAWARE LIMITED LIABILITY COMPANY LICENSED TO DO BUSINESS IN COLORADO CONTROLLED BY THE CORPORATION FOR SUPPORTIVE HOUSING**, a Delaware non-profit corporation licensed to do business in Colorado (the “**SPV**”). The City and the SPV are referred to collectively herein as the “**Parties**.” Capitalized terms used herein and not otherwise defined shall have the meanings set forth in Exhibit A.

### RECITALS

**WHEREAS**, on December 22, 2014, the Council of the City and County of Denver (“**Council**”) passed Ordinance Number 0779, which established in the General Government Special Revenue Fund, Accounting No. 11000, a “Social Impact Bond” fund program, Accounting No. 11863-2500000 (the “**Social Impact Fund**”) and authorized expenditures from this fund to include, but not be limited to, performance-based payments to contractors providing housing and case management for homeless individuals; and

**WHEREAS**, data from the City’s 2016 Social Impact Bond program have demonstrated that supportive housing can produce better health outcomes and reduce healthcare costs by providing more consistent, appropriate, and preventative care for individuals experiencing homelessness; and

**WHEREAS**, the United States Department of Treasury (the “**Treasury**”) has issued the Social Impact Partnerships to Pay for Results Notice of Funding Availability (UST-SIPRA-2019-01) to make federal grant funding available to reimburse costs incurred by local governments for Social Impact Bond Projects; and

**WHEREAS**, the City desires to implement another “Social Impact Bond” or “Pay for Success” initiative to provide supportive housing to certain homeless individuals as further described herein (the “**Project**”); and

**WHEREAS**, the City intends to establish, under proper Council procedures, a new and separate social impact bond fund (the “**Housing to Health Social Impact Fund**”) and authorize expenditures from this fund to include, but not be limited to, performance-based payments to contractors providing housing and case management for homeless individuals; and

**WHEREAS**, the Corporation for Supportive Housing (“**CSH**”) was selected as the intermediary organization for the Project; and

**WHEREAS**, the SPV is a limited liability company that was created by CSH to enter into and perform the obligations of the SPV under this Contract; and

**WHEREAS**, the SPV will contract with CSH to perform the role of “**Project Manager**,” as set forth in this Contract and the Project Management and Fiscal Agent Agreement; and

**WHEREAS**, the SPV will contract with CSH to perform the role of the “**Fiscal Agent**,” as set forth in this Contract and the Project Management and Fiscal Agent Agreement; and

**WHEREAS**, the SPV will contract with the Colorado Coalition for the Homeless (“**CCH**”), the Mental Health Center of Denver d/b/a WellPower (“**WellPower**”), and the Denver Health and Hospital Authority (“**Denver Health**”) (collectively, CCH, WellPower and Denver Health are referred to herein as the “**Service Providers**”) for the provision of the Services, as set forth in this Contract and the Service Agreements; and

**WHEREAS**, the City will contract with the Urban Institute (the “**Independent Evaluator**”) to evaluate the Project, as set forth in this Contract and the Independent Evaluator Agreement; and

**WHEREAS**, the operational costs of the SPV, the Project Manager, the Fiscal Agent, and the Service Providers will be paid with funds provided by the Lenders in the form of loans or other transfers or pledges of monies to be made to the SPV as set forth in this Contract and in the Loan Documents; and

**WHEREAS**, the City will make Success Payments to the SPV pursuant to this Contract only if specific, measurable outcomes are achieved by the Project; and

**WHEREAS**, to the extent the Services contemplated under this Contract and the Service Agreements do not yield results such that the City is obligated to make Success Payments in a sufficient amount for the SPV to pay all amounts due under the Loans, any resulting shortfall of amounts due on the Loans will be forgiven, and the SPV will not have any obligation to pay any such shortfall on the Loans, except as set forth under the terms of this Contract.

**NOW, THEREFORE**, the Parties are entering into this Contract to facilitate the implementation of the Project and to set forth the City’s obligations to make Success Payments upon the achievement by the Project of the outcomes described herein.

## **ARTICLE 1**

### **TERM**

Section 1.01 Obligations Commencing on the Execution Date. Except as set forth in Section 1.02 and Section 1.03 hereof, the Parties shall start performing their duties and obligations in accordance with the terms and conditions of this Contract upon the Effective Date.

Section 1.02 Project Launch Conditions. The “**Effective Date**” shall be the date on which the City and the SPV shall have each provided written acknowledgment, with Lender Consent, that all of the following conditions have been satisfied or waived (collectively, the “**Project Launch Conditions**”):

(a) The City and the Independent Evaluator have executed the Independent Evaluator Agreement, in a form reasonably acceptable to the Lenders, the City, the Independent Evaluator, and the Project Manager, which requires the Independent Evaluator to perform the scope of work as substantially set forth in Exhibit D-1.

(b) The SPV and the Project Manager/Fiscal Agent have executed the Project Management and Fiscal Agent Agreement, in a form reasonably acceptable to the Lenders, the City and the Project Manager/Fiscal Agent, which requires the Project Manager/Fiscal Agent to perform the scope of work as substantially set forth in Exhibit D-2.

(c) The SPV and CCH have executed a Service Agreement, in a form reasonably acceptable to the Lenders, the Project Manager and the City which requires CCH to perform the scope of work as substantially set forth in Exhibit D-3.

(d) The SPV and WellPower have executed a Service Agreement, in a form reasonably acceptable to the Lenders, the Project Manager and the City, which requires WellPower to perform the scope of work as substantially set forth in Exhibit D-4.

(e) The SPV and Denver Health have executed a Service Agreement, in a form reasonably acceptable to the Lenders, the Project Manager and the City, which requires Denver Health to perform the scope of work as substantially set forth in Exhibit D-5.

(f) The SPV and each of the Lenders have executed all Loan Documents documenting loans that provide sufficient funding for the Project.

(g) The City and the Project Manager have agreed that there are a sufficient number of Eligible Referrals such that the first 10% of housing units can promptly be leased to Participants.

(h) Reserved.

(i) Each Service Provider has provided evidence of board or other approval of the Project or has represented in its Service Agreement that no further approvals or consents are required to enter into and perform under its Service Agreement, as well as copies of its current articles of incorporation and bylaws.

(j) The SPV has secured insurance coverage, pursuant to the specifications described in Section 9.13 of this Contract.

(k) The City has entered into a SIPPRa grant agreement (the “**Grant Agreement**”) with the Treasury through which the City can be reimbursed for costs incurred to implement the Housing to Health program, in an amount equivalent to the federal government’s cost savings as a result of the program.

(l) Kaiser and CSH have entered into a grant agreement (the “**Kaiser Grant Agreement**”) which provides for a grant of \$1,000,000 in the aggregate (the “**Kaiser Grant**”), with \$500,000 that has been or will be deposited with the SPV on execution of the Kaiser Grant Agreement (the “**First Installment**”), and \$500,000 that will be made available to the SPV on or



around September 1, 2024 upon receipt and approval by Kaiser of the first public project report which will be available by August 31, 2024, pending completion of any grant requirements as set forth in the Kaiser Grant Agreement (the “**Second Installment**”).

(m) Colorado Trust and CSH have entered into a grant agreement (the “**CO Trust Agreement**”) which provides for a grant of \$500,000 (the “**CO Trust**”) that has been or will be deposited with the SPV.

Section 1.03 Determination of Project Launch. In the event that the Effective Date has not occurred within thirty (30) days of the Execution Date, the Governance Committee will meet on a biweekly basis to facilitate the achievement of the Project Launch Conditions. In the event the Parties do not agree in writing, with Lender Consent, that the Project Launch Conditions have been satisfied on or before December 31, 2022, this Contract shall automatically terminate and have no further force or effect, and no Party, or any of their respective affiliates or any of their members, managers, officers, or directors will have any liability of any nature whatsoever under this Contract, and (i) the SPV shall return the Kaiser Grant and CO Trust to CSH by such date, and (ii), as set forth in the Loan Documents, the SPV shall return to the Lenders, on a pro rata basis, any unused Loan proceeds provided by the Lenders to the SPV by such date.

Section 1.04 Term of the Project and this Contract.

(a) Unless terminated earlier or extended with Lender Consent pursuant to the terms of this Contract, the Project shall terminate on the date that is ninety (90) months after the Effective Date (the “**Project Term**”).

(b) Except as otherwise set forth in this Contract, all rights and obligations of the Parties shall remain in effect for the duration of the Project Term and until such time thereafter that all Success Payments due from the City have been paid to the SPV, the SPV has distributed all accumulated Success Payments in accordance with this Contract, the Kaiser Grant Agreement, the CO Trust Agreement, and the Loan Documents, and any other Project wind-down activities and payments associated therewith have been completed.

Section 1.05 Quarters. For purposes of this Contract, each “**Quarter**” shall mean a project year quarter. Project years begin on July 1 and end on June 30. Project quarters begin on July 1, October 1, January 1, or April 1.

## **ARTICLE 2**

### **SERVICES; EVALUATION**

Section 2.01 Service Agreements. On or prior to the Effective Date, the SPV will execute (i) a contract with CCH to perform the CCH Program (as defined below), (ii) a contract with WellPower to perform the WellPower Program (as defined below), and (iii) a contract with Denver Health to perform the Denver Health Program (collectively, such contracts with CCH, WellPower, and Denver Health are referred to herein as the “**Service Agreements**”).

Section 2.02 Services. CCH will provide the services described in Exhibit D-3 attached hereto (the “**CCH Program**”), WellPower will provide the services described in Exhibit D-4 attached hereto (the “**WellPower Program**”), and Denver Health will provide the services

described in Exhibit D-5 attached hereto (the “**Denver Health Program**”) (collectively, the CCH Program, the WellPower Program and the Denver Health Program are referred to herein as the “**Services**”). Unless terminated earlier or extended pursuant to the terms of this Contract and the Service Agreements, the Services shall terminate on the date that is eighty-four (84) months after the Project Start Date.

#### Section 2.03 Referral Population.

(a) Target Population. The “**Target Population**” shall consist of homeless individuals who have a record of at least eight (8) arrests—at least three (3) of which are marked as transient—over three (3) years in Denver County, had a police contact in the last three hundred sixty-five (365) days and are at high risk for avoidable and high-cost health services paid through Medicaid, including services received at Denver Health, as further defined in Exhibit B, the “**Evaluation Plan**.”

(b) Identification of Eligible Referrals from Target Population. As set forth in the Evaluation Plan, the Independent Evaluator will identify and screen the Target Population for eligibility (the “**Eligible Referrals**”) under the criteria set forth in the Evaluation Plan (the “**Eligibility Criteria**”). As set forth in the Evaluation Plan, the Independent Evaluator will assign Eligible Referrals to (i) a control group (the “**Control Group**”) that will not be referred to the Service Providers to receive the Services or (ii) a treatment group that will be referred to the Service Providers to receive the Services. The Service Providers will obtain consent from all Participants as defined herein, for participation in the Services prior to the commencement of such Services. Upon referral to either the CCH Program or the WellPower Program, participating Eligible Referrals (the “**Participants**”) will receive the Services from a Service Provider.

(c) Projected Participant Referral Schedule. Table 3 of the Evaluation Plan, the “**Minimum Treatment Randomization Timeline**,” identifies the minimum projected schedule for referral of Participants into the Project.

#### Section 2.04 Independent Evaluator Agreement.

(a) Prior to the Effective Date, the City will execute a contract with the Independent Evaluator to perform the scope of work set forth in Exhibit D-1.

(b) The City shall not terminate the Independent Evaluator or replace the Independent Evaluator without the Approval of the Governance Committee and Treasury.

(c) The Independent Evaluator Agreement will require that the Independent Evaluator deliver the reports with respect to the payment of Success Payments to the Lenders at the same time they are delivered to the City, Treasury, and the SPV under this Contract. In accordance with the Independent Evaluator Agreement, the Independent Evaluator shall provide performance reports to Treasury on a quarterly basis that describe Project activities during the reporting period.

#### Section 2.05 Evaluation Plan.

(a) The Independent Evaluator has prepared, and the Parties have hereby incorporated into this Contract, the Evaluation Plan attached hereto as Exhibit B. In the interest of clarity, in the event of any discrepancy between the Evaluation Plan and this Contract, the terms of the Evaluation Plan shall control.

(b) The Evaluation Plan may be amended for any reason in writing with the Approval of the Governance Committee and Treasury in accordance with Section 5.07.

Section 2.06 Provision of Information. Each of the Parties hereby agrees to provide such information as is required pursuant to this Contract, including the Evaluation Plan, to each other and the Independent Evaluator, as is necessary for each party to carry out its respective evaluation and other responsibilities in accordance with this Contract and the Evaluation Plan; provided that the Parties agree that the data collected by the Independent Evaluator and the sharing of such data shall be subject to the terms of the Independent Evaluator Agreement. The Independent Evaluator Agreement will require that, upon termination of such Agreement, the Independent Evaluator will return to the City and the SPV and provide an irrevocable license to the City and the SPV (and CSH) to use, all of the data, reports, analyses, work product and intellectual property provided or acquired by the Independent Evaluator in connection with the Project, except for confidential information regarding any Participant, in a format specified by the City and the SPV.

### **ARTICLE 3** **PROJECT FUNDING; PAYMENTS**

Section 3.01 Project Budget. The Project Budget in Exhibit C sets forth the agreed-upon total cost for the delivery of the Services and certain other costs associated with the administration of the Project (such total costs, collectively, “**Total Project Costs**”) over the Project Term. Subject to the provisions of the Service Agreements, the Project Budget may be amended from time to time during the Project Term with the Approval of the Governance Committee (as herein defined).

Section 3.02 SPV Operating Account. The SPV shall maintain a deposit account (the “**SPV Operating Account**”) at HSBC Bank USA, National Association, or Amalgamated Bank, or any successor financial institution that is approved by Lender Consent. All monies received by the SPV from the Lenders pursuant to the Loan Documents and from the City for Success Payments shall be deposited into the SPV Operating Account. Any interest earned on such monies shall be held within the SPV Operating Account. Any monies within the SPV Operating Account may only be transferred from the SPV Operating Account to (i) pay the Total Project Costs as set forth in this Contract, the Service Agreements, the Project Management and Fiscal Agent Agreement and in accordance with the Loan Documents; (ii) at the end of the Project Term, disburse any funds remaining in the SPV Operating Account in a manner that is consistent with this Contract and the Loan Documents; (iii) make Success Payments to the Lenders in accordance with the Loan Documents; and (iv) in the event of a Termination Event, distribute any funds remaining in the SPV Operating Account as described in Section 8.06(h). It is acknowledged that the SPV Operating Account will be collaterally pledged to the Lenders

pursuant to a collateral assignment and account control agreement. Prior to the date of the first payment that is due to be transferred into the SPV Operating Account pursuant to this Contract, the SPV shall cause the Fiscal Agent to give notice to the City and the Lenders of the account number and wire transfer instructions to be used for all transfers of amounts payable into the SPV Operating Account pursuant to this Contract. After such notice is given, no change in such account number or wire transfer instructions shall be made without further notice to the Lenders and the City.

Section 3.03 City Consent to Proposed Loan Documents. Prior to executing any Loan Agreement or material amendment thereto (“**Proposed Loan Agreement**”), the SPV shall provide notice to the City and offer the City an opportunity to review each such Proposed Loan Agreement. The SPV shall not execute any Proposed Loan Agreement unless the SPV obtains written notice from the City either (i) consenting to the SPV’s execution of such Proposed Loan Agreement, or (ii) waiving the right of the City to review such Proposed Loan Agreement. In the event that the City fails to provide any response within ten (10) Business Days of receipt of notice that the SPV intends to enter a Proposed Loan Agreement, the City will be deemed to have waived its right to review and to have consented to such Proposed Loan Agreement. Consent may be withheld by the City only to the extent that the City identifies that a provision of the Proposed Loan Agreement impacts the rights, responsibilities, or obligations of the City in a manner that is inconsistent with this Contract. For the avoidance of doubt, however, the SPV reserves sole discretion in determining whether a Proposed Loan Agreement is in acceptable form, even after it may have received consent from the City as described in this Section. The Chief Housing Officer of the City, or permitted designee, is authorized to take the actions described in this Section 3.03 on behalf of the City.

## **ARTICLE 4**

### **SUCCESS PAYMENTS**

Section 4.01 Maximum Success Payments. The SPV shall be entitled, subject to Section 4.06, to receive outcome-based payments from the City in an amount not to exceed \$5,741,032 with respect to the Housing Stability Success Payments, an amount not to exceed \$3,210,000 with respect to the Jail Day Reductions Success Payments, and \$5,512,000 with respect to Net Reduction in Federal Expenditures Success Payments in accordance with this Contract (collectively, the Housing Stability Success Payments, the Jail Day Reductions Success Payments, and the Net Reduction in Federal Expenditures Success Payments are referred to herein as the “**Success Payments**”).

Section 4.02 Housing Stability Success Payments Calculation and Payment. “**Housing Stability Success Payments**” means the payments, if any, that will be made by the City to the SPV in accordance with this Section, for each Participant Meeting Payment Requirement (as defined below).

(a) “**Participant Meeting Payment Requirement**” means each Participant that either (i) achieves a minimum of three hundred sixty-five (365) Days in Stable Housing (as defined below), or (ii) experiences a Planned Exit Event (as defined below). For purposes of

clarity, such three hundred sixty-five (365)-day period is not required to occur within one (1) calendar year.

(b) **“Days in Stable Housing”** means, with respect to each Participant, the total number of days that such Participant: (i) maintains a lease, sublease, or occupancy agreement in such Participant’s name, (ii) moves into assisted living with occupancy agreement after being housed in a supportive housing unit and Service Provider(s) continue to provide Services to participant, or (iii) is randomized into the project, moves directly into assisted living with occupancy agreement and Service Provider(s) continue to provide Services; provided, however, that if such Participant is absent from such premises for a period of one hundred twenty (120) or more consecutive days for any reason except a Planned Exit Event, the Days in Stable Housing shall be reset to zero for such Participant.

(c) A **“Planned Exit Event”** means, with respect to each Participant, the occurrence of any of the following events, as certified by the Independent Evaluator: (i) a Participant ceases to receive Services and has relocated to other permanent housing (other than assisted living) where such Participant is named on a lease, sublease, or occupancy agreement or obtains a letter from the leaseholder or owner of a premises that such Participant may reside in such premises on a permanent basis; (ii) a Participant enters a residential treatment program for a period exceeding one hundred twenty (120) days to address a physical or behavioral health issue; (iii) a Participant is incarcerated for actions entirely occurring prior to becoming a Participant; and (iv) the death of a Participant.

(d) Reserved.

(e) Housing Stability Success Payments will be calculated by the Independent Evaluator by multiplying (i) the number of Days in Stable Housing, less any days during such period that the Participant is incarcerated and less any days that the Participant is in Stable Housing before November 1, 2022, for each Participant Meeting Payment Requirement by (ii) the amount of \$19.25. The Independent Evaluator shall certify the amount of Housing Stability Success Payments that the City is required to pay in a report to be submitted to the City, the SPV and the Lenders by the dates set forth in the table below (the **“Housing Stability Outcomes Report”**), the format of which is described in the Evaluation Plan attached hereto as Exhibit B. The Independent Evaluator’s ability to produce the Housing Stability Outcomes Report on time is dependent upon receiving proper information from Service Providers and the City’s Sheriff’s Department. To the extent there are delays in the receipt of such information that affect the ability of the Independent Evaluator to deliver a Housing Stability Outcomes Report on a timely basis, the Independent Evaluator shall inform the Governance Committee, and the deadline for that Housing Stability Outcomes Report and the payment date of the related Housing Stability Success Payment may be extended at the discretion of the Governance Committee.

<b>Period of Project Under Evaluation, Housing Stability</b>	<b>Housing Stability Outcomes Observed Through</b>	<b>Independent Evaluator Report Deadline</b>	<b>City Payment Deadline</b>
Q1-6	12/31/2023	4/15/2024	5/30/2024
Q1-10	12/31/2024	4/15/2025	5/30/2025
Q1-14	12/31/2025	4/15/2026	5/30/2026
Q1-18	12/31/2026	4/15/2027	5/30/2027
Q1-22	12/31/2027	4/15/2028	5/30/2028
Q1-26	12/31/2028	4/15/2029	5/30/2029
Q1-28	6/30/2029	10/15/2029	11/29/2029

(f) Within forty-five (45) days after receipt of the Housing Stability Outcomes Report, regardless of whether there are any disputes in the calculations of the Independent Evaluator as described in this paragraph (f) of Section 4.02, the City shall deposit into the SPV Operating Account funds sufficient to pay the Housing Stability Success Payments that have been earned for the period ending on that last date covered by such report and not previously paid by the City, if any; provided, however, that for the last installment of Housing Stability Success Payment, if the City disputes the calculations of the Independent Evaluator, the City may withhold payment of the amount in dispute until the amount is finally determined through the dispute resolution process below. The City may dispute calculations within fifteen (15) days after receipt of the Housing Stability Outcomes Report by providing written notice of any errors in calculations to the Independent Evaluator, SPV, and Lenders. The Independent Evaluator will have fifteen (15) days after such notice from the City to make corrections. Within five (5) Business Days of receipt of the City's Housing Stability Success Payments funds into the SPV Operating Account, the SPV shall disburse such Housing Stability Success Payments to the Lenders and other recipients, as applicable, pursuant to the terms and conditions of the Loan Documents and consistent with Exhibit I.

(g) Reserved.

**Section 4.03 Jail Day Reductions Success Payments Calculation and Payment.** **“Jail Day Reductions Success Payments”** means the payments that will be made by the City to the SPV, if any, for each positive Percentage Difference in Average Jail Days in accordance with this Section.

(a) **“Percentage Difference in Average Jail Days”** will be determined by the Independent Evaluator by (i) subtracting the Treatment Group Number of Average Jail Days

from the Control Group Number of Average Jail Days, (ii) dividing such number by the Control Group Number of Average Jail Days, and (iii) multiplying such number by one hundred (100). Such calculation may result in a positive or negative percentage. Resulting percentages will be rounded to the nearest integer.

(b) **“Treatment Group Number of Average Jail Days”** means the total number of Average Jail Days that Participants assigned to the Treatment Group were incarcerated in the City’s jail during a seven hundred thirty (730) (365x2)-consecutive day period for the first payment and one thousand four hundred sixty (1460) (365 X 4)-consecutive day period for the second payment, determined separately for each Participant, commencing with the date the Participant is assigned to the Treatment Group, and both of these periods must end on or prior to the last day of the observation period in order to be included in determining the Treatment Group Number of Average Jail Days for that payment’s observation period.

(c) **“Control Group Number of Average Jail Days”** means the total number of Average Jail Days that Eligible Referrals assigned to the Control Group were incarcerated in the City’s jail during a seven hundred thirty (730) (365x2)-consecutive day period for the first payment and one thousand four hundred sixty (1460) (365 X 4)-consecutive day period for the second payment, determined separately for each Participant, commencing with the date the Participant is assigned to the Control Group, and both of these periods must end on or prior to the last day of the observation period in order to be included in determining the Control Group Number of Average Jail Days for that payment’s observation period.

(d) Jail Day Reductions Success Payments will be determined by the Independent Evaluator by calculating the percentage difference in average jail days and then identifying the corresponding dollar amount identified in the “Payment Per Percentage Point” column of the payment scale set forth below:

<b>Percentage Threshold</b>	<b>Payment Per Percentage Point</b>
< 20%	\$0
20 to 30%	\$38,500
> 30 to < 60%	(30 x \$38,500) + \$15,000 per percentage point above 30%
≥ 60%	Max Payment (\$1,605,000 for any single payment and no more than \$3,210,000 total for both payments)

If the percentage of average jail day reductions is a negative number, then the Jail Day Reductions Success Payments will be zero. The Independent Evaluator shall certify the amount of the Jail Day Reductions Success Payments required to be made by the City and the accuracy of this information in reports to be submitted to the City, the SPV and the Lenders by the dates set forth in the table below, which reports shall cover the evaluation period from Quarters 1 through 20 and Jail Day Outcomes observed through Quarter 20 (the **“Jail Days Outcomes Report”**), the format of which is described in the Evaluation Plan attached as Exhibit B.

<b>Period of Project Under Evaluation, Jail Days</b>	<b>Jail Days Outcomes Observed Through</b>	<b>Independent Evaluator Report Deadline</b>	<b>City Payment Deadline</b>
Q1-14	12/31/2025	4/15/2026	5/30/2026
Q1-28	6/30/2029	10/15/2029	11/29/2029

(e) Within forty-five (45) days of receipt of the Jail Days Outcomes Report, the City shall deposit into the SPV Operating Account funds sufficient to pay the Jail Day Reductions Success Payments that have been earned, if any. Within five (5) Business Days of the City's deposit of any such funds into the SPV Operating Account, the SPV shall disburse such Jail Day Reductions Success Payments to the Lenders and other recipients, as applicable, pursuant to the terms and conditions of the Loan Documents and consistent with Exhibit I.

Section 4.04 Net Reduction in Federal Expenditures Success Payments Calculation and Payment. “**Net Reductions in Federal Expenditures Success Payments**” means the payments that will be made by the City to the SPV, exclusively from funds received by the City from the Treasury pursuant to the Grant Agreement, if any, in accordance with this Section.

(a) “**Net Reduction in Federal Expenditures**” will be determined by the Independent Evaluator by subtracting the average difference in the change over the observation period for the Treatment Group Amount Billed for Claims from the average difference in the change over the observation period for the Control Group Amount Billed for Claims. Such calculation may result in a positive or negative number. Resulting numbers will be rounded to the nearest integer.

(b) “**Treatment Group Amount Billed for Claims**” means the total federal share, calculated at ninety percent (90%), of the amount billed for claims for all Participants, commencing with the date the Participant is assigned to the Treatment Group, and ending on or prior to last day of the Project Term in order to be included in determining the Treatment Group Amount Billed for Claims.

(c) “**Control Group Amount Billed for Claims**” means the total federal share, calculated at ninety percent (90%) of the amount billed for claims for all Participants, commencing with the date the Participant is assigned to the Control Group, and ending on or prior to last day of the Project Term in order to be included in determining the Control Group Amount Billed for Claims.

(d) Net Reduction in Federal Expenditures Success Payments will be determined by the Independent Evaluator by (i) calculating the Net Reduction in Federal Expenditures for each project year, (ii) multiplying the annual Net Reduction in Federal Expenditures for each project year by the GDP price deflator from the White House's “Economic



Assumptions and Overview” report for each year between the project year for which the amount was calculated and December 31, 2029, and (iii) adding all the annual amounts together.

If the Net Reduction in Federal Expenditures is a negative number, then the Net Reduction in Federal Expenditures Success Payments will be zero (0). The Independent Evaluator shall certify the amount of the Net Reduction in Federal Expenditures Success Payments required to be made by the City, exclusively from funds received by the City from the Treasury, and the accuracy of this information in a report to be submitted to the City, U.S. Department of Treasury, the SPV and the Lenders by October 15, 2029, which report shall cover the evaluation period from Quarters 1 through 26 and Net Reduction in Federal Expenditures Outcomes observed through Quarter 26 (the “**Final Wind Up Net Federal Expenditures Reduction Outcomes Report**”).

<b>Period of Project Under Evaluation, Federal Expenditures</b>	<b>Federal Expenditures Outcomes Observed Through</b>	<b>Independent Evaluator Report Deadline</b>	<b>City Payment Deadline</b>
Q1-28	12/31/2028	10/15/2029	11/29/2029

(e) Within twenty (20) Business Days of the City’s receipt of Net Reduction in Federal Expenditures Success Payments, the City shall deposit into the SPV Operating Account funds sufficient to pay the Net Reduction in Federal Expenditures Success Payment that has been earned, if any, only if the City has received funds from the Treasury. Within five (5) Business Days of the City’s deposit of any such funds into the SPV Operating Account, the SPV shall disburse such Net Reduction in Federal Expenditures Success Payments to the Lenders or other recipients, as applicable, pursuant to the terms and conditions of the Loan Documents and consistent with the provisions of Exhibit I.

#### Section 4.05 City Representations on Success Payments.

(a) The City is authorized to enter into this Contract and to carry out its obligations hereunder. The City has duly authorized and approved the creation of the Housing to Health Social Impact Fund and the use of funds deposited therein to make Success Payments.

(b) Reserved.

#### Section 4.06 City Financial Obligations Limited to Monies on Deposit in the Housing to Health Social Impact Fund; Pledge; Deposit of Monies to Housing to Health Social Impact Fund Subject to Annual Appropriation.

(a) The City’s obligation to pay Success Payments shall be limited to monies on deposit in the Housing to Health Social Impact Fund, which are hereby irrevocably pledged to the payment of the Success Payments and payments to be made under the Independent Evaluator Agreement so long as this Contract is in effect. On and after the Effective Date, monies in the

Housing to Health Social Impact Fund shall be held in cash or, if invested, shall be invested only in accordance with the Charter and the City's investment policy, and earnings shall remain in the Housing to Health Social Impact Fund.

(b) Monies currently held in the Housing to Health Social Impact Fund shall remain in the Housing to Health Social Impact Fund. Monies appropriated for deposit into the Housing to Health Social Impact Fund in Fiscal Year 2022 and monies appropriated for deposit into the Housing to Health Social Impact Fund in subsequent Fiscal Years shall be deposited into the Housing to Health Social Impact Fund.

(c) At the end of the Project Term, the City anticipates receiving funds under the Grant Agreement in an amount equivalent to the federal government's cost savings as a result of the Project, as determined in accordance with the Evaluation Plan. The City will deposit grant funds in the Housing to Health Social Impact Fund for distribution as Net Reduction in Federal Expenditures Success Payments as described in Section 4.04. In no event shall the City be responsible for payment of Net Reduction in Federal Expenditures Success Payments in any amount greater than that received through the Grant Agreement. If the amount of funds received by the City under the Grant Agreement is less than anticipated, the City shall reduce Net Reduction in Federal Expenditures Success Payments in accordance with the amount of money received from the Treasury.

(d) The City shall direct the Chief Housing Officer or other designee of the City at any time charged with the responsibility of formulating budget proposals to include in the annual budget proposals submitted to the Council, for any Fiscal Year in which this Contract shall be in effect, the amounts sufficient to maintain minimum balances in the Housing to Health Social Impact Fund that are set forth in Exhibit E on the dates set forth therein in each Fiscal Year in which this Contract is in effect. To the extent that the minimum balance set forth in Exhibit E for a particular Fiscal Year is not maintained by the City and the SPV has not exercised (including at the direction of the Lenders) its option to terminate this Contract pursuant to Section 8.03(d), the City shall direct the Chief Housing Officer or other designee of the City to include in the annual budget proposal for the succeeding Fiscal Year the amount needed to maintain such minimum balance by the City for the prior Fiscal Year in addition to the amount needed to maintain the minimum balance for such succeeding Fiscal Year. Notwithstanding this directive regarding the formulation of budget proposals set forth in this paragraph, it is the intention of the City that any decision to effect an appropriation shall be made solely by the City and the actions of the officials of the City including the City Council.

(e) The City's payment obligation, whether direct or contingent, extends only to funds appropriated annually by the City Council, paid into the Treasury of the City, and encumbered for the purpose of this Contract. The City does not by this Contract irrevocably pledge present cash reserves for payment or performance in future fiscal years. This Contract does not and is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City. The City shall not pay or be liable for any claimed interest, late charges, fees, taxes, or penalties of any nature, except as required by the City's Revised Municipal Code.

Section 4.07 City Notification. In the event funds in the amount set forth in Exhibit E are not appropriated for any Fiscal Year, the City will notify the SPV and the Lenders of such occurrence in writing no later than December 15 of the immediately preceding Fiscal Year.

Section 4.08 Early Housing Stability Success Payments.

(a) If this Contract is terminated prior to the end of the Project Term due to a Termination Event, the City shall request, within ninety (90) days of such termination, or if Housing Stability Success Payments include the three (3)-month wind-down period (an “**Early Termination Quarter**”) after termination as described in paragraph (b) below, within ninety (90) days after the end of such Early Termination Quarter, that the Independent Evaluator submit to the City, the SPV and the Lenders a Housing Stability Outcomes Report for the applicable period calculating the Housing Stability Success Payments that have accrued in accordance with Section 4.02 as of the date of the Termination Event, if any (the “**Early Housing Stability Success Payments**”); provided, however, that if the Termination Event is caused solely due to the actions or inactions of the City, the minimum requirement set forth in Section 4.02(a)(i) shall be waived. Within forty-five (45) days of receipt of such Housing Stability Outcomes Report, the City shall deposit into the SPV Operating Account funds sufficient to pay the Early Housing Stability Success Payments that have been earned for the period ending on that last date covered by such report and not previously paid by the City, if any. Within five (5) Business Days of the City’s deposit of any such funds into the SPV Operating Account, the SPV shall disburse such Early Housing Stability Success Payments to the Lenders or other recipients, as applicable, pursuant to the terms and conditions of the Loan Documents and consistent with the provisions of Exhibit I.

(b) If this Contract is terminated due to a Termination Event specified in Section 8.03(a) through (d), Section 8.04(a) through (b), Section 8.04(f) through (k), or Section 8.04(n), calculations of Housing Stability Success Payments shall include Participants receiving Services during the Early Termination Quarter after the termination date.

Section 4.09 Early Jail Day Reductions Success Payments.

(a) If (i) this Contract is terminated prior to the end of the Project Term due to a Termination Event, (ii) at least seventy-five (75) Participants were included as part of the Treatment Group for a period of at least one (1) year, and (iii) at least seventy-five (75) Eligible Referrals were included as part of the Control Group for a period of at least one (1) year, then the City shall request that, within ninety (90) Days of such termination, the Independent Evaluator submit to the City, the SPV and the Lenders a Final Wind Up Jail Days Outcomes Report calculating the Jail Day Reductions Success Payments that have accrued in accordance with Section 4.03 (the “**Early Jail Day Reductions Success Payment**”), except that Jail Days reductions shall be calculated based upon the following:

- (i) Payments will be based upon the longest identifiable enrollment period of results ranging from one (1) to two (2) years, so long as there are at least seventy-five (75) Participants in the identified results period. Payment will be based only upon the results of Participants in the longest identified enrollment group. To the

extent that some Participants within the group have additional year(s) of results, those years will not be counted.

- (ii) Payments will be: (1) adjusted based upon a “Percentage Multiplier” based upon investment draws that equal the percentage of the total investment made up until the point of early termination based upon the following table; (2) draw amounts shall be adjusted to actual draws, to the extent that they differ from the table below, but adjustments shall not exceed a five percent (5%) increase in any given year; and (3) Success Payments shall not exceed an amount that would create an Internal Rate of Return (calculated using the XIRR function in Microsoft Excel, the “**IRR**”) higher than maximum IRR defined for City Default or Non-Default situations in the following table.

If Termination Occurs During Quarter	Scheduled Total Draw per Payment Period	Percentage Multiplier	Max IRR (City Default)	Max IRR (No City Default)
1	\$155,350	13%	16%	14.35%
2	\$237,021	19%		
3	\$318,692	26%		
4	\$456,481	37%		
5	\$540,544	44%		
6	\$614,704	50%		
7	\$688,864	56%		
8	\$765,200	62%		
9	\$841,536	68%		
10	\$917,872	75%		
11	\$994,208	81%		
12	\$1,072,793	87%		
13	\$1,151,378	94%		
14	\$1,229,963	100%		
First Payment				
15	\$78,585	7%		
16	\$159,490	15%		
17	\$240,396	22%		
18	\$321,301	30%		
19	\$402,206	37%		
20	\$485,510	45%		
21	\$568,815	52%		
22	\$652,119	60%		
23	\$735,423	68%		
24	\$821,209	76%		
25	\$906,994	83%		
26	\$992,780	91%		
27	\$1,078,565	99%		
28	\$1,086,704	100%		

(iii) Early Jail Days Reduction Success Payment = Percentage Multiplier x Original Payment Per Percentage Point (Adjusted to max payment if IRR exceeds limits)

(b) Within forty-five (45) days of receipt of such Final Wind Up Jail Days Outcomes Report, the City shall deposit into the SPV Operating Account funds sufficient to pay the Early Jail Day Reductions Success Payments that have been earned through the end of the period covered by such report and not previously paid by the City, if any. Within five (5) Business Days of the City's deposit of any such funds into the SPV Operating Account, the SPV shall disburse such Early Jail Day Reductions Success Payments to the Lenders or other recipients, as applicable, pursuant to the terms and conditions of the Loan Documents and consistent with the provisions of Exhibit I.

Section 4.10 Early Net Reduction in Federal Expenditures Reductions Success Payments.

(a) If this Contract is terminated prior to the end of the Project Term due to a Termination Event, the City shall request, within nine (9) months of such termination, or if Federal Expenditures Reductions Success Payments include the Early Termination Quarter after termination as described in paragraph (b) below, within twelve (12) months after the end of such Early Termination Quarter, that the Independent Evaluator submit to the City, the SPV and the Lenders a Federal Expenditures Outcomes Report calculating the Net Reduction in Federal Expenditures Reductions Success Payments that have accrued in accordance with Section 4.04 as of the date of the Termination Event, if any (the “**Early Net Reduction in Federal Expenditures Reductions Success Payments**”). Within twenty-one (21) days of receipt of such Federal Expenditures Outcomes Report, the City shall direct or require the Independent Evaluator to forward such Federal Expenditures Outcomes Report to the Treasury. Within ten (10) Business Days of receipt of Early Net Reduction in Federal Expenditures Reductions Success Payments from the Treasury, the City shall deposit any such funds into the SPV Operating Account. Within five (5) Business Days of the City's deposit of any such funds into the SPV Operating Account, the SPV shall disburse such Early Net Reduction in Federal Expenditures Success Payments to the Lenders or other recipients, as applicable, pursuant to the terms and conditions of the Loan Documents and consistent with the provisions of Exhibit I.

(b) If this Contract is terminated due to a Termination Event specified in Section 8.02(a), calculations of Early Net Reduction in Federal Expenditures Reductions Success Payments shall include Participants receiving Services during the Early Termination Quarter after the termination date.

## **ARTICLE 5**

### **OVERSIGHT AND REPORTING**

Section 5.01 Operating Committee. An operating committee comprised of the parties identified under subsection (b) of this Section (the “**Operating Committee**”) shall be established to facilitate successful operation of the Project, highlight any concerns, discuss trends and monitor progress of the Project. In particular, the Operating Committee shall focus on the referral process of Eligible Referrals, the housing resources available to the Target Population, identifying and monitoring program trends, and monitoring the progress of the Participants. The Operating Committee will serve as an advisory committee to facilitate programmatic adjustments in the interest of improving the provision of Services and/or the efficiency of the Project and will

not have any authority to bind the Parties in any way under this Contract or to change any terms of this Contract or the Loan Documents.

(a) The Operating Committee shall hold regular meetings (“**Operational Meetings**”) at least twice per month commencing on the Effective Date until six (6) months thereafter, and, after such time, at least once a month for the remainder of the Project Term. The Project Manager shall provide written notice to the Operating Committee Members (as defined below) and the Lenders of regularly scheduled Operational Meetings on an annual basis, any changes to the schedule as soon as reasonably practicable following the change and each emergency meeting as soon as reasonably practicable after the emergency meeting is scheduled.

(b) As of the Effective Date, the Operating Committee’s membership will include at minimum representatives from the City, Project Manager/Fiscal Agent, the Service Providers, and the Independent Evaluator (collectively, the “**Operating Committee Members**”). As of the Effective Date, the initial members of the Operating Committee shall include one representative from each of the organizations listed on Exhibit F. The Operating Committee Members may be expanded to include representatives from other organizations as determined by the existing Operating Committee Members. Each of the Lenders may attend all meetings of the Operating Committee. The Project Manager is responsible for the raising of agenda items identified by the Project Manager or the Operating Committee Members and facilitating group discussions at the Operational Meetings. The Project Manager shall prepare an agenda and circulate the agenda to all Operating Committee Members and the Lenders as soon as reasonably practicable in advance of any Operational Meeting. The agenda for an Operational Meeting may include the following items:

- (i) A discussion of the most recent Service Provider Reports and the most recent report of the Independent Evaluator, to the extent such reports have not been discussed at an earlier meeting;
- (ii) A description of any significant changes to the Services that are being considered or implemented;
- (iii) A discussion of the referral process and any changes that should be or are being considered or implemented;
- (iv) A discussion of the housing resources available to the Participants, the access and placement process for housing, and any changes that should be or are being considered or implemented;
- (v) A discussion of the engagement of Participants into the Services and any changes that should be or are being considered or implemented;
- (vi) A discussion of the retention levels of Participants in the Services and any changes that should be or are being considered or implemented;

- (vii) A discussion of the implementation and operation of the referral process and any changes that should be or are being considered or implemented;
- (viii) A discussion of any critical incidents involving Participants since the last meeting;
- (ix) A discussion of (a) any changes to the anticipated funding needs of the SPV, the Service Providers, the Fiscal Agent, or the Project Manager in connection with their performance under this Contract and any related agreements or (b) proposed uses of the funds described in the Project Budget as “Contingency Reserve”;
- (x) A discussion of issues related to systemic barriers to housing stability;
- (xi) A discussion of issues related to income and benefits as related to Participants and access thereto; and
- (xii) A discussion of the evaluation of Participants to date.

(c) The Project Manager shall prepare and circulate, by electronic mail, minutes of all Operational Meetings as soon as reasonably practicable following the meeting to all Operating Committee Members and the Lenders. Minutes shall be deemed approved within five (5) Business Days following the circulation of such Minutes if no objections have been submitted to the Project Manager by any of the Operating Committee Members.

(d) Any of the Operating Committee Members may call for a special meeting of the Operating Committee upon one (1) Business Day’s notice to discuss an urgent matter. The notice for the special meeting of the Operating Committee shall include the agenda and reason for the special meeting.

(e) All Operational Meetings may be held in person, videoconference or by phone or similar communication medium.

#### Section 5.02 Governance Committee Meetings.

(a) A governance committee consisting of the parties identified in Section 5.02(b) and in Exhibit F (the “**Governance Committee**”) shall be established for the purpose of resolving disputes and making certain determinations as outlined in this Contract.

(b) The Governance Committee’s voting membership will consist of one (1) representative from each of (i) the City, (ii) the Project Manager in its capacity as the SPV’s representative, (iii) the Lenders, and (iv) the Service Providers (the “**Governance Committee**”); provided that matters that require the approval of the Governance Committee under this Contract shall require the affirmative vote of the City and the Lenders (the vote of the Lenders shall be determined in the same manner as Lender Consent) (“**Approval of the Governance Committee**”) and shall not require concurring votes of any other members of the Governance



Committee. The Governance Committee members shall acknowledge that the City's support or denial of any matter requiring the Approval of the Governance Committee may be contingent upon applicable Grant Agreement requirements and shall be subject to the provisions of Section 5.07 below. Failure of any City or Project Manager Governance Committee member or its qualified designee to attend more than two (2) regularly scheduled meetings in any calendar year shall constitute a Material Breach by the City or the SPV, respectively, under this Contract. In addition, the Governance Committee may, from time to time, invite certain advisors specified by the Governance Committee, or other interested parties to attend Governance Committee meetings, in all such cases with such additional representatives or other invitees attending in a non-voting observer capacity. In addition to the designated representative of the Lenders constituting the voting membership, the Lenders may each appoint one representative to attend the Governance Committee Meetings, with each such appointed representative entitled to receive all notices and information relating to a meeting.

(c) The Project Manager shall provide written notice to all members of the Governance Committee of regularly scheduled Governance Committee Meetings on an annual basis, any changes to the schedule as soon as reasonably practicable following the change and each emergency meeting as soon as practicable after the emergency meeting is scheduled.

(d) Governance Committee meetings shall be held once per Quarter or such other schedule as the members of the Governance Committee shall deem appropriate. Any of the Governance Committee members may call for a special Governance Committee meeting upon two (2) Business Days' notice to discuss an urgent matter. The notice for the special Governance Committee meeting provided by the Project Manager shall include the agenda and reason for the special meeting.

(e) The Project Manager shall work with the Operating Committee members to prepare an agenda and circulate the agenda and most recent Service Provider Reports and report of the Independent Evaluator, by electronic mail, to all members of the Governance Committee, as soon as reasonably practicable in advance of any Governance Committee meeting.

(f) All Governance Committee meetings may be held in person, videoconference or by phone or similar communication medium.

(g) The Project Manager shall prepare and circulate minutes of all Governance Committee Meetings as soon as reasonably practicable after the Governance Committee meeting to all Governance Committee members. Meeting participants shall have five (5) Business Days to comment on the draft minutes after which the minutes will be deemed approved.

(h) The Governance Committee, in considering the matter at issue, may seek input from any member of the Operating Committee or any other person or entity it deems useful.

(i) The Chief Housing Officer of the City, or permitted designee, is authorized to take the actions described in this Article 5 of this Contract on behalf of the City.

Section 5.03 Reporting on SPV Operating Account. Within forty-five (45) days from the end of each Quarter, the SPV shall cause the Fiscal Agent to provide financial statements for the SPV Operating Account to the Governance Committee. If the balances in the SPV Operating Account as of the end of any Quarter vary by more than ten percent (10%) from the balances assumed in the Project Budget attached hereto as Exhibit C, then the SPV will provide a detailed report to the Governance Committee setting forth the reasons for such variance.

Section 5.04 Performance of the Independent Evaluator. The City will be responsible for enforcing the Independent Evaluator Agreement, including ensuring the timing of the Independent Evaluator's reports and analyses, and the performance of the Independent Evaluator's obligations set forth in Exhibit D-1 and the Evaluation Plan. The City is not required to file any suit in equity or at law to enforce the Independent Evaluator's obligations. Such enforcement rights shall include the termination and replacement of the Independent Evaluator under the Independent Evaluator Agreement for failure to comply with its obligations hereunder or thereunder. Any such replacement is subject to Approval of the Governance Committee. The Independent Evaluator will be permitted to terminate the Independent Evaluator Agreement in accordance with its terms with the effect described in Section 8.04(b) hereof.

Section 5.05 Performance of the Service Providers. The SPV will be responsible for enforcing the Service Agreements, including ensuring the timing of each of the Service Provider Reports and analyses, and the performance of the Service Providers of the obligations set forth in Exhibit D-3, Exhibit D-4 and Exhibit D-5; provided, however, that the SPV's resources for enforcing such contracts are limited to the assets within the SPV Operating Account. The SPV is not required to file any suit in equity or at law to enforce the Service Provider's obligations. Such enforcement rights shall include the termination and replacement of a Service Provider under a Service Agreement for failure to comply with its obligations hereunder or thereunder. Any such replacement is subject to Approval of the Governance Committee. A Service Provider will be permitted to terminate a Service Agreement in accordance with the terms in its respective Service Agreement with the effect described in Section 8.04(c) hereof.

Section 5.06 Reserved.

Section 5.07 Treasury Approval. The Parties agree and acknowledge that changes to the following may be requested by the Governance Committee throughout the Project Term to provide flexibility and responsiveness to the conduct of the Project: 1) the Project Plan, as that term is defined in the Treasury Grant Agreement; 2) the Evaluation Plan; 3) the Project Term; and 4) the Independent Evaluator and the Independent Evaluator Agreement (collectively, the "**Project Evaluation Components**"); 5) the Project partners or the terms of this Contract; and 6) the Project financing sources, including the Lenders (collectively, the "**Project Financing Components**" and, together with the Project Evaluation Components, collectively, the "**Project Program Components**"). The City shall promptly communicate to Treasury for Treasury's review and approval any proposed change(s) to the Project Program Components as soon as the Governance Committee provides formal written notice to the City of such proposed change(s) (each, a "**Committee Proposed Change**"). Such formal written notice to the City of a Committee Proposed Change by the Governance Committee may be accomplished via electronic mail or other transmission agreed-upon by the City. Treasury shall consider the materiality and impact of such Committee Proposed Change and, if not material, shall indicate to the City in

writing that Treasury's prior approval to implement such Committee Proposed Change is not necessary. If Treasury determines that a Committee Proposed Change is material, then the prior written approval by Treasury of such Committee Proposed Change shall be required and Treasury shall indicate such determination to the City in writing. Except as provided in Section 5.07(a), below, no Committee Proposed Change shall be effective unless and until Treasury provides such approval or notifies the City that such Committee Proposed Change is not material.

(a) Committee Proposed Change to the Project Financing Components. Notwithstanding the foregoing, it is anticipated that Treasury shall review and provide initial written confirmation to the City of whether its approval is needed for any Committee Proposed Change to the Project Financing Components or that such Committee Proposed Change is non-material within five (5) Business Days of receipt of such Committee Proposed Change. Provided that Treasury has confirmed to the City that it has received a Committee Proposed Change to the Project Financing Components, the Parties may consider Treasury's failure to respond to any such Committee Proposed Change within five (5) Business Days as Treasury's tacit approval of such Committee Proposed Change.

(b) Committee Proposed Change to the Project Evaluation Components. Treasury will make its best efforts to review and provide initial written confirmation to the City of whether its approval is needed for any Committee Proposed Change to the Project Evaluation Components or that such Committee Proposed Change is non-material within five (5) Business Days of receipt of such Committee Proposed Change. When Treasury provides its written confirmation to the City that a Committee Proposed Change to the Project Evaluation Component is material and will require Treasury's approval, Treasury expects to concurrently provide an estimate of the date by which Treasury may approve or deny such Committee Proposed Change. For the avoidance of doubt, the Parties may not consider Treasury's failure to respond to a Committee Proposed Change related to the Project Evaluation Components to be Treasury's tacit approval of such Committee Proposed Change.

#### Section 5.08 Reserved.

Section 5.09 Lender Consent. For purposes of this Contract, "**Lender Consent**" shall be determined by a vote of seventy-five percent (75%) of the Lenders, based on dollars of funding committed; provided, however, that (i) if a Lender is in breach of its obligation to fund, the "funding committed" for such Lender, for the purpose of determining Lender Consent, shall be deemed to be the amount of funding actually released as of the date such consent is being sought and (ii) if a Lender is not in breach but has transferred its future funding commitments to a third party (other than a transfer to an affiliate of the Lender and other than a transfer due to acquisition of the Lender by a third party), the "funding committed" for such Lender, for the purpose of determining Lender Consent, shall be deemed to be the amount of funding actually released as of the date such consent is being sought plus the amount, if any, such Lender shall be committed to fund in the future. The SPV, acting through the Project Manager, shall be responsible for notifying the Lenders regarding any matter for which Lender Consent is required under this Contract by providing the Lenders with a description of the matter submitted for Lender Consent. The Lenders shall provide written notice to the Project Manager of whether or not Lender Consent has been obtained regarding such matter as soon as possible, but in all events

within ten (10) Business Days from the date of receipt of all information that the Lenders may reasonably request in order to provide such Lender Consent, which decision shall be made on behalf of and binding upon all Lenders.

## **ARTICLE 6**

### **REPRESENTATIONS AND WARRANTIES OF THE SPV**

The SPV hereby represents and warrants to the City as of the date hereof and on the date of each disbursement pursuant to this Contract as follows:

Section 6.01 Organization, Good Standing, and Qualification. The SPV represents and warrants that it is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware, is qualified to conduct business in the State, and has all requisite corporate power and authority to own, operate and lease its properties and assets, to carry on its business as currently conducted, to provide services in accordance with this Contract, and to enter into and perform its obligations under this Contract.

Section 6.02 Authorization; Enforceability. The SPV has all requisite power and authority to enter into, execute, and deliver this Contract and perform its obligations hereunder. The execution and delivery of this Contract and the performance hereunder have been duly authorized by all necessary corporate action on the part of the SPV, and no other proceedings or actions on the part of the SPV are necessary to authorize the execution and delivery of this Contract by the SPV. This Contract has been duly and validly executed and delivered by the SPV and constitutes the valid and binding obligation of the SPV, enforceable in accordance with its terms, except as enforcement may be limited by (i) bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights generally, or (ii) laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

Section 6.03 Non-Contravention. The execution and delivery of this Contract by the SPV does not, and the performance by the SPV of its obligations hereunder and the consummation of the transactions contemplated hereby shall not conflict with, result in any violation of, constitute (with or without notice or lapse of time or both) a default under, result in or give to any person or another party a right of termination, cancellation or acceleration of any obligation under: (i) any provision of the certificate of formation, operating agreement, or other applicable organizational documents of the SPV; (ii) any contract, lease, agreement, or instrument by which the SPV is bound or to which the SPV's assets or properties are subject; or (iii) any law or governmental order applicable to or binding on the SPV or any of the SPV's assets and properties (except in each of (i), (ii), or (iii), where such conflict, violation, default, termination, cancellation, acceleration, or loss would not reasonably be expected to have a material adverse effect on the SPV or its ability to perform its obligations under this Contract).

Section 6.04 Governmental Consents. Except for the approval of this Contract by the Council, which shall be evidenced by the City's signature hereto, no consent, approval, authorization, license, governmental order or permit of, or declaration, filing or registration with, or notification to, any governmental authority is required to be made or obtained, and no consent

or approval of any other person is required by the SPV in connection with the execution, delivery and performance of this Contract or the consummation of the transactions contemplated hereby.

Section 6.05 Compliance with Laws; Litigation.

(a) To the knowledge of the SPV, the SPV is in material compliance with all applicable laws, including, without limitation, laws that are applicable to its properties and assets, the conduct of its operations, and the performance of its services.

(b) There is no action of any nature pending or, to the knowledge of the SPV, threatened, relating to or affecting the SPV or any of its properties or assets, or that challenges or seeks to prevent, enjoin or delay the transactions contemplated in this Contract, nor, to the knowledge of the SPV, is there any reasonable basis therefor or any facts, threats, claims or allegations that would reasonably be expected to result in any such action.

(c) To the knowledge of the SPV, none of its current officers or managers has been convicted of, or pleaded guilty to, or entered a plea of no contest to any felony.

Section 6.06 Financial Statements.

(a) Prior to accepting any funds, the SPV will have in place systems and processes that are customary for a limited liability company formed under the laws of the State of Delaware, which may include entering into an agreement with a third party to provide such services to the SPV and that are designed to: (i) provide reasonable assurances regarding the reliability of its financial statements, and (ii) in a timely manner accumulate and communicate to the SPV's principal representatives the type of information that is required to be disclosed in its financial statements.

(b) Neither the SPV, nor, to the knowledge of the SPV, any of its affiliates, employees, if any, auditors, accountants or representatives has received or otherwise obtained knowledge of any complaint, allegation, assertion or claim, whether written or oral, regarding the adequacy of the accounting systems and processes described under Section 6.06(a) or the accuracy or integrity of its financial and accounting systems. To the knowledge of the SPV, no employee, if any, has provided or threatened to provide information to any governmental authority regarding the commission of any crime or the violation of any law applicable to the SPV or any part of its operations.

Section 6.07 Disclosure. To the knowledge of the SPV, none of the representations or warranties of the SPV contained herein, and none of the other information or documents furnished or to be furnished to the City or any of their representatives by the SPV on or prior to the Effective Date, contains any untrue statement of a material fact.

Section 6.08 Use of Proceeds. The SPV will use the amounts deposited in the SPV Operating Account in the manner specified in Article 3 and Exhibit C of this Contract.

Section 6.09 Covenants. The SPV hereby covenants from and after the Effective Date, as follows:

(a) Access to Information. The SPV's books and records shall be maintained at CSH's New York office identified in Section 9.03. The SPV shall and shall cause its officers, employees, auditors, and agents to afford the officers, employees, and authorized agents and representatives of the City and Lenders reasonable access, during normal business hours and upon a minimum of five (5) Business Days' notice, to its books and records directly related to this Contract. Furthermore, the SPV shall cause the Fiscal Agent to make its management, employees, officers, directors, accountants, and auditors available to City representatives as the City may from time to time reasonably request, during normal business hours and upon a minimum of five (5) Business Days' notice; provided, that if the SPV is not performing in accordance with this Contract, and such concerns have been raised by the Governance Committee, then the SPV will provide, or will cause the Fiscal Agent to provide, the access as described in this Section on one (1) Business Day's notice.

(b) Confidentiality and Non-Disclosure. The SPV hereby agrees to be bound by any applicable confidentiality and non-disclosure terms and conditions of the City set forth in Section 9.19, and in accordance therewith, shall adhere to the requirements and protocols relating to the protection, use, and disclosure of data and information related to the Services and the Eligible Referrals, although the Parties do not anticipate that the SPV, the Project Manager, or the Fiscal Agent will receive personally identifiable information under this Contract.

(c) SPV Activities. The SPV's obligations under this Contract are limited to the express requirements of this Contract, and the SPV shall have no obligation to perform any other services or engage in any other activities not set forth herein.

## **ARTICLE 7**

### **REPRESENTATIONS AND WARRANTIES OF THE CITY**

The City hereby represents and warrants to the SPV as of the date hereof and on the date of each disbursement pursuant to this Contract as follows:

Section 7.01 Authorization; Enforceability. The City represents and warrants that it has all requisite power and authority to enter into, execute and deliver this Contract and to perform its obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Contract, the performance of the obligations hereunder, and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of the City, and no other proceedings or actions on the part of the City are necessary to authorize the execution and delivery of this Contract and the consummation of the transactions contemplated hereby. This Contract has been duly and validly executed and delivered by the City and constitutes a valid and binding obligation of the City, enforceable in accordance with its terms, except as enforcement may be limited by (a) bankruptcy, insolvency, reorganization, moratorium or other laws of general application affecting enforcement of creditors' rights generally, or (b) laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

Section 7.02 Non-Contravention. The execution and delivery of this Contract by the City does not, and the performance by the City of its obligations hereunder and the consummation of the transactions contemplated hereby shall not conflict with, result in any

violation of, constitute (with or without notice or lapse of time or both) a default under, result in or give to any person or another party a right of termination, cancellation or acceleration of any obligation or result in a loss of a benefit or an increase in a cost or liability under any provision of the charter or other applicable organization documents of the City.

Section 7.03 Covenants as to Housing to Health Social Impact Fund. The City covenants and agrees that the funds annually appropriated by the Council and deposited in the Housing to Health Social Impact Fund for the purposes identified in this Contract shall be encumbered each contract year, and the aggregate amount of funds appropriated to this Contract shall be encumbered before the completion of the Project Term for making Success Payments owing under this Contract in accordance with Article 4 and compensating the Independent Evaluator in accordance with the Independent Evaluator Agreement. The City agrees not to encumber such funds in favor of any other party or for any purpose other than the payment of Success Payments contemplated hereunder and amounts due to the Independent Evaluator under the Independent Evaluator Agreement.

Section 7.04 Reporting to Treasury. The City covenants and agrees that it shall be responsible for all communications and reporting to Treasury as may be required.

## **ARTICLE 8**

### **TERMINATION; REMEDIES**

Section 8.01 Early Termination. This Contract may be terminated prior to the end of the Project Term under certain circumstances provided in Section 8.02, Section 8.03, Section 8.04, or Section 8.05 hereof (each, a “**Termination Event**”).

Section 8.02 City Termination for Cause. The City may exercise its right to terminate this Contract for cause, by delivery of written notice to the SPV, under the following circumstances (each, a “**Termination Event**”), subject to Lender Consent pursuant to Section 8.06 hereof:

(a) Failure of the Grant Agreement. The City may, at its discretion, terminate this Contract in the event of termination of the Grant Agreement or the failure of the Treasury to disburse expected funds under the Grant Agreement in accordance with Section 4.06(c). Notwithstanding the foregoing, prior to the City terminating this Contract in accordance with this Section 8.02(a), the City shall provide at least thirty (30) days’ notice prior to the effective date of such termination to the Governance Committee, and shall allow the Governance Committee the opportunity to submit one (1) or more alternative proposals within such thirty (30)-day timeframe for the City’s consideration, which may be accepted or denied at the City’s sole discretion, to restructure the Project to enable it to continue without the funding provided by the Grant Agreement.

(b) Failure of the SPV to Enforce Other Agreements. After receiving fifteen (15) days’ written notice from the City, the SPV, after expiration of all applicable notice and cure periods, fails to enforce the terms of a Service Agreement or the Project Management and Fiscal Agent Agreement (other than due to a breach by the City of this Contract) such that (i) an

ongoing event of default is continuing under any such agreements, and (ii) the SPV is not diligently exercising its contractual remedies to cure such default.

(c) Material Breach by the SPV. The SPV commits a Material Breach (other than due to a breach by the City of this Contract) of any of its obligations under this Contract other than those that give rise to an event described in paragraph (b) above, and fails to cure such breach within thirty (30) days following written notice from the City (provided that if such default by nature cannot reasonably be cured with due diligence within thirty (30) days, then the SPV shall continue to diligently pursue a cure within sixty (60) days of receiving notice).

Section 8.03 SPV Termination for Cause. The SPV may, but is not required to (except when required to pursuant to the Loan Agreement with the Lenders), terminate this Contract for cause, by delivery of written notice to the City, under the following circumstances (each, a “**Termination Event**”), subject to Lender Consent pursuant to Section 8.06 hereof:

(a) Failure of City to Make Success Payments When Due. Provided that the SPV is not in Material Breach under this Contract and a Termination Event has not otherwise taken place, if the City fails to make any Success Payments required by this Contract in accordance with Section 4.02, Section 4.03 or Section 4.04, the SPV shall provide notice to the City of such failure, and the City will have an additional thirty (30) days after the giving of such notice to make such payment. Unless the City has notified the SPV in writing that the SPV is in Material Breach under this Contract, the City’s continued failure to make such a payment after the additional thirty (30)-day period is a Termination Event. If the City has provided the notice of default described in the prior sentence, and the SPV has not cured such default, then failure to make such a payment is not a Termination Event.

(b) Failure of the City to Enforce the Independent Evaluator Agreement. After receiving fifteen (15) days’ written notice from the SPV, after expiration of all applicable notice and cure periods, the City fails to enforce the terms of the Independent Evaluator Agreement such that (i) an ongoing event of default is continuing under such agreement, and (ii) the City is not diligently exercising its contractual remedies to cure such default.

(c) Material Breach by the City. The City commits a Material Breach of any of its obligations under this Contract other than those that give rise to an event described in paragraph (a) or (b) above, and fails to cure such breach within thirty (30) days following written notice from the SPV (provided that if such default by nature cannot reasonably be cured with due diligence within thirty (30) days, then the City shall continue to diligently pursue a cure within sixty (60) days of receiving notice).

(d) Appropriations Failure. Provided that the SPV is not in Material Breach under this Contract and a Termination Event has not otherwise taken place, if (i) the City fails to appropriate monies for deposit into the Housing to Health Social Impact Fund for any Fiscal Year in the amount needed to maintain the fund balances described in Section 4.06(d) hereof by December 15 of the immediately preceding Fiscal Year, then the SPV may terminate this Contract; provided, however, that if the City notifies the SPV in writing on or before the fifth Business Day following December 15 that it intends to request that such amount be appropriated by January 30 of the Fiscal Year in question, the SPV may not terminate this Contract unless the



amount is not appropriated by such January 30. Such termination is made pursuant to and in accordance with the terms of this Contract, and any such appropriations failure shall not be considered to be a breach or default on the part of the City, and, except as otherwise set forth herein, shall not result in the City having liability to the SPV or any third party for any penalty, liability, or other expense.

(e) Failure Under the Loan Documents. A failure to fund or an “event of default” by any Lender under the terms of the Loan Documents, after the expiration of any applicable notice and cure provisions, including the failure of the Lenders to fund on behalf of any other Lender under the terms of the Loan Documents. The SPV shall determine, in its sole discretion, whether an event of default or any such failure to fund takes place under the Loan Documents.

Section 8.04 Termination by Either Party of this Contract. Either Party may, but is not required to, terminate this Contract by delivery of written notice to the other Party under the following circumstances (each, a “**Termination Event**”), subject to Lender Consent pursuant to Section 8.06 hereof:

(a) Force Majeure. Upon the occurrence of any event that is outside the reasonable control of the Party concerned and not attributable to any act or failure to take preventative action by that Party, including acts of God or any other disaster, natural or man-made, any epidemic, pandemic or outbreak of disease (including, for the avoidance of doubt, SARS-CoV-2 or COVID-19, and any variants or evolutions thereof or related or associated epidemics, pandemics or disease outbreaks), acts of terrorism or similar cause beyond the reasonable control of the Party affected thereby, fluctuations in market forces (including labor markets) and union strikes, and political developments which prevent the Parties’, Governance Committee’s or Independent Evaluator’s access to data or State or federal funding, or any event which prevents a Party from performing its material obligations under this Contract for a period in excess of three (3) months.

(b) Independent Evaluator Withdrawal or Termination. The voluntary withdrawal by the Independent Evaluator under the Independent Evaluator Agreement or the termination of the Independent Evaluator as a result of the Independent Evaluator’s uncured default under such agreement, and either (i) the City has not provided written notice to the SPV within fifteen (15) days after the voluntary withdrawal or termination of the Independent Evaluator that the City intends to seek a replacement independent evaluator, or (ii) within forty-five (45) days after the voluntary withdrawal or termination of the Independent Evaluator, a replacement independent evaluator has not received the Approval of the Governance Committee.

(c) Service Provider Withdrawal or Termination. The voluntary withdrawal by any of the Service Providers under a Service Agreement or the termination of a Service Provider as a result of the Service Provider’s uncured default under such agreement, and either (i) the SPV has not provided written notice to the City within fifteen (15) days after the voluntary withdrawal or termination of a Service Provider that the SPV intends to seek a replacement service provider, or (ii) within forty-five (45) days after the voluntary withdrawal or termination of a Service Provider, a replacement service provider has not received the Approval of the Governance Committee.

(d) Project Manager Withdrawal or Termination. The voluntary withdrawal by the Project Manager under the Project Management and Fiscal Agent Agreement or the termination of the Project Manager as a result of the Project Manager's uncured default under such agreement, and either (i) the SPV has not provided written notice to the City within fifteen (15) days after the voluntary withdrawal or termination of the Project Manager that the SPV intends to seek a replacement project manager, or (ii) within forty-five (45) days after the voluntary withdrawal or termination of the Project Manager, a replacement project manager has not received the Approval of the Governance Committee.

(e) Fiscal Agent Withdrawal or Termination. The voluntary withdrawal by the Fiscal Agent under the Project Management and Fiscal Agent Agreement or the termination of the Fiscal Agent as a result of the Fiscal Agent's uncured default under such agreement, and either (i) the SPV has not provided written notice to the City within fifteen (15) days after the voluntary withdrawal or termination of the Fiscal Agent that the SPV intends to seek a replacement fiscal agent, or (ii) within forty-five (45) days after the voluntary withdrawal or termination of the Fiscal Agent, a replacement fiscal agent has not received the Approval of the Governance Committee.

(f) Deficiency in Participant Referrals. There is a deficiency in Participant referrals in any month (the "**Deficiency Month**") in accordance with the schedule set forth in Table 3 of the Evaluation Plan, "**Minimum Treatment Randomization Timeline**," and either (i) the Operating Committee has not proposed a plan of correction to remedy such deficiency within thirty (30) Days after the end of the Deficiency Month, or (ii) such plan proposed by the Operating Committee during the first thirty (30) Days after the end of the Deficiency Month has not received the Approval of the Governance Committee within sixty (60) Days after the end of the Deficiency Month.

(g) Deficiency in Lease-Up of Housing Units. There is a deficiency in the lease-up of housing units in any Quarter (the "**Deficiency Quarter**") in accordance with the schedule set forth in Exhibit G, "**Unit Lease-Up Schedule**," due to a lack of availability of vacant scattered site units and such lack of availability is not due to the Material Breach of the SPV or a default by any Service Provider under the Service Agreements, and either (i) the Operating Committee has not proposed a plan of correction to remedy such deficiency within thirty (30) days after the end of the Deficiency Quarter, or (ii) such plan proposed by the Operating Committee during the first thirty (30) Days after the end of the Deficiency Quarter has not received the Approval of the Governance Committee within sixty (60) days after the end of the Deficiency Quarter.

(h) Reserved.

(i) Revocation of Housing Subsidies Previously Awarded. The revocation of all or any portion of the housing subsidies previously awarded or committed to the Project that cannot be replaced within thirty (30) days of any such revocation.

(j) Changes to Medicaid Payments. Any material change communicated by the Service Providers to the SPV related to (i) the Colorado Medicaid plan or (ii) the relationship between the Colorado Department of Health Care Policy and Financing and Colorado Access,

that is reasonably likely to have an adverse impact on the operations, funding and overall goals of the Program, and either (i) failure by the Operating Committee to propose a plan of remediation within thirty (30) days following written notice to the Operating Committee of such material change or (ii) such plan proposed by the Operating Committee has not received the Approval of the Governance Committee.

(k) Failure of Independent Evaluator. Failure of the Independent Evaluator to perform its obligations in material compliance under the Independent Evaluator Agreement and failure by Independent Evaluator and/or the SPV to cure such breach within thirty (30) days following written notice from the City (provided that if such default by nature cannot reasonably be cured with due diligence within thirty (30) days, then the SPV shall continue to diligently pursue a cure within sixty (60) days of receiving notice).

(l) Housing Stability. (i) A cumulative housing stability rate of less than fifty percent (50%) three years after the Project Start Date, as confirmed by the Independent Evaluator and (ii) the Independent Evaluator has not provided significant evidence that housing stability rates will increase. (For this purpose, “housing stability rate” is the percentage of Participants who are housed for three hundred sixty-five (365) days in Stable Housing.)

(m) Net Federal Expenditures Reduction. Net Federal Expenditures Reduction calculated on April 15, 2026 as described in the Evaluation Plan, that is less than \$1,357,104. Notwithstanding the foregoing, prior to either Party terminating this Contract in accordance with this Section 8.04(m), the Party seeking to terminate the Contract shall provide at least thirty (30) days’ notice prior to the effective date of such termination to the Governance Committee and shall allow the Governance Committee the opportunity to submit one or more alternative proposals within such thirty (30)-day timeframe for the City’s consideration, approval of which shall not be reasonably withheld, to restructure the Project to enable it to continue in spite of material changes or significant underperformance of the expected Net Federal Expenditures Reduction.

(n) Mutual Consent. The City and the SPV mutually consent in writing to terminate this Contract.

(o) Kaiser Grant Second Installment. Failure by Kaiser to provide the SPV with the Second Installment following the satisfaction of the conditions of funding, as set forth in the Kaiser Grant Agreement, and either (i) the Operating Committee has not proposed a plan of correction to remedy such funding deficiency within thirty (30) days following the failure to fund, or (ii) such plan proposed by the Operating Committee has not received the Approval of the Governance Committee within sixty (60) days following receipt by the Governance Committee of the plan proposed by the Operating Committee.

(p) Denial or Delay of Treasury Approval. In accordance with Section 5.07, Treasury’s denial of a Committee Proposed Change, or Treasury’s delay in determining the materiality of a Committee Proposed Change in excess of ninety (90) days from its receipt of such Committee Proposed Change, that materially and negatively affects the provision of Success Payments. Notwithstanding the foregoing, prior to either Party terminating this Contract in accordance with this Section 8.04(p), the Party seeking to terminate the Contract shall provide

at least thirty (30) days' prior notice to the effective date of such termination to the Governance Committee and shall allow the Governance Committee the opportunity to submit one (1) or more alternative proposals within such thirty (30) day timeframe for the City's consideration, approval of which shall not be unreasonably withheld, to restructure the Project to enable it to continue in spite of Treasury's denial of or delay in determining the materiality of a Committee Proposed Change pursuant to Section 5.07.

Section 8.05 Automatic Termination Events of this Contract. This Contract shall terminate in the event that any of the following occur (each, a "**Termination Event**"):

- (a) SPV Bankruptcy. The SPV files a petition in bankruptcy or insolvency.
- (b) Failure to Satisfy Project Launch Conditions. The Parties do not agree in writing that the Project Launch Conditions have been satisfied on or before December 31, 2022.

Section 8.06 Effect of Termination of this Contract.

(a) If a Termination Event occurs that permits the SPV to terminate this Contract at the SPV's option or by mutual consent between the SPV and the City under Section 8.04(n), the SPV shall notify the Lenders of such Termination Event and whether or not the SPV desires to terminate this Contract. The SPV shall not terminate this Contract without Lender Consent. If the SPV has notified the Lenders that the SPV desires to terminate this Contract at its option or with the agreement of the City, as applicable, and Lender Consent is not obtained within ten (10) Business Days after Lenders receive such notice of the Termination Event, the SPV may, by notice to the Lenders and the City, withdraw from the Project (an "**SPV Elective Withdrawal**"), effective ninety (90) days after the delivery of the notice (or on such earlier date as the Lenders may approve by Lender Consent).

(b) The Lenders shall have a period of sixty (60) days following the SPV's delivery of notice of an SPV Elective Withdrawal, to propose a workout by which the Project may continue either by replacing the SPV as a party to this Contract or by transferring the member interests in the SPV to one (1) or more third parties.

(c) If the City consents to the proposed workout (which consent shall not be unreasonably withheld) and, in the case of a proposed workout in which the member interests in the SPV will be transferred to one (1) or more third parties, the SPV consents to the transfer of the member interests, the City, the SPV and the Lenders shall work in good faith to implement the workout and the SPV shall provide such assistance as shall be reasonably requested, including without limitation:

- (i) Preserving all records relating to the Project and, upon the request of the Lenders, turning such records over to such successor(s) as may be reasonably requested.
- (ii) Making personnel of the SPV available to such successor(s) as may be reasonably requested, at such times and with such frequency as may be reasonably requested.

(iii) Turnover of all remaining funds, and an accounting of all previously expended funds.

(d) In connection with any such workout, the successor to the SPV or the transferees of the member interests shall assume all obligations of the SPV or the transferors of the member interests arising on and after the effective date of the substitution or transfer of interests (but not those arising before the effective date) and shall enter into an assignment agreement with the SPV or the transferors, in form and substance satisfactory to the SPV or the transferors, in which the successor or transferees assume the obligations and succeed to the rights of the SPV or the transferors and hold the SPV or the transferors harmless against any obligations with respect to the Project that accrue after the effective date of the substitution or transfer. No pre-transition event of default shall be attributed to the successor or transferees, but the City may condition the transition on specific actions that the successor or transferees must take in connection with any uncured pre-transition Event of Default.

(e) If a Termination Event occurs that permits the City to terminate this Contract at the City's option, and such Termination Event is related to the performance by the SPV of its obligations pursuant to this Contract, the City shall provide notice of such Termination Event to the Lenders, and the Lenders shall have sixty (60) days from the date they receive such notice to propose a workout by which the Project may continue either by replacing the SPV as a party to this Contract or by transferring the member interests in the SPV to one (1) or more third parties pursuant to the terms of Section 8.06(c) and (d).

(f) Notwithstanding any other provision of this Contract, if the City does not agree to a workout proposed by the Lenders, the observation period for computing Success Payments of the City under this Contract shall end on the effective date of the Termination Event or if Housing Stability Success Payments include the Early Termination Quarter after termination as described in Section 4.08(b), the last day of such Early Termination Quarter.

(g) If a Termination Event occurs that permits the SPV to terminate this Contract, the Lenders shall have the right, pursuant to the Loan Agreement, to direct the SPV to terminate this Contract.

(h) Upon a Termination Event that results in termination of this Contract, the Parties shall cooperate in winding-down the activities contemplated under this Contract. All funds in the SPV Operating Account (excluding funds to be used for Early Housing Stability Success Payments and Early Jail Day Reductions Success Payments due to Lenders) shall be applied to make the following payments in the following order of priority. In the event there are insufficient funds in the SPV Operating Account to pay all amounts required below, the SPV shall disburse the existing funds pro rata among the payees owed in each priority level, based on the amounts otherwise payable to each payee in each level:

1. First, all amounts necessary, in accordance with the Project Budget, to deliver services for the three (3) months immediately following termination of this Contract shall be paid to the Service Providers (taking into account amounts already disbursed prior to termination of this Contract).

2. Second, all payments scheduled in the Project Budget to have been paid to the Project Manager, the Fiscal Agent, or other third parties in connection with the Project, up to the date of termination of this Contract, shall be paid.

3. Third, all payments for services essential to complete the wind-down of the Project, in accordance with the Project Budget and as approved with Lender Consent, shall be paid to the Project Manager, the Fiscal Agent or other third parties in connection with the Project.

4. Finally, any cash remaining in the SPV Operating Account after satisfaction of subsections (1), (2) and (3), above, shall be paid to the Lenders or other recipients, as applicable, pursuant to the terms and conditions of the Loan Documents and consistent with the provisions of Exhibit I.

(i) All Early Housing Stability Success Payments owed in accordance with Section 4.08 of this Contract shall be paid to the Lenders pursuant to the Loan Agreement, and all Early Jail Day Reductions Success Payments owed in accordance with Section 4.09 of this Contract shall be paid to Lenders pursuant to the Loan Agreement. To the extent that Early Net Federal Expenditures Reduction Success Payments are owed, those payments are limited to funds given to the City from the Treasury under the Grant Agreement and shall be paid to Lenders or other recipients, as applicable, pursuant to the terms and conditions of the Loan Documents and consistent with the provisions of Exhibit I.

(j) Except as otherwise set forth in Section 9.09 and Section 9.19, after such time the SPV disburses all funds from the SPV Operating Account, this Contract shall be of no further force and effect, and the Parties shall have no liability in connection therewith.

Section 8.07 Enforcement of Rights. In the event the SPV misappropriates funds hereunder or commits fraud with respect to the handling of funds in its custody, the City may proceed to protect its rights hereunder and may exercise any other right or remedy upon such default as may be granted under any other applicable provisions of law. The City's sole remedy against the SPV under this Contract, in the absence of a misappropriation of funds or the SPV's commission of fraud, is to terminate this Contract. Notwithstanding anything in this Contract to the contrary, the City shall not have recourse to any assets of the SPV outside of the SPV Operating Account except to the extent of misappropriation of funds or fraud in handling the funds entrusted to its custody.

Section 8.08 Limited Recourse of the City Against the SPV. Notwithstanding anything in this Contract to the contrary, the SPV shall be liable under this Contract solely for the SPV's misappropriation of funds under this Contract or commission of fraud with respect to the handling of funds in its custody. The SPV may rely on the genuineness of all signatures on all documents delivered to the SPV. The SPV's obligations under this Contract do not benefit from any recourse whatsoever to any member, manager, director, or officer of the SPV. Absent a misappropriation of funds or commission of fraud by the SPV, the City shall have access only to the funds within the SPV Operating Account, subject to the rights and claims of third parties. The City's sole remedy against the SPV under this Contract, in the absence of a misappropriation of funds or the SPV's commission of fraud in the handling of funds in its custody, is to terminate

this Contract in accordance with Section 8.02 hereof. In the event the SPV is found to have misappropriated funds under this Contract, the SPV's monetary liability shall be limited to the amount that is determined to have been so misappropriated. The SPV will be obligated to repay any such misappropriated funds.

Section 8.09 Cure. For purposes of this Article 8 and this Contract generally, "cure" means, with respect to a particular set of facts and circumstances constituting a Termination Event, that a Party has taken actions such that there is no longer a Termination Event, including by implementing or modifying appropriate procedures.

Section 8.10 No Obligation to Compel. Notwithstanding anything in this Contract to the contrary, neither the SPV nor the City shall have an obligation under this Contract to compel compliance by the other Party on behalf of any other party, including, without limitation, any Lender, nor shall the SPV or the City have any obligation to file any suit in equity or at law on behalf of any other party.

## **ARTICLE 9**

### **AMENDMENT; MISCELLANEOUS**

Section 9.01 Amendment. This Contract may be amended by the Parties for any reason in writing, including, but not limited to, substitution of one or more of the exhibits hereto or to extend the term of this Contract with Lender Consent.

Section 9.02 Successors and Assigns. The SPV shall not assign its rights, duties and obligations under this Contract, except to the Lenders if an Event of Default has occurred pursuant to a collateral assignment of contract and contract rights from SPV to the Lenders, without the consent of the City and Lender Consent. The rights and obligations of the SPV shall inure to and be binding upon its respective successors and assigns.

Section 9.03 Notices. Any request, authorization, direction, notice, consent, waiver or other document provided by this Contract shall be in writing and shall be deemed sufficiently given, except as otherwise provided in this Contract, when emailed, mailed by registered or certified mail, postage prepaid, sent by reputable overnight courier, subject to recognition or delivered during business hours to the addresses as follows:

To the City at:

Department of Housing Stability  
City and County of Denver  
201 W. Colfax Avenue, Dept. 615  
Denver, CO 80202  
Attention: Chief Housing Officer  
Email: Britta.Fisher@denvergov.org

With a copy to:

City Attorney  
City and County of Denver  
1437 Bannock St., Room 353

Denver, CO 80202  
Email: bradley.neiman@denvergov.org

To SPV at:

c/o CSH  
61 Broadway, Suite 2300  
New York, NY 10006  
Attention: Eileen Hawes, Chief Financial Officer  
Email: eileen.hawes@csh.org

With a copy to:

CSH  
61 Broadway, Suite 2300  
New York, NY 10006  
Attention: Ryan Moser, Vice President  
Strategy and Impact  
Email: ryan.moser@csh.org

And to:

CSH  
Attention: Katie Bonamasso, Senior Project Manager,  
Mountain West  
Email: katie.bonamasso@csh.org

As to all of the foregoing, to such other address as the addressee shall have given in writing to the one giving notice. Notice hereunder may be waived prospectively or retroactively by the person entitled to the notice, but no waiver shall affect any notice requirement as to other Persons.

Section 9.04 Agreement Not for the Benefit of Other Parties.

(a) Except as set forth in clause (b) of this Section 9.04, this Contract is not intended for the benefit of and shall not be construed to create rights in parties other than the City and the SPV.

(b) The City acknowledges that the SPV may collaterally assign its rights under this Contract to the Lenders in accordance with a collateral assignment that may be executed subsequent to the date hereinabove (together with their successors and assigns, the “Assignees”) as collateral for the obligations of the SPV to the Assignees, and the City hereby consents to such collateral assignment. Each Assignee shall be a third-party beneficiary of the payment provisions of this Contract and shall be entitled to enforce the payment provisions hereof.

Section 9.05 Severability. In case any provision of this Contract shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, provided that the allocation of benefits and burdens under this Contract shall not thereby be materially altered.



Section 9.06 Counterparts. This Contract may be executed and delivered in any number of counterparts, each of which shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument.

Section 9.07 Captions. The captions and table of contents of this Contract are for convenience only and shall not affect the construction hereof.

Section 9.08 Governing Law. All issues concerning this Contract shall be governed by and construed in accordance with the laws of the State without giving effect to any choice of law or conflict of law provision or rule (whether of the State or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State.

Section 9.09 Indemnification.

(a) The SPV agrees to defend, indemnify, reimburse and hold harmless the City, its appointed and elected officials, agents and employees for, from and against all third-party liabilities, claims, judgments, suits or demands for damages to persons or property arising out of, or resulting from the SPV or the SPV's Material Breach ("**Claims**"), or the actions of the City, except to the extent such Claims arise out of the negligence or willful misconduct of the City.

(b) The SPV's duty to defend and indemnify the City shall arise at the time written notice of the Claim is first provided to the City. The City shall provide written notice of such Claim to the SPV.

(c) The SPV shall defend any and all Claims which may be brought or threatened against the City and shall pay on behalf of the City any expenses incurred by reason of such Claims including, but not limited to, court costs and reasonable attorneys' fees incurred in defending and investigating such Claims or seeking to enforce this indemnity obligation. Such payments on behalf of the City will be in addition to any other legal remedies available to the City and will not be the City's exclusive remedy.

(d) Insurance coverage requirements specified in this Contract in no way lessen or limit the liability of the SPV under the terms of this indemnification obligation. The SPV is responsible to obtain, at its own expense, any additional insurance that it deems necessary for the City's protection. To the extent practicable, the Parties will seek recourse through insurance proceeds.

(e) This defense and indemnification obligation shall survive the expiration or termination of this Contract.

(f) Notwithstanding anything in this Contract to the contrary, the SPV's liability under this Section 9.09 is limited to the SPV's assets, except to the extent the SPV misappropriates funds under this Contract, in which case the SPV's monetary liability shall be limited to the amount that is determined to have been so misappropriated.

Section 9.10 Extension. Any extensions of this Contract must be approved by the Parties, with Lender Consent.

Section 9.11 Merger; Entire Agreement. The Parties understand and agree that their entire agreement is contained herein and in the documents, exhibits, schedules and plans referenced herein, attached hereto or entered into pursuant hereto. It is further understood and agreed that all prior understandings and agreements heretofore had between the Parties are merged in this Contract which alone fully and completely expresses their agreement and that the same is entered into after full investigation, neither Party relying on any statement or representation not explicitly set forth in this Contract.

Section 9.12 Conflicts. In the event any provision of this Contract conflicts with a right or obligation of the City or the SPV, as applicable, in any other related agreement (i.e., the Independent Evaluator Agreement, the Service Agreements, the Project Management and Fiscal Agent Agreement, or the Loan Documents), this Contract shall control the rights and obligations as between the City and the SPV.

Section 9.13 Insurance. The SPV, on behalf of the Project Manager and the Fiscal Agent, shall, no later than the Effective Date, procure, maintain, and pay premiums for the following forms of insurance:

(a) General Conditions. The SPV agrees to secure, at or before the Effective Date when its obligations under this Section 9.13 shall commence, the following insurance covering all operations, goods or services provided pursuant to this Contract. The SPV shall keep the required insurance coverage in force at all times during the term of this Contract, or any extension thereof, during any warranty period, and for three (3) years after termination of this Contract. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as “A-VIII” or better. Each policy shall contain a valid provision or endorsement requiring notification to the City in the event any of the above-described policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the parties identified in the Notices section of this Contract. Such notice shall reference the City contract number listed on the signature page of this Contract. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, the SPV shall provide written notice of cancellation, non-renewal and any reduction in coverage to the parties identified in Section 9.03 of this Contract by overnight courier or certified mail, return receipt requested within five (5) Business Days of such notice by its insurer(s) and referencing the City’s contract number. If any policy is in excess of a deductible or self-insured retention, the City must be notified by the SPV. The SPV shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Contract are the minimum requirements, and these requirements do not lessen or limit the liability of the SPV. The SPV shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Contract.

(b) Proof of Insurance. The SPV shall provide a copy of this Contract to its insurance agent or broker. The SPV may not commence services or work relating to this Contract prior to placement of coverages required under this Contract. The SPV certifies that upon the Effective Date, it will furnish the City with a certificate of insurance, preferably an ACORD certificate that complies with all insurance requirements of this Contract (the

“Certificate”). The City requests that the City’s contract number be referenced on the Certificate. The City’s acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Contract shall not act as a waiver of SPV’s breach of this Contract or of any of the City’s rights or remedies under this Contract. The City’s Risk Management Office may require additional proof of the insurance required by this Contract, including but not limited to policies and endorsements.

(c) Additional Insureds. For Commercial General Liability, Auto Liability Professional Liability, and Excess Liability/Umbrella (if required) the SPV and subcontractor’s insurer(s) shall include the City and County of Denver, its elected and appointed officials, employees and volunteers as additional insured.

(d) Waiver of Subrogation. For all coverages required under this Contract, the SPV’s insurer shall waive subrogation rights against the City.

(e) Subcontractors and Subconsultants. All subcontractors and subconsultants (including independent contractors, suppliers or other entities providing goods or services required by this Contract) shall be subject to all of the requirements herein and shall procure and maintain the same coverages required of the SPV. The SPV shall ensure that all such subcontractors and subconsultants maintain the required coverages. The SPV agrees to provide proof of insurance for all such subcontractors and subconsultants upon request by the City.

(f) Workers Compensation.

(i) SPV hereby makes the material warranties listed below in subparagraph (a) above on which the City relies in conditionally waiving the workers’ compensation/employer’s liability insurance. This rejection of coverage must remain effective throughout the Project Term. Should the rejection of coverage no longer be in effect, SPV shall immediately notify the City. Further, upon the effective date of the rejection, SPV shall provide the city with proof of workers’ compensation/employer’s liability insurance. Before commencing services under the Agreement, SPV shall provide the City with documentation that rejection was effected in accordance with § 8-41-202(1), C.R.S. Based on the following warranties and upon receipt of documentation of rejection in accordance with the law, the City conditionally waives the requirement that SPV obtain workers’ compensation/employer’s liability insurance.

(ii) SPV does not have any employees and will not employ any persons to perform services under the Agreement. SPV’s sole member is Corporation for Supportive Housing. Should any other persons become members, such persons may not perform services under the Agreement. In its capacity as Project Manager, Corporation for Supportive Housing effected rejection of coverages in accordance with § 8-41-202, C.R.S.

- (iii) Subject to the conditional waiver above, SPV shall maintain the coverage as required by statute for each work location and shall maintain Employer's Liability insurance with limits of \$100,000 for each bodily injury occurrence claim, \$100,000 for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims. SPV warrants that none of the SPV's officers or employees who may be eligible under any statute or law to reject Workers' Compensation Insurance shall effect a rejection thereof during the Project Term and that any rejections previously effected have been revoked as of the date SPV executes the Agreement.

(g) Commercial General Liability. The SPV shall maintain a Commercial General Liability insurance policy with limits of \$1,000,000 for each occurrence, \$1,000,000 for each personal and advertising injury claim, \$2,000,000 products and completed operations aggregate, and \$2,000,000 policy aggregate.

(h) Business Automobile Liability. The SPV shall maintain Business Automobile Liability with limits of \$1,000,000 combined single limit applicable to all owned, hired and non-owned vehicles used in performing services under this Contract.

(i) Professional Liability (Errors & Omissions). The SPV shall maintain Professional Liability (Errors & Omissions) insurance with limits of \$1,000,000 per claim and \$1,000,000 policy aggregate limit. The policy shall include a severability of interest or separation of insured provision (no insured vs. insured exclusion) and a provision that coverage is primary and non-contributory with any other coverage or self-insurance maintained by the City.

(j) Additional Provisions.

(i) For Commercial General Liability, the policy must provide the following:

- (a) That this Contract is an insured contract under the policy;
- (b) Defense costs are outside the limits of liability;
- (c) A severability of interests, separation of insureds provision (no insured vs. insured exclusion); and
- (d) A provision that coverage is primary and non-contributory with other coverage or self-insurance maintained by the City.

(ii) For claims-made coverage:

(a) The retroactive date must be on or before the contract date or the first date when any goods or services were provided to the City, whichever is earlier.

(b) The SPV shall advise the City in the event any general aggregate or other aggregate limits are reduced below the required per occurrence limits. At their own expense, and where such general aggregate or other aggregate limits have been reduced below the required per occurrence limit, the SPV will procure such per occurrence limits and furnish a new certificate of insurance showing such coverage is in force.

Section 9.14 Examination of Records. Any authorized agent of the City, including the City Auditor or his or her representative, has the right to access and the right to examine any pertinent books, documents, papers and records of the SPV, involving transactions related to this Contract until the later of three (3) years after the final payment under this Contract or expiration of the applicable statute of limitations.

Section 9.15 No Authority To Bind City to Contracts. The SPV lacks any authority to bind the City on any contractual matters. Final approval of all contractual matters that purport to obligate the City must be executed by the City in accordance with the City's Charter and the Denver Revised Municipal Code.

Section 9.16 No Discrimination In Employment. In connection with the performance of work under the Contract the SPV may not refuse to hire, discharge, promote, demote, or discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, ethnicity, citizenship, immigration status, gender, age, sexual orientation, gender identity, gender expression, marital status, source of income, military status, protective hairstyle, or disability. The SPV shall insert the foregoing provision in all subcontracts.

Section 9.17 City Execution of Contract. The Contract will not be effective or binding on the City until it has been fully executed by all required signatories of the City and County of Denver, and if required by Charter, approved by the City Council.

Section 9.18 No Employment of a Worker without Authorization to Perform Work Under The Contract.

(a) This Contract is subject to Division 5 of Article IV of Chapter 20 of the Denver Revised Municipal Code, and any amendments (the "**Certification Ordinance**").

(b) The SPV certifies that:

(i) At the time of its execution of this Contract, it does not knowingly employ or contract with a worker without authorization who will perform work under this Contract, nor will it knowingly employ or contract with a worker without authorization to perform work under this Contract in the future.

- (ii) It will participate in the E-Verify Program, as defined in § 8-17.5-101(3.7), C.R.S., and confirm the employment eligibility of all employees who are newly hired for employment to perform work under this Contract.
- (iii) It will not enter into a contract with a subconsultant or subcontractor that fails to certify to the SPV that it shall not knowingly employ or contract with a worker without authorization to perform work under this Contract.
- (iv) It is prohibited from using the E-Verify Program procedures to undertake pre-employment screening of job applicants while performing its obligations under this Contract, and it is required to comply with any and all federal requirements related to use of the E-Verify Program including, by way of example, all program requirements related to employee notification and preservation of employee rights.
- (v) If it obtains actual knowledge that a subconsultant or subcontractor performing work under this Contract knowingly employs or contracts with a worker without authorization, it will notify such subconsultant or subcontractor and the City within three (3) days. The SPV shall also terminate such subconsultant or subcontractor if within three (3) days after such notice the subconsultant or subcontractor does not stop employing or contracting with the worker without authorization, unless during the three (3)-day period the subconsultant or subcontractor provides information to establish that the subconsultant or subcontractor has not knowingly employed or contracted with a worker without authorization.
- (vi) It will comply with a reasonable request made in the course of an investigation by the Colorado Department of Labor and Employment under authority of § 8-17.5-102(5), C.R.S., or the City Auditor, under authority of D.R.M.C. 20-90.3.

(c) The SPV is liable for any violations as provided in the Certification Ordinance. If the SPV violates any provision of this section or the Certification Ordinance, the City may terminate this Contract for a breach of the Contract. If this Contract is so terminated, the SPV shall be liable for actual and consequential damages to the City. Any termination of a contract due to a violation of this section or the Certification Ordinance may also, at the discretion of the City, constitute grounds for disqualifying the SPV from submitting bids or proposals for future contracts with the City.

#### Section 9.19 Confidential Information.

- (a) City Information.

(i) The SPV acknowledges and accepts that, in performance of all work under the terms of this Contract, the SPV may have access to Data that may be owned or controlled by the City and/or the Independent Evaluator. The SPV agrees that all Data provided or otherwise disclosed by the City and/or the Independent Evaluator to SPV shall be held in confidence and used only in the performance of its obligations under this Contract. The SPV shall exercise the same standard of care to protect such Data as a reasonably prudent consultant would to protect its own proprietary or confidential data. “Data” shall mean any materials or information provided or made available to the SPV by the City and/or the Independent Evaluator; provided, however, that Data shall not include materials or information that (i) was already in the SPV’s possession prior to receipt from the City and/or the Independent Evaluator, (ii) is or becomes publicly available other than as a result of a disclosure by the SPV or its representatives in violation of this Contract, (iii) is or becomes available to the SPV on a non-confidential basis from a source (other than the City, the Independent Evaluator or their respective representatives) which, to the best of the SPV’s knowledge after due inquiry, is not prohibited from disclosing such information to the SPV by a legal, contractual or fiduciary obligation to the City and/or the Independent Evaluator, (iv) is independently developed by the SPV or its representatives without reference to or use of other elements of the information, or (v) is generally made available by the City and/or the Independent Evaluator to third parties without restriction. Such Data may be in hardcopy, printed, digital or electronic format.

(ii) In the event that SPV or any of its representatives is requested or required (by interrogatory, request for information or documents, subpoena, deposition, civil investigative demand or other process) to disclose any Data (collectively, the “**Requested Disclosure**”), it is agreed that SPV will provide the City with prompt notice of the Requested Disclosure, if SPV’s counsel determines that such notice is permitted by law, so that the City may seek an appropriate protective order or waive compliance with the provisions of this letter agreement. Failing the entry of a protective order or the receipt of a waiver hereunder prior to any deadline imposed on SPV or its representative(s) in order to comply with a Requested Disclosure, SPV may make the Requested Disclosure as requested or required. In any event, SPV will not oppose action by the City to obtain an appropriate protective order or other reliable assurance that confidential treatment will be accorded the Data. Notwithstanding the limitations in this paragraph, in the event that access to or delivery of Data is requested or required of SPV by any governmental regulatory, self-regulatory or supervisory authority having appropriate jurisdiction in connection with any investigation or audit or information-seeking exercise, the SPV will give to the City, to the extent practicable and if lawfully permitted to do so, prompt written notice of such request or requirement, but may comply with such request or requirement.

(b) Employees and Subcontractors. The SPV will inform its employees and officers of the obligations under this Contract, and all requirements and obligations of the SPV under this Contract shall survive the expiration or earlier termination of this Contract. The SPV shall not disclose proprietary data or confidential information to subcontractors unless such

subcontractors are bound by non-disclosure and confidentiality provisions at least as strict as those contained in this Contract.

Section 9.20 Advertising and Public Disclosure; Disclosure to Lenders, Treasury and Other Funding Sources. The SPV and the City agree to use reasonable best efforts to coordinate and inform each other of publicity efforts and to comply in all material respects with the communications protocols set forth in Exhibit H hereto. Notwithstanding anything to the contrary in this Contract, the Parties shall be permitted to provide information related to this Contract and the Project to the Lenders, the Treasury and other funding sources if (i) such recipients are bound by customary non-disclosure and confidentiality provisions similar to those contained in this Contract and (ii) either such information is (a) required to be delivered to such funding sources pursuant to an effective written agreement between the funding source and the City or the SPV or (b) reasonably determined to be helpful to such funding source in monitoring its rights and obligations in connection with the Project.

Section 9.21 Compliance With All Laws. The SPV shall perform or cause to be performed all services in compliance in all material respects with all applicable laws, rules, regulations and codes of the United States, the State of Colorado, and with the Charter, ordinances, rules, regulations and Executive Orders of the City and County of Denver.

Section 9.22 No Construction Against Drafting Party. The Parties and their respective counsel have had the opportunity to review this Contract, and this Contract will not be construed against any party merely because any provisions of this Contract were prepared by a particular Party.

Section 9.23 Electronic Signatures and Electronic Records. The SPV consents to the use of electronic signatures by the City. The Contract, and any other documents requiring a signature under this Contract, may be signed electronically by the City in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of this Contract solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of this Contract in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

Section 9.24 “Contingency Reserve” Funds. The Project Budget includes funds designated as “Contingency Reserve.” Pursuant to Section 5.01(b), the Operating Committee may discuss possible uses of such funds in connection with the accomplishment of the goals of the Project. The Approval of the Governance Committee is required in order for the disbursement and use of any such funds. If such Approval is granted, the Governance Committee shall provide the SPV written directions for the disbursement of such funds, which the SPV shall disburse in accordance with such directions within five (5) Business Days of the receipt of such directions. If any of such funds have not been used in accordance with this Section 9.24 upon the end of the Project Term, any such funds shall be returned to the City from the SPV Operating Account.

Section 9.25 Reserved.



[Signatures on the Following Page]

**Contract Control Number:** HOST-202262618-00  
**Contractor Name:** CORPORATION FOR SUPPORTIVE HOUSING ON  
BEHALF OF DENVER SIPPRA, LLC

IN WITNESS WHEREOF, the parties have set their hands and affixed their seals at  
Denver, Colorado as of:

**SEAL**

**CITY AND COUNTY OF DENVER:**

**ATTEST:**

By:

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**APPROVED AS TO FORM:**

**REGISTERED AND COUNTERSIGNED:**

Attorney for the City and County of Denver

By:

By:

---

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By:

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**Contract Control Number:** HOST-202262618-00  
**Contractor Name:** CORPORATION FOR SUPPORTIVE HOUSING ON  
BEHALF OF DENVER SIPPRA, LLC

By: See Attached Signature Page

Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

ATTEST: [if required]

By: \_\_\_\_\_

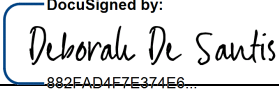
Name: \_\_\_\_\_  
(please print)

Title: \_\_\_\_\_  
(please print)

IN WITNESS WHEREOF, the Parties have caused this Contract to be duly executed as an instrument under seal, all as of the date of the latest signature set forth on the signature pages hereto.

**DENVER SIPPRA LLC**, a Delaware limited liability company

By: CORPORATION FOR SUPPORTIVE HOUSING, a Delaware not-for-profit corporation, its sole member

By:   
Name: Deborah De Santis  
Title: President and Chief Executive Officer

Dated: 6/13/2022

## **Exhibit A:**

### **DEFINITIONS**

**“Approval of the Governance Committee”** has the meaning set forth in Section 5.02(b) hereof.

**“Assignees”** has the meaning set forth in Section 9.04(b) hereof.

**“Average Jail Day”** shall have the meaning set forth in the Evaluation Plan.

**“Business Day”** means any day other than a Saturday, Sunday, or other day on which the bank that hosts the SPV Operating Account is authorized or required by law to remain closed.

**“CCH”** means the Colorado Coalition for the Homeless.

**“CCH Program”** means the services to be provided by CCH in accordance with this Contract and the Service Agreement, as more particularly described in Section 2.02 hereof and Exhibit D-4.

**“Certificate”** has the meaning set forth in Section 9.13(b) hereof.

**“Certification Ordinance”** has the meaning set forth in Section 9.18(a) hereof.

**“Charter”** means the home rule charter of the City.

**“Chief Housing Officer”** means the Chief Housing Officer of the City, as the Manager of Finance ex-officio Treasurer, of the City duly appointed pursuant to the Charter or the designee of the Chief Housing Officer.

**“City”** means the City and County of Denver, Colorado.

**“Claims”** has the meaning set forth in Section 9.09(a) hereof.

**“CO Trust”** has the meaning set forth in Section 1.02(m) hereof.

**“CO Trust Agreement”** has the meaning set forth in Section 1.02(m) hereof.

**“Committee Proposed Change”** has the meaning set forth in Section 5.07 hereof.

**“Contract”** means this Partnership Agreement between the City and the SPV, as the same may be amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof.

**“Control Group”** has the meaning set forth in Section 2.03(b) hereof.

**“Control Group Amount Billed for Claims”** has the meaning set forth in Section 4.04(c) hereof.

**“Control Group Number of Average Jail Days”** has the meaning set forth in Section 4.03(c) hereof.

**“Council”** means the Council of the City and County of Denver.

**“CSH”** means the Corporation for Supportive Housing, a Delaware not-for-profit corporation.

**“Days in Stable Housing”** has the meaning set forth in Section 4.02(b) hereof.

**“Deficiency Month”** has the meaning set forth in Section 8.04(f) hereof.

**“Deficiency Quarter”** has the meaning set forth in Section 8.04(g) hereof.

**“Denver Health”** means the Denver Health and Hospital Authority.

**“Denver Health Program”** has the meaning set forth in Section 2.02 hereof.

**“Early Housing Stability Success Payments”** has the meaning set forth in Section 4.08(a) hereof.

**“Early Jail Day Reductions Success Payments”** has the meaning set forth in Section 4.09(a) hereof.

**“Early Net Reduction in Federal Expenditures Reductions Success Payments”** has the meaning set forth in Section 4.10(a) hereof.

**“Early Termination Quarter”** has the meaning set forth in Section 4.08(a) hereof.

**“Effective Date”** has the meaning set forth in Section 1.02 hereof.

**“Eligibility Criteria”** has the meaning set forth in Section 2.03(b) hereof.

**“Eligible Referrals”** has the meaning set forth in Section 2.03(b) hereof.

**“Evaluation Plan”** means the plan attached as Exhibit B as it may be amended in accordance with Section 2.05.

**“Execution Date”** has the meaning set forth in the Preamble.

**“Final Wind Up Jail Days Outcomes Report”** has the meaning set forth in Section 4.04(d) hereof.

**“Final Wind Up Net Federal Expenditures Reduction Outcomes Report”** has the meaning set forth in Section 4.04(d) hereof.

**“Fiscal Agent”** has the meaning set forth in the ninth Recital.

**“Fiscal Year”** means the period of time starting on January 1 and ending on December 31 of each year, or such other time period as may be identified as a “Fiscal Year” by the City’s Charter.

**“Governance Committee”** has the meaning set forth in Section 5.02(a) hereof.

**“Grant Agreement”** means that grant agreement dated October 26, 2021 between the City and the United States Department of Treasury through which the City can be reimbursed for costs incurred to implement the Housing to Health program, in an amount equivalent to the Federal government’s cost savings as a result of the Program, as it may be amended from time to time.

**“Housing Stability Outcomes Report”** has the meaning set forth in Section 4.02(e) hereof.

**“Housing Stability Success Payments”** has the meaning set forth in Section 4.02 hereof.

**“Housing to Health Social Impact Fund”** has the meaning set forth in the fifth Recital.

**“Independent Evaluator”** means the Urban Institute, or any successor thereto.

**“Independent Evaluator Agreement”** means the agreement between the City and the Independent Evaluator which requires the Independent Evaluator to perform the scope of work substantially as set forth in Exhibit D-1 hereof, as the same may be amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof.

**“IRR”** has the meaning set forth in Section 4.09(a)(ii) hereof.

**“Jail Day Reductions Success Payments”** has the meaning set forth in Section 4.03 hereof.

**“Jail Days Outcomes Report”** has the meaning set forth in Section 4.03(d) hereof.

**“Kaiser Grant”** has the meaning set forth in Section 1.02(l) hereof.

**“Kaiser Grant Agreement”** has the meaning set forth in Section 1.02(l) hereof.

**“Lender Consent”** has the meaning set forth in Section 5.09 hereof.

**“Lenders”** means Northern Trust, the Denver Foundation, Gary Philanthropy and Colorado Access Foundation.

**“Loan”** or **“Loans”** means funds provided to the SPV under a Loan Agreement.

**“Loan Agreements”** means, collectively, all agreements executed by the SPV and a Lender for funding of the Project, as the same may be amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof.

**“Loan Documents”** means, collectively, the Loan Agreements and all collateral assignments and security agreements related to the Loans.

**“Material Breach”** means a breach of this Contract (including any exhibits hereto) by a Party that would either (i) reasonably be expected to materially adversely impact payment by the Lenders or the Success Payments, or (ii) be a material violation of applicable law.

**“Medicaid”** means that Federal insurance program that provides insurance to qualified individuals, as described under the Grant Agreement and as it may be expanded to include the Denver Health Medicaid and Health First Colorado plans.

**“Net Reduction in Federal Expenditures”** has the meaning set forth in Section 4.04(a) hereof.

**“Net Reductions in Federal Expenditures Success Payments”** has the meaning set forth in Section 4.04 hereof.

**“Operating Committee”** has the meaning set forth in Section 5.01 hereof.

**“Operating Committee Members”** has the meaning set forth in Section 5.01(c) hereof.

**“Operational Meetings”** has the meaning set forth in Section 5.01(b) hereof.

**“Participant Meeting Payment Requirement”** has the meaning set forth in Section 4.02(a) hereof.

**“Participants”** has the meaning given in Section 2.03(b) hereof.

**“Parties”** means, collectively, the City and the SPV.

**“Party”** means the City or the SPV.

**“Percentage Difference in Average Jail Days”** has the meaning given in Section 4.03(a) hereof.

**“Planned Exit Event”** has the meaning set forth in Section 4.02(c) hereof.

**“Project”** has the meaning set forth in the fourth Recital.

**“Project Budget”** means that budget for the Project set forth in Exhibit C, as the same may be amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof.

**“Project Evaluation Components”** has the meaning set forth in Section 5.07 hereof.

**“Project Financing Components”** has the meaning set forth in Section 5.07 hereof.

**“Project Launch Conditions”** means those conditions set forth in Section 1.02 hereof.

**“Project Management and Fiscal Agent Agreement”** means the agreement between the SPV and the Project Manager/Fiscal Agent which requires the Project Manager/Fiscal Agent to perform the scope of work substantially set forth in Exhibit D-2 hereof, as the same may be



amended, supplemented, or otherwise modified from time to time in accordance with the terms hereof.

**“Project Manager”** has the meaning set forth in the eighth Recital.

**“Project Program Components”** has the meaning set forth in Section 5.07 hereof.

**“Project Term”** has the meaning set forth in Section 1.04(a) hereof.

**“Proposed Loan Agreement”** has the meaning set forth in Section 3.03 hereof.

**“Quarter”** has the meaning set forth in Section 1.05 hereof.

**“Requested Disclosure”** has the meaning set forth in Section 9.19(a)(ii) hereof.

**“Service Agreements”** has the meaning set forth in Section 2.01 hereof.

**“Service Provider Reports”** means those reports prepared by the Service Providers and submitted to the Project Manager pursuant to the terms of the Service Agreements.

**“Service Providers”** has the meaning set forth in the tenth Recital.

**“Services”** has the meaning set forth in Section 2.02 hereof.

**“SPV”** an LLC controlled by the Corporation for Supportive Housing.

**“SPV Elective Withdrawal”** has the meaning set forth in Section 8.06(a) hereof.

**“SPV Operating Account”** has the meaning set forth in Section 3.02 hereof.

**“State”** means the State of Colorado.

**“Success Payments”** has the meaning set forth in Section 4.01 hereof.

**“Target Population”** has the meaning set forth in Section 2.03(a) hereof.

**“Termination Event”** means any of those events set forth in Section 8.02, Section 8.03, Section 8.04, or Section 8.05 hereof, as set forth in Section 8.01.

**“Total Project Costs”** has the meaning set forth in Section 3.01 hereof.

**“Treasury”** means the United States Department of Treasury.

**“Treatment Group”** means those Participants assigned to the Treatment Group to be considered as part of the evaluation with respect to the Jail Day Reductions Success Payments as set forth in the Evaluation Plan.

**“Treatment Group Amount Billed for Claims”** has the meaning set forth in Section 4.04(b) hereof.

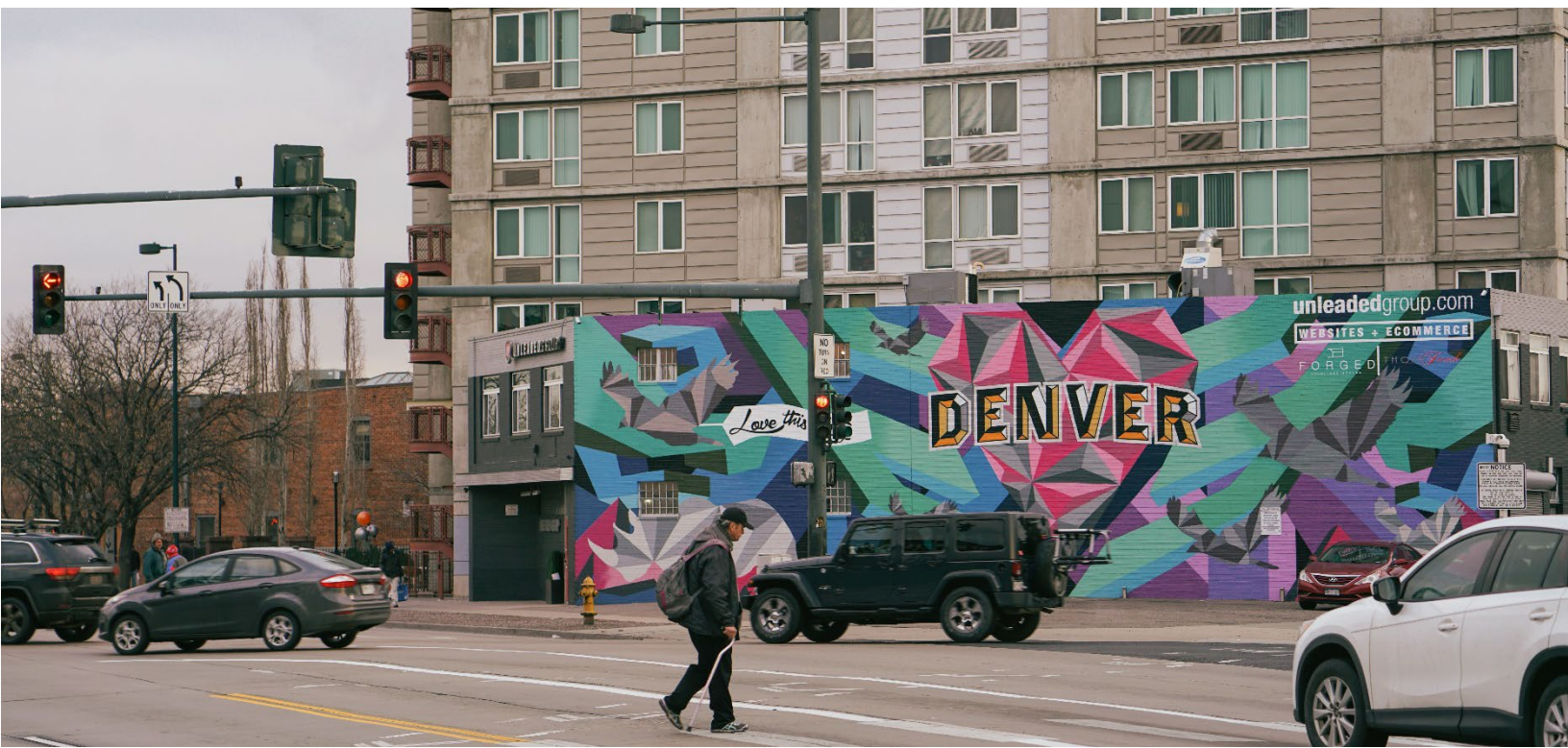
**“Treatment Group Number of Average Jail Days”** has the meaning set forth in Section 4.03(b) hereof.

**“WellPower”** means the Mental Health Center of Denver d/b/a WellPower.

**“WellPower Program”** means the services to be provided by WellPower in accordance with this Contract and the Service Agreement, as more particularly described in Section 2.02 hereof and Exhibit D-5.

## **Exhibit B: Evaluation Plan**

See attached



# Denver Housing to Health (H2H) Pay for Success Project

## Evaluation Design

*January 2022*

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# Denver Housing to Health (H2H) Pay for Success Project

## Background and Context

The Denver Housing to Health (H2H) Pay for Success Project will provide supportive housing for individuals at the intersection of multiple public systems—those who are experiencing homelessness, have a record of at least eight arrests, at least three of which are marked as transient, over three years in Denver County; have a recent Denver Police Department contact; and are at high risk for avoidable and high-cost health services paid through Medicaid, including services received at Denver Health and Hospital Authority (Denver Health).

The project is an extension of Denver's Supportive Social Housing Impact Bond (Denver SIB) Initiative, a supportive housing program designed to serve a population experiencing homelessness that frequently cycles in and out of jail. In addition to improving housing stability and reducing jail stays, the evaluation of the Denver SIB found that the intervention had an impact on health service utilization by increasing preventative office-based care and lowering the use of high-cost services such as emergency room (ER) visits and inpatient hospital admissions. These shifts in health service utilization could result in a net decrease in claims billed to Medicaid and Medicare, which are largely paid by the federal government.

## Existing Evidence Base

Supportive housing comes out of the movement to end homelessness among adults with serious mental illness and drug addiction. Previous research conclusively shows that the model works to end homelessness for this population, a group of people that were once described as “un-housable” (Tsemberis, Gulcur, & Nakae, 2004). The literature suggests that supportive housing will also have an impact on health service utilization, and that a decrease in high-cost services such as avoidable emergency department visits and inpatient hospital admissions will likely be a significant source of cost savings for multiple systems.

*Findings from the Denver SIB.* The Denver SIB evaluation made a large contribution to the evidence base on the effectiveness of supportive housing in reducing criminal justice involvement and health care utilization among a homeless population with complex needs. Through a rigorous randomized controlled trial, the evaluation of the Denver SIB showed that supportive housing program participants spent more time in stable housing and that the program significantly reduced shelter use, police interactions, and jail stays. Denver SIB supportive housing program participants also used short-term or city-funded detoxification services less often than those in the control group. In the three years after randomization, people referred for supportive housing had four fewer visits to a short-term or city-funded detoxification facility (a 65 percent reduction) than those who received usual services in the community. The differences between the two groups' uses of emergency medical services (EMS) were not statistically significant (Cunningham et al. 2021). We found supportive housing helped SIB Participants to use less emergency department visits, use more office-based health care, and receive more prescription medications (Hanson and Gillespie 2021).

*Emergency Department Visits.* Several studies have found that use of emergency rooms, for both avoidable and unavoidable visits, decreased with the provision of supportive housing (Martinez & Burt, 2006; Sadowski et al., 2009; Seligson et al., 2013; Mondello et al., 2007). Using a pre-/post-research design, Martinez and Burt (2006) find a 16 percent reduction in the number of residents with an emergency room visit and a 56 percent reduction in the total number of emergency room visits after the first year of supportive housing. Sadowski et al. (2009) found a 24 percent difference between the treatment and control groups in the number of emergency room visits in a randomized controlled trial. However, Aidala et al. (2014) and Kessel et al. (2006) found no reductions in emergency department visits for individuals in supportive housing in their pre-/post- and retrospective cohort studies.

*Substance Abuse and Mental Health.* Evidence on the impact of supportive housing on substance abuse and mental health services is promising. Aidala et al. (2014) found that supportive housing participants spent half as many days hospitalized for psychiatric reasons, compared with a comparison group. Similarly, matched comparison and pre-/post- studies by Seligson et al. (2013), Culhane et al. (2002), King County (2013), and Mondello et al. (2007) all found reductions in psychiatric hospitalizations for individuals who moved into supportive housing. Some of these studies included a mental health diagnosis as a criterion for eligibility. The literature on alcohol and drug treatment is more mixed, though very limited. Aidala et al. (2014) found no effect on detoxification facility days, as did the Larimer et al. (2009) quasi-experimental study. However, Aidala et al. (2014) found a large

decrease in residential alcohol and drug treatment days, with the intervention group avoiding residential treatment completely.

*Cost of Care.* Several studies (Aidala et al., 2014; Culhane et al., 2002; Martinez and Burt, 2006; Larimer et al., 2009; Flaming et al., 2013) found significant reductions in the cost of care for participants in supportive housing. Culhane et al. (2002) found an average of 32 percent reduction of inpatient Medicaid claims along with an increase in outpatient Medicaid claims. Cost savings were driven by decreased utilization of the most expensive health care services, in particular reductions in hospital visits and inpatient psychiatric services. The National Academies of Sciences' Committee on Evaluation of Permanent Supportive Housing (2018) found evidence that supportive housing can decrease emergency department use and hospital stays when provided to individuals who were high users of these services before being housed.

Taken together, the existing literature suggests that stable housing may make health concerns known and increase use of certain types of health care services, perhaps at an earlier or less severe stage than would be the case absent housing. It also suggests that supportive housing may help manage health concerns in a way that limits the types of health crises that lead to services such as psychiatric hospitalizations and in-patient alcohol and drug treatment. This shift from crisis care to effective care management suggests decreased severity or burden of illness and increased well-being, as well as more effective use of health care services and resources.

## Target Population and Program Structure

The target population for the H2H project includes individuals who are experiencing homelessness and have a record of at least eight arrests, of which three arrests are marked as transient over three years in Denver County; had a police contact in the last year; and are at high risk for avoidable and high-cost health services paid through Medicaid, including services received at Denver Health and Hospital Authority (Denver Health). There are over 1300 individuals who meet the criminal justice criteria. We apply a medical criterion of 2 or more ED visits in the year prior with DHHA, resulting in an eligible population of over 250 individuals. An additional 50 individuals meet this criterion every 6 months.

The previous Denver SIB project provides a good approximation for what the population for this study will look like. Of the 724 individuals in the original SIB, most were men (85 percent) and the median age was 44 years. Forty-seven percent of the people in the study were white, 34 percent were



Black, 13 percent were Latinx, and 6 percent were Native American. Individuals in the study had high rates of arrest, with an average of 4 arrests per person in the year before randomization. They also had high rates of engagement with the homelessness services system in Denver. In the year before randomization, nearly 70 percent of the study group had at least one shelter stay and the combined group's average number of days in a shelter was 158. In addition to experiencing chronic, or long-term, homelessness, these individuals had an average of 2.5 separate stays in jail and spent an average of 68 total days in jail in the year prior to enrollment in the SIB evaluation (Cunningham, et al 2021). Among those who had any Medicaid utilization as members of Colorado Access or Denver Health (Medicaid insurers in the Denver metro area), almost 67 percent had been diagnosed with a substance use disorder and over half of these diagnoses were for alcohol use disorder. Thirty seven percent of this group of Colorado Access or Denver Health members had a mental health diagnosis, the most common of which were schizophrenia, anxiety, and depression (in order of prevalence) (Hanson and Gillespie 2021).

The H2H project plans to provide supportive housing to 125 of these high-need individuals through the Colorado Coalition for the Homeless and the Mental Health Center of Denver. Supportive housing is an evidence-based model that uses a Housing First approach to lower barriers to housing and end homelessness through permanent, affordable housing subsidies and intensive case management and wraparound services. (In prior evaluation reports on the related Denver SIB Initiative, Cunningham et al. [2018b] described the intervention's housing and services model in detail.) However, deeply subsidized or even affordable housing is extremely scarce in Denver and is not available to meet the full extent of the need demonstrated by the current eligibility list. Because of this scarcity, the project is suitable for a randomized controlled trial evaluation. Random assignment will be used as a fair method to allocate scarce supportive housing resources and to evaluate the impact of the intervention on the treatment group as compared with a control group receiving usual services available in the community in the absence of a targeted supportive housing intervention. Because random assignment helps ensure the treatment and control groups are as similar as possible for as many observation characteristics as possible, by comparing outcomes between the two groups we can attribute any differences directly to the supportive housing program and not to participant characteristics or other general conditions or changes in the community.

# Overview of Evaluation

## Theory of Change

As a result of experiencing homelessness and barriers to care for substance use and mental health problems, many individuals who experience homelessness are frequently cited for offenses such as public intoxication, panhandling and trespassing. Individuals in this population are frequently arrested and cycle in and out of jail, detoxification and avoidable emergency room and hospital visits, effectively increasing costs across systems. Because they often do not receive follow-up services when they are released from jail, detox centers or hospitals, these individuals return to the same risks and experience a recurring cycle of negative outcomes. This cycle results in continuously high costs across agencies and service providers. Supportive housing is a scarce but proven intervention to interrupt the status quo. Supportive housing comes out of the movement to end chronic homelessness among adults with serious mental illness and drug addiction (Tsemberis, Gulcur, & Nakae, 2004). As depicted in Table 1, supportive housing results in intermediate and long-term outcomes that demonstrate a shift from the usual homelessness-jail cycle to a more cost-effective, cross-sector solution for improving outcomes at the intersection of criminal justice and health.

**TABLE 1**

### Theory of Change

<b>Intervention</b>	<b>Intermediate outcomes</b>	<b>Long-term outcomes</b>
<i>Housing subsidy</i> <ul style="list-style-type: none"> <li>Provide rent assistance in a housing unit that is safe, sustainable, functional and conducive to tenant stability</li> </ul>	<i>Increase housing stability</i> <ul style="list-style-type: none"> <li>Reduce homelessness</li> <li>Provide a safe, healthy, stable housing unit</li> </ul>	<i>Decrease criminal justice involvement</i> <ul style="list-style-type: none"> <li>Decrease arrests</li> <li>Decrease jail days</li> </ul>
<i>Case management services</i> <ul style="list-style-type: none"> <li>Develop a case plan</li> <li>Facilitate access to benefits</li> <li>Provide referrals</li> <li>Coordinate care</li> </ul>	<i>Decrease police contacts</i> <ul style="list-style-type: none"> <li>Decrease alcohol and drug use, trespassing and panhandling</li> </ul> <i>Increase access to health services</i> <ul style="list-style-type: none"> <li>Connect to mental and physical health care and substance abuse treatment</li> <li>Increase preventative, office-based care</li> </ul>	<i>Decrease emergency health services</i> <ul style="list-style-type: none"> <li>Decrease detox visits</li> <li>Decrease avoidable ER and hospital visits</li> </ul> <i>Improve health</i> <ul style="list-style-type: none"> <li>Decrease severity of illness</li> <li>Improve mental health</li> <li>Improve physical health</li> </ul>

## Research Questions

Our evaluation is designed to understand how supportive housing interrupts the target population's cycle of homelessness, jail and emergency health services, and estimate the impact on health care utilization and associated costs, including patterns of primary care, avoidable emergency and hospital

care, and substance use treatment. The evaluation will determine the amount of any net reductions in federal expenditures for associated Medicaid claims as defined in the Section titled “Net Reduction in Federal Expenditures for Medicaid Claims.” The primary research questions to be answered by the evaluation include:

- Do housed participants retain housing?
- Does supportive housing decrease days in jail?
- Does supportive housing impact the target population’s pattern of primary care, emergency and hospital care, and mental health and substance abuse treatment?
- Does supportive housing decrease avoidable emergency department and hospital services for the target population?
- Does supportive housing decrease net federal expenditures for Medicaid claims?

## **Major Components of the Evaluation**

### **OUTCOMES AND IMPACT STUDY**

To determine outcomes and the associated outcome payments, we will (1) track participant exits from housing and measure days spent in housing and jail to determine associated payments from the City and County of Denver; (2) estimate the impact that supportive housing has on the target population’s jail days to determine associated payments from the City and County of Denver; and (3) estimate the impact that supportive housing has on the target population’s health service utilization as shown in the data from Medicaid and Medicare claims to determine the associated payment from SIPPRA funding.

As described in the next section, we will use a randomized controlled trial (RCT) as the foundation of the evaluation. Eligible individuals will be randomly assigned to one of two groups—one that receives supportive housing as part of the project or one that receives usual care services. We will measure differences in outcomes between the groups (i.e., their use of services) using administrative data. We will use data from the Colorado Coalition for the Homeless and the Mental Health Center of Denver to measure days in housing. We will use data from the Denver Sheriff Department to measure the impact on jail days. We will use data from the Colorado Department of Health Care Policy and Financing or other sources of Medicaid or Medicare as needed and available to measure the impact on health service utilization and Medicaid and Medicare claims.

## OUTCOME VALUATION

To determine the amount of any net reductions in federal expenditures for associated claims, we will compare the amounts billed for these claims for the treatment and control groups using claim-level data from the Colorado Department of Health Care Policy and Financing. Below, and in the Outcome Valuation Attachment of the H2H SIPPRA application, we describe the steps we will follow using a difference-in-differences analysis. We also outline the key assumptions we will use in our analysis to determine the federal share of changes in amounts billed for Medicaid and Medicare claims and the associated outcome payment from SIPPRA funding based on the net reduction in federal expenditures.

## IMPLEMENTATION STUDY

Key process-related information, including the housing and referral pipeline, is necessary to manage implementation and to make midcourse corrections to keep the initiative on track to achieve long-term outcomes. Process information will also help us interpret the results of the impact evaluation based on documentation of the program model and participant engagement. To collect information about these different domains, we will manage an engagement dashboard as well as a housing enrollment pipeline. We will conduct annual site visits and key informant interviews with service providers and other important stakeholders. We will also review program-related documents such as training manuals, standard operating procedures, or other descriptions of program components.

TABLE 2

### Primary Evaluation Components

Evaluation component	Research questions	Data sources
Outcomes and Impact Study	<ul style="list-style-type: none"> <li>Do housed participants retain housing?</li> <li>Does supportive housing decrease days in jail?</li> <li>Does supportive housing impact the target population's pattern of primary care, emergency and hospital care, and mental health and substance abuse treatment?</li> <li>Does supportive housing decrease avoidable emergency department and hospital services for the target population?</li> </ul>	<ul style="list-style-type: none"> <li>Program housing retention data from CCH and MHCD</li> <li>Administrative data from Colorado Department of Health Care Policy and Financing</li> </ul>
Outcome Valuation	<ul style="list-style-type: none"> <li>Does supportive housing decrease net federal expenditures for Medicaid and Medicare claims?</li> </ul>	<ul style="list-style-type: none"> <li>Administrative data from Colorado Access, Denver Health, Colorado Department of Health Care Policy and Financing</li> </ul>
Implementation Study	<ul style="list-style-type: none"> <li>How is the program implemented?</li> <li>How are eligible individuals located and engaged?</li> <li>How do participants take up housing and services?</li> </ul>	<ul style="list-style-type: none"> <li>Engagement dashboard</li> <li>Key informant interviews</li> </ul>

- Is there fidelity to the service model?
  - How does this look different from usual care?
  - What types of systems change were achieved?
  - Program documents from service providers
- 

## RCT Design

Randomized controlled trials are widely considered to be the gold standard in measuring the effectiveness of a policy or intervention. RCTs are useful for establishing the counterfactual, or what would have occurred in the absence of the intervention. In the case of this initiative, the RCT design will compare the trajectories of individuals who receive priority placement in supportive housing and those who receive usual care. The target population for the Denver H2H includes many more individuals who are in need of and are eligible for the intervention than can be accommodated by the limited available supportive housing. The initiative will therefore allocate the limited supportive housing by lottery, which is a fair way to allocate the scarce housing resources.

The study will randomly assign eligible individuals to the treatment group, who will be referred to one of the two supportive housing providers for the H2H program, or to the control group, who will continue receiving services as usual in the community. The H2H program will fund 125 units of supportive housing over seven years. Participants will enroll in the study on a rolling basis until all units are filled. Based on our experience with the previous SIB evaluation, we expect approximately 16 percent of the supportive housing units to turn over every year and require a new study participant, resulting in a total of 245 individuals served over the 7-year enrollment period. We also estimate that approximately 75 percent of people randomized into the treatment group will ultimately enter supportive housing, based on the SIB evaluation. Therefore, we expect to randomize approximately 327 individuals to the treatment group to fill the provided units of supportive housing. We also expect to randomize 327 individuals to the control group to receive usual care. This sample will allow us to estimate a small to medium effect size as described below in the minimum detectable effects section.

## Referral and Randomization Strategy

Using the eligibility criteria, the Denver Police Department (DPD) will identify eligible individuals through a data pull and create a deduplicated, deidentified eligibility list for the H2H project, assigning a unique research ID to each individual on the eligibility list. Individuals are identified from the eligibility list as they enter a designated intake point. The H2H project will use primary and secondary intake points to randomly assign individuals to the treatment and control groups (see figure 1).

### ***Primary Intake Points from Denver Health***

Denver Health is the primary hospital serving the target population. Denver Health will match the H2H eligibility list (including periodic updates) with their data systems. They will send the matched individuals who had 2 or more ED visits with DHHA back to the Urban Institute (Urban). After randomization, a treatment individual's name, gender, race, and date of birth will be sent to the supportive housing provider, either CCH or MHCD by the H2H referral coordinator. The treatment individual's personal identification number (PIN) will also be returned to DHHA. DHHA may attempt to help CCH find treatment individuals either through passive or direct referrals.

### ***Secondary Intake Points from Denver Police Department***

DPD intake points will be used to supplement the Denver Health intake points. This will allow for data sharing without revealing Protected Health Information (PHI), specifically their use of the ED in the last year. It will also serve to supplement the sample size if the DHHA criteria do not provide sufficient numbers of eligible individuals to support the project's enrollment timeline. DPD intake points will consist of having a contact with DPD in the last year but will not include the ED criterion in selection. Contacts include police contacts, and both custodial and noncustodial arrest. DPD will electronically maintain the SIB eligibility list (including periodic updates) and match the eligibility list with daily arrest and contact lists to identify eligible individuals. Individuals with open felonies within the last two years before randomization will be screened out because they are awaiting sentencing, which may negatively affect their ability to enter supportive housing. DPD will send Urban a daily, automatically generated report that lists de-identified PIN numbers for all noncustodial arrests, custodial arrests, and police contacts flagged as transient for individuals on the SIB master eligibility list.

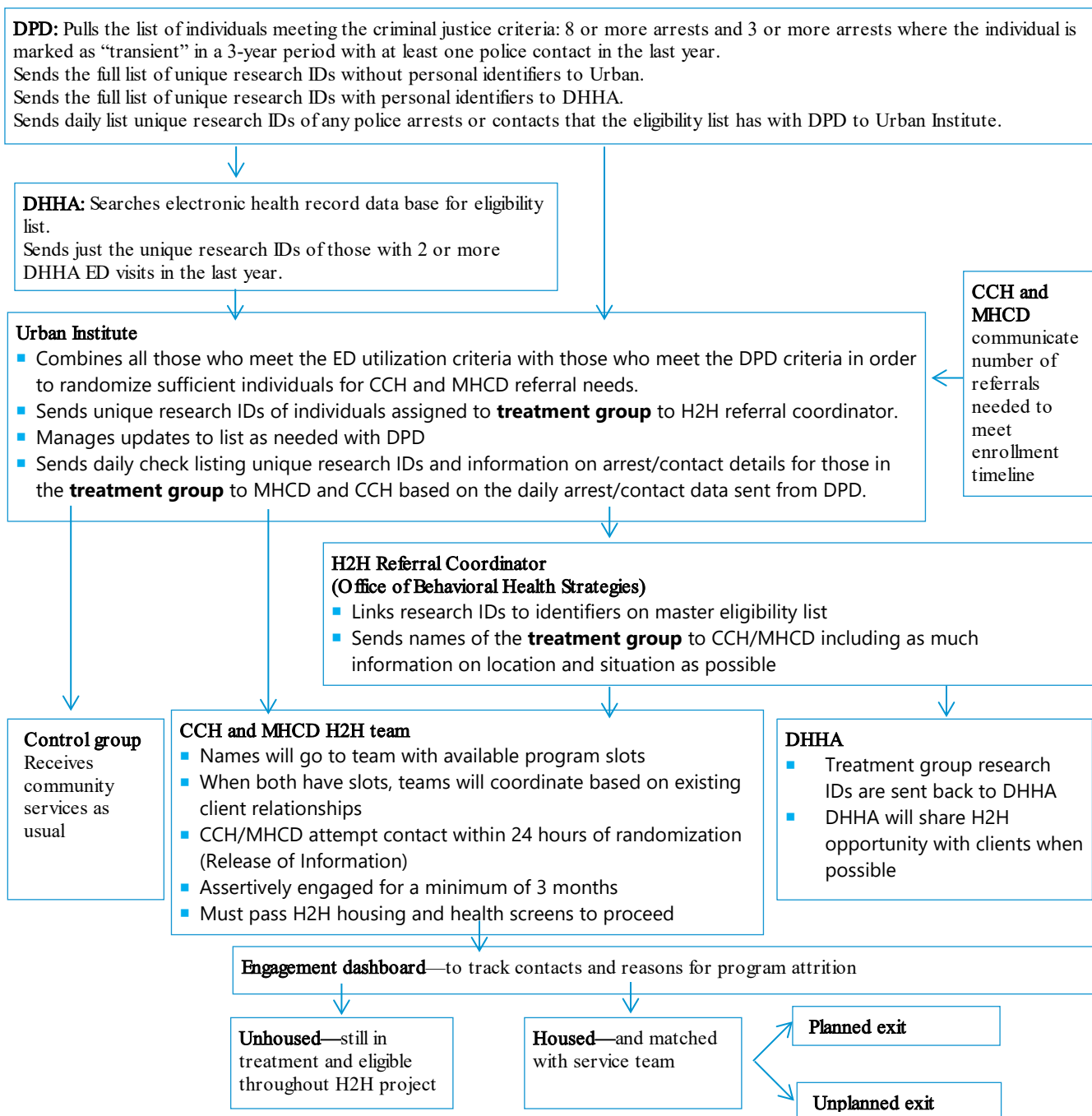
### ***Randomization Process***

On days when H2H partner providers have open slots to randomize new individuals into the evaluation based on the enrollment timeline, Urban will use the list of eligible individuals identified from the Denver Health intake points and, if additional referrals are necessary, the automatically generated reports from the DPD intake points. PINs that have already been randomized will be removed and if there are more eligible individuals than randomization slots, will be randomly selected for randomization. The number of randomization slots in a given day will be based on the number of new individuals H2H partners have the capacity to serve based on the lease up schedule. Half of those new PINs will be randomized to the treatment group and half to the control group, stratified by the type of intake (Denver Health intake or criminal justice intake). Individuals not selected for randomization into either group return to the master eligibility pool. Urban will send the list of new

treatment PINs to the referral coordinator. The referral coordinator will re-attach names and other identifying information to the treatment PIN numbers and send this information to the service providers for outreach.

FIGURE 1

## Referral and Randomization Flowchart





If both Colorado Coalition for the Homeless (CCH) and Mental Health Center of Denver (MHCD) have supportive housing slots available, the two service providers will work together to assign individuals based on any existing client relationships. Outreach workers will make an attempt to locate each referred individual within 1 business day of referral to minimize location challenges. When outreach workers locate individuals in the treatment group, they will first have them sign a Release of Information. Outreach workers then can immediately begin program engagement, working with other service providers and co-responders to engage each individual. Service providers will engage participants in the treatment group for a minimum of three months before stepping down engagement and requesting a new referral.

After they are located, individuals must also pass the H2H housing and health screens (see housing screen in Appendix C; the health screen will be developed by service providers before implementation begins) to confirm homelessness and ability to live independently before continuing toward housing placement. Urban, working with DPD, will update the list to ensure that individuals are randomized only once, manage any updates as the list is refreshed or expanded, and coordinate with service providers to turn randomization on and off as necessary.

## Minimum Treatment Randomization Timeline

The minimum treatment randomization timeline shown in Table 3 ensures that a sufficient number of individuals are randomized to the treatment group to meet available housing slots and the H2H enrollment timeline, based on an average take-up rate of 75 percent, as demonstrated by the related SIB initiative. Urban will ensure that individuals are randomized at least two months before housing slots become available to allow for engagement before lease-up, based on average time from referral to lease-up as demonstrated by the related SIB initiative. Should the H2H enrollment timeline be amended at any time, Urban will amend the randomization timeline.

TABLE 3

### Minimum Treatment Randomization Timeline

Month	Total monthly projected placements	Cumulative projected placements	Minimum monthly treatment assignments	Minimum cumulative treatment assignments
November 2022	82	82	9	115
December 2022	9	91	9	124
January 2023	13	104	9	133

<b>Month</b>	<b>Total monthly projected placements</b>	<b>Cumulative projected placements</b>	<b>Minimum monthly treatment assignments</b>	<b>Minimum cumulative treatment assignments</b>
February 2023	4	108	9	142
March 2023	4	112	9	151
April 2023	4	116	9	160
May 2023	4	120	9	169
June 2023	5	125	9	178
July 2023	0	125	6	184
August 2023	0	125	0	184
September 2023	0	125	0	184

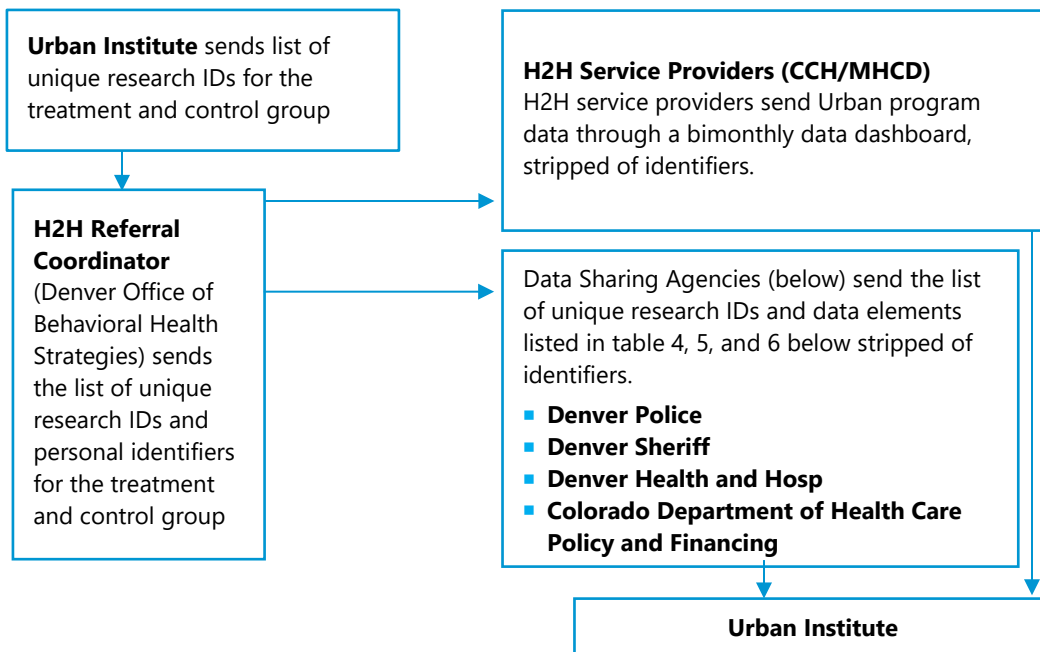
## Data Sharing

Urban will collect only deidentified administrative data that it will link through a project-specific ID that one central agency will share with other administrative data agencies. To make this work, the City of Denver Office of Behavioral Health Strategies will assign a staff person to be the H2H referral coordinator and have access to the master eligibility list. That list will include personal identifiers as well as a project-specific unique ID number for each individual in the treatment or control group (Urban will have only the deidentified eligibility list).

The H2H referral coordinator will share the personal identifiers and the project-specific IDs of the individuals in the study with each of the other agencies identified for data sharing (see Figure 2). The Urban Institute will collect administrative data based on data-sharing agreements with each of those agencies (e.g., H2H service providers, Denver Police). The other agencies will pull the requested data for each individual in the study using the personal identifiers, attach the unique research identifier to their data set, and strip the personal identifiers from the data set. Each of the agencies will send their data, including the project-specific ID, directly to Urban. This will allow Urban to generate a single deidentified data set with data from each agency.

Under this plan, Urban will never have access to any personal identifiers for any of the participants in the study. This method of data collection and data sharing ensures that no single agency or entity has access to more than one data set with identifiers. Furthermore, Urban will be in control of the linking process and ensure its quality.

**Figure 2: Data Access Plan**



## Data Collection and Analytic Methods for the Outcome Valuation and Outcomes and Impact Study

The evaluation metrics will include information on housing stability and reductions in jail days, to be paid by the City and County of Denver if successful, and net reductions in federal expenditures for Medicaid and Medicare claims, to be paid by SIPBRA funding if successful. Housing stability among the housed treatment group will be used as an interim outcome metric paid by the City and County of Denver because housing retention is a strong predictor of longer-term outcomes of interest.

Reduction in jail days, paid by the City and County of Denver, as well as net reduction in federal expenditures for Medicaid and Medicare claims, paid by SIPBRA funding, will be used as the final outcome payment metrics, measured by the differences between the treatment and control groups at the end of the project period.

### Net Reduction in Federal Expenditures for Medicaid Claims

The SIPBRA outcome payment will be based on the program's impact on reducing federal expenditures for Medicaid claims. The net reduction in federal expenditures will be measured as the average difference in the change over time (pre and post randomization) in the amount billed for claims between the treatment and control groups. This approach to measuring net reductions

accounts for potential increases in certain types of claims due to the intervention, such as office-based visits, as well as reductions in certain types of claims, such as emergency department visits and hospitalizations. This outcome will be measured over the full seven-year project period and estimated using a difference-in-differences (DID) approach described in the analysis plan below. All individuals who have been randomly assigned to the treatment or control group for at least one year before the last day of the observation period (10/31/2027) will be included in the DID estimate for the payment analyses. The evaluation will report on this outcome mid-project to provide a preliminary look at project performance, but no payment will be associated with the outcome at that point. The payment for net reduction in federal expenditures will be made once, based on the final outcome report at the end of the project period.

The proposed data source in table 4 will capture Medicaid information on all individuals in the target population. The Colorado Department of Health Care Policy and Financing (HCPF) oversees and operates Colorado’s Medicaid Program, Health First Colorado, and other public health care programs for qualifying Coloradans. If necessary and available, we may pull Colorado Access or Denver Health data. We will request Medicaid enrollment, service utilization, claims and managed care data, and expenditure data for all individuals enrolled in the H2H treatment and control groups.

In calculating the Outcome Valuation Attachment for the H2H SIPPR application, we made several assumptions including eligibility of the target population under Medicaid expansion, the federal share of Medicaid expenditures for the target population, the value of claims missing from the data available at the time of this evaluation design, and the impact of reductions in utilization on federal expenditures through reduced fee for service claims, reduced negotiated capitated rates for managed care claims, and reduced supplementary payments for uncompensated costs. We also assumed an inflation rate based on the 10-year-average for the Denver-Aurora-Lakewood Consumer Price Index from the U.S. Bureau of Labor Statistics. The data we use to calculate the actual outcome valuation will resolve some of these assumptions; for example, we will have the full universe of fee for service and managed care claims for the study population and use the actual medical care component of the Consumer Price Index published by the US Bureau of Labor Statistics for each year of the project.

**TABLE 4**  
**Data Sources and Measures for Calculating Net Reduction in Federal Expenditures for Claims**

<b>Data source</b>	<b>Measures</b>
Colorado Department of Health Care Policy and Financing	Unique research ID Beneficiary and provider enrollment Service utilization

## NET REDUCTION IN FEDERAL EXPENDITURES ESTIMATION METHODS

To understand the calculation of how treatment impacts net changes in federal (Medicaid/Medicare) expenditures for health services, we will use a Difference-in-Differences (DID) approach. The DID estimate,  $\beta^{DID}$ , can be represented by the following equation:

$$\beta^{DID} = (Y_{t=1}^T - Y_{t=0}^T) - (Y_{t=1}^C - Y_{t=0}^C)$$

Where  $Y_{t=1}^T$  is the mean outcome for the treatment group (those referred to H2H supportive housing) in the post-randomization period,  $Y_{t=0}^T$  is the mean outcome for the treatment group in the pre-randomization period,  $Y_{t=1}^C$  is the mean outcome for the control group in the post-randomization period, and  $Y_{t=0}^C$  is the mean outcome for the control group in the pre-randomization period. Eligible individuals randomized to the treatment population will be counted in the treatment population, regardless of whether they engaged with the service provider, pass the H2H screens, or obtain housing. All eligible individuals randomized to the control population will be counted in the control population, even if they enroll with the service provider or obtain housing.

*Calculation:* The DID estimate will be measured using the regression equation below:

$$Y_{it} = \alpha + \beta^T T_i + \beta^P Post_t + \beta^{DID} (T_i * Post_t) + \beta^X X_{it} + \varepsilon_{it}$$

Where  $Y_{it}$  is the amount of medical expenditures for each individual,  $i$ , during time period,  $t$  ( $t=0$  is the pre-randomization period and  $t=1$  is the post-randomization period).  $T_i$  is an indicator equal to 1 for individuals who were assigned to the treatment group and 0 for individuals assigned to the control group.  $\beta^T$  is the treatment group specific effect (measuring the permanent differences between treatment and control),  $Post_t$  is an indicator equal to 1 for the post-randomization period and 0 for the pre-randomization period and  $\beta^P$  is the time trend common to control and treatment groups.  $Post_t$  and  $T_i$  is an interaction term and  $\beta^{DID}$  is the difference-in-differences estimator, the true effect of treatment.  $X_{it}$  is a vector of treatment specific time varying controls, to be specified later. Urban will obtain Treasury's approval prior to adding any proposed time varying controls,  $X_{it}$ , to the analysis. Thus,  $\beta$  gives the average treatment effect of the intervention on Medicaid and Medicare expenditures of an individual. The savings will be calculated as the coefficient,  $\beta$ , multiplied by the number of individuals randomized into the treatment group.

## Housing Stability

The City and County of Denver will make annual outcome payments based on the number of days in stable housing achieved by program participants. Housing stability will be tracked through program and administrative data and will be measured only for the individuals in the treatment group who enter program housing. The threshold, payment points, and other information—such as reductions to payment points and how exits will be treated—reductions on how housing stability will be measured are outlined in Table 5.

TABLE 5

### Measurement of Housing Stability and Payment Points

Threshold	Payment Points	Reductions
<ul style="list-style-type: none"> <li>Individual must maintain a lease for one year from lease-up date before eligible for payments, as defined in the contract.</li> <li>The client has a lease, sublease or occupancy agreement in their name, as defined in the contract.</li> <li>A client has moved to participant moves into assisted living with occupancy agreement after being housed in a H2H unit and service provider continues to provide H2H services to participant; or a client is randomized into the project, moves directly into assisted living with occupancy agreement and service provider continues to provide H2H services.</li> </ul>	<ul style="list-style-type: none"> <li>After threshold is met, the City makes payments annually starting on March 31, 2024, based on days in housing before and after threshold, according to payment schedule, as defined in the contract.</li> </ul>	<ul style="list-style-type: none"> <li>Days spent in jail since lease-up date will be subtracted from days eligible for payments, as defined in the contract.</li> </ul>
<b>Exits</b>		
<p><i>Planned:</i></p> <p>If a client meets any of the conditions below prior to or after achieving the one-year threshold, success payments will be made for the total number of days that the client was stably housed before exit at the per diem rate:</p> <ul style="list-style-type: none"> <li>Death.</li> <li>Exit to other permanent stable housing where the client is named on a lease, sublease or occupancy agreement OR has a letter stating that they are allowed to reside with the leaseholder or owner in the unit on a permanent basis.</li> <li>Tenant entered long-term residential treatment (other than assisted living) that exceeds 120 days in order to address a physical or behavioral health issue.</li> <li>Tenant was incarcerated for actions solely occurring before H2H randomization.</li> </ul>		
<p><i>Unplanned:</i></p> <p>If a client meets the condition below before achieving the one-year threshold, success payments will not be made for that client:</p> <ul style="list-style-type: none"> <li>Loss of voucher/lease for any reason other than those specified under planned exit reasons (voucher loss may occur after 120 days away from unit; e.g., incarceration or returns to homelessness, or after eviction);</li> <li>Termination of assisted living occupancy agreement after 120 days away from the facility for</li> <li>any reason other than those specified under planned exit reasons.</li> </ul>		

The data sources and measures that will be used to calculate housing stability are outlined in Table 6. Program data from MHCD and CCH will be collected approximately bimonthly through the engagement dashboard, as specified in the data-sharing agreements with each service provider. Data from the Denver Sheriff Department will be collected at least every six months as specified in the data-sharing timeline within Urban’s contract with the City of Denver. Data will be linked by unique research ID to calculate housing stability outcomes.

TABLE 6

### Data Sources and Measures for Calculating Housing Stability

Data Source	Measures
CCH and MHCD Program Data	Unique research ID Lease-up date Housing exit date Housing exit reason
Denver Sheriff Department	Unique research ID Jail entry date Jail exit date Facility

## Jail Day Reduction

The City and County of Denver will also make two outcome payments based on the program’s impact on reducing jail days. Jail day reductions will be measured as the average difference of jail days between the treatment and control groups, over a period of two and four years from randomization date, and estimated using a treatment-on-the-treated (TOT) approach described in the analysis plan below. The payment for jail day outcomes will be made twice, at the middle and end of the evaluation period. The first payment will be based on two-year jail day outcomes and the second payment will be based on four-year jail day outcomes.

### JAIL DAY REDUCTION ESTIMATION METHODS

To understand the calculation of treatment impacts using the treatment-on-the-treated (TOT) approach, we first explain how treatment impacts are calculated using the intent-to-treat (ITT) approach. The ITT estimate is defined as the difference between the average outcomes for those referred to H2H (the treatment group) and those not referred to H2H (the control group), adjusting for pre-randomization covariates.

All eligible individuals randomized to the treatment population will be counted in the treatment population, regardless of whether they engage with the service provider, pass the H2H housing

screen, or obtain housing. All eligible individuals randomized to the control population will be counted in the control population, even if they enroll with the service provider or obtain housing.

*Calculation:* The ITT estimate is measured as the average individual outcomes for the treatment population minus the average individual outcomes for the control population. We control for pre-randomization covariates using a regression framework. Specifically, the ITT estimate,  $\pi_Y$ , would be measured using the regression equation below:

$$Y_i = \alpha + \beta^T T_i + \sum_{n=1}^N \beta^n X_i^n + \varepsilon_i$$

Where  $Y_i$  is the number of jail days for each individual,  $i$ , that was randomly assigned.  $T_i$  is an indicator equal to 1 for individuals who were assigned to the treatment group and 0 for individuals assigned to the control group.  $\beta^T$  is the parameter of the ITT effect on the outcome ( $Y_i$ ), the number of population members assigned to the treatment population and control population, respectively.  $X^n$  is a vector of pre-randomization covariates and  $\beta^n$  is the vector of coefficients on the covariate,  $X^n$ .  $\varepsilon$  is the regression error term. The inclusion of the pre-randomization covariates is intended to improve the precision of the estimates. The initial proposed list of covariates to control for in the model is  $X_i^1 \dots X_i^{Nn}$ : race, gender, age, number of stays in jail in three years prior, number of days in jail in three years prior, number of arrests in three years prior, and entry type (Denver Health, contact, noncustodial arrest, custodial arrest).

We will finalize the exact covariates after we review the historical data for data quality and completeness. In addition, the sample will be evaluated for equivalence between the treatment and control groups on observable pre-randomization variables. Although random assignment is intended to create two equivalent groups, small samples can result in some differences between the groups by chance. Variables that show differences between the two groups at  $p = .05$  (i.e., with at least 95 percent confidence that they are different) will be included as covariates in the regressions. Similar analysis for the related SIB evaluation included the following covariates:

Race/Ethnicity

Age at randomization

Gender

Number of jail days in three years prior to randomization

Number of jail stays in three years prior

Number of arrests in three years prior to randomization

Number of custodial arrests in three years prior to randomization



The TOT estimate will be calculated using an instrumental variables (IV) estimate (Angrist, Imbens, & Rubins, 1996). The IV estimate is per person served, among those who comply with their referral assignment, which accounts for the fact that some people referred to H2H may not enroll and that some people in the control group may end up receiving services from the H2H. For example, all study participants can be divided into three types of individuals: (1) those who will always enroll in H2H regardless of whether they are referred to it or not; (2) those who will never enroll in H2H even if they are referred to it; and (3) those who comply with whatever referral assignment they are given, whether it is to enroll in H2H or to remain in the control group. The IV estimate represents the effect of H2H enrollment on study outcomes among this third group, the compliers. In the special circumstance where decisions to comply or not are independent of the study outcomes, the IV estimate also represents the average treatment effect.

*Calculation:* The IV estimate scales up the ITT estimate by the difference between the treatment group's and the control group's fractions enrolled in H2H. Conceptually, Urban will estimate the effect of referring an individual to H2H on enrollment in H2H in exactly the same manner as calculating the ITT above, except that the dependent variable in the model will be enrollment:

$$P_i = \alpha + \delta^T T_i + \sum_{n=1}^N \delta^n X_i^n + \varepsilon_i$$

Where  $P_i$  is 1 if the individual,  $i$ , enrolled in the program, regardless of whether they were in the treatment group or the control group. Enrollment will be defined as the participant having an initial housing lease-up (enrollment) date in SIB housing.  $T_i$  is an indicator equal to 1 for individuals assigned to the treatment group and 0 for individuals assigned to the control group.  $\delta^T$  is the parameter of the effect of getting randomly assigned into treatment on actual enrollment ( $P_i$ ).  $X^n$  is a vector of prerandomization covariates, and  $\beta^n$  is the vector of coefficients on the covariates,  $X^n$ .  $\varepsilon$  is the regression error term. The IV estimate is the ratio of the two estimates:

$$\text{TOT estimate} = \frac{\beta^T}{\delta^T}$$

In practice, the two equations will be estimated simultaneously using a two-stage least squares estimation procedure. In the first stage, the dependent variable (enrolling in the program) is regressed on the exogenous covariates plus the instrument (randomization into treatment). In the second stage, fitted values from the first-stage regression are plugged directly into the structural equation in place of the endogenous regressor (enrolling in the program). We will include the same covariates as used in the ITT regression.

Because the payment schedule specifies the payment amount in per-person-served units, the IV estimate will be the basis for the performance-based outcome payments. The IV estimate also represents the per-participant-served difference in mean jail days between the treatment and control groups, among those who comply with referral assignments.

**Determination of individuals included in jail day reduction analyses.** For the interim payment, all individuals who have been randomly assigned to the treatment or control group for at least two years before the last day of the observation period (10/31/2023) will be included for the ITT estimate of jail days. For the TOT estimate, we will define the treated group as all individuals who were leased up at least one year before the last day of the observation period (10/31/2024). If an individual has been in the defined treatment group for longer than two years, we will look at the first two years they were in the treatment group as defined for the analyses.

For the final payment, all individuals who have been randomly assigned to the treatment or control group for at least four years before the last day of the observation period (4/30/2025) will be included for the ITT estimate of jail days. For the TOT estimate, we will define the treated group as all individuals who were leased up at least one year before the last day of the observation period (4/30/2028). If an individual has been in the defined treatment group for longer than four years, we will look at the first four years they were in the treatment group as defined for the analyses.

For both jail payments, however, referrals will continue past the ITT and TOT cut-offs (if and when housing slots are open), since individuals enrolled in the treatment group after that point are still potentially eligible to generate housing stability payments.

The data sources and measures that will be used to calculate reduction in jail days are outlined in Table 7. Jail days will be collected from the Denver Sheriff Department at least every six months as specified in the data-sharing timeline within the evaluation contract.

TABLE 7  
**Data Sources and Measures for Calculating Reduction in Jail Days**

Data Source	Measures
Denver Sheriff Department	Unique research ID Jail entry date Jail exit date Facility

## Early Outcomes Termination Process

If the H2H partnership agreement is terminated early, the outcome measurements for payment purposes, if appropriate as specified in the H2H contract, will be calculated for all participants meeting the payment requirements before the early termination quarter, as outlined in the H2H contract.

## Minimum Detectable Effect Sizes

As stated in the previous section, based on our experience with the previous SIB evaluation, we expect approximately 16 percent of the supportive housing units to turn over every year and a take up rate of approximately 75 percent. In Table 8, we show minimum detectable effect sizes for the interim jail day report, final jail day report and the Medicaid outcomes final report. The interim jail day report will include all individuals randomized for SIPpra through 10/31/2023. Given our assumptions and the lease up timeline, we expect the sample size to be 328 individuals with 164 in treatment group and 164 in control group. This would allow us to detect effect sizes greater than 0.29. The final jail day report will include all individuals randomized for SIPpra through 4/30/2025. We expect the sample to be 440 with 220 in the treatment and 220 in the control group. This would allow us to detect effect sizes greater than 0.25. Finally for the Medicaid final report we will include all individuals randomized before 10/31/2027. We expect the sample size to be 574 with 287 in the treatment group and 287 in the control group. This would allow us to detect effect sizes of 0.21 or higher. Effect sizes of 0.2 or lower are considered small effect sizes and those between 0.2 and 0.5 are considered medium.

TABLE 8

### Minimum Detectable Effect Sizes

	Treatment	Control	Total	MDE
Jail Day Interim Report	164	164	328	0.286
Jail Day Final Report	220	220	440	0.247
Medicaid Final Report	287	287	574	0.216

**Notes:** Calculations are based on the following assumptions: Alpha is 0.05, 80% power, a two-tailed test, and R-squared of 0.15;

# Data Collection and Analytic Method for the Implementation Study

We will conduct the implementation study over the course of the evaluation by collecting and analyzing data at regular intervals. Early data collection, especially, will inform research design and evaluability. The implementation study will begin at enrollment and determine program flow—that is, the number of eligible individuals flowing through the initiative’s intake points on any given day, week, or month. The implementation study also will collect data on how service providers locate and engage individuals in the treatment group. To understand how service providers locate and engage individuals, and how those individuals take up (or don’t take up) the housing and services offered through the intervention, the implementation study will use tools such as an engagement dashboard and referral pipeline. These tools will be maintained in real time to inform both the research design and program model.

Answering research questions regarding program implementation and challenges will help identify important midcourse corrections. Identifying and evaluating the different program components is also critical to describing the entirety of the program model and interpreting the results obtained by the impact study.

Building from lessons from the process study component of the Denver SIB, we will assess the key components of the initiative, including the following:

- **Referral and intake process.** How individuals get to the program, how intake decisions are made, what tools are used, how the information collected by assessment tools is used, and changes over time.
- **Program components, requirements, and supportive services.** For individuals, including program duration and intensity, program features, rules, restrictions, how program components compare with usual care services, how components change over time, what types of services are offered, how the services are staffed and run, how providers design and implement services and how they differ from usual care, and how supportive services change over time for individuals.
- **Data and client tracking systems.** How service providers assess individuals over time, the nature and frequency of assessments and data monitoring by program, how data are used to influence program performance, and changes over time.

In addition to describing these key components, we will collect information on the larger environment in which the program operates. The Denver H2H initiative will operate within the criminal justice and other public systems that will have shifting processes for responding to the target population. We also will document the local housing market, which can create both opportunities and challenges for the program. Provider capacity may also differ. Some providers may be establishing new program models, while others are launching enhanced versions of existing activities; thus, each provider will have different capacities and experience. We will examine how all of these factors affect program design and implementation.

Finally, we will document what constitutes “usual care” in the Denver community as the program is implemented over time. In doing so, we will rely on the same components as we do in describing the program model, including the absence of components (e.g., housing subsidies and certain types of supportive services). Understanding the counterfactual—what housing and services the individuals in the target populations are likely to receive in the absence of the program—is critical to interpreting the results of the evaluation.

We anticipate using the following qualitative data collection mechanisms:

- **Document review.** We will request program policy manuals, training tools, and other relevant documents generated by the service providers about their activities.
- **Observation.** We will observe select program components and partner coordination; for example, we will attend management meetings and program meetings.
- **In-person staff interviews and provider or partner focus groups.** We will conduct annual in-person interviews with program staff and other appropriate staff respondents.
- **Phone interviews and conference calls.** We will conduct regular calls to get program and evaluation updates and encourage coordination among all partners.

The semi-structured interview and observation protocols we use during site visits to conduct interviews and focus groups with key informants and stakeholders will include discussion topics and questions that reflect key research areas, as will the tools used for extracting information from program documents. We will use a qualitative analysis software package, such as NVivo, to organize and categorize key themes and issues. Results will be presented qualitatively and also converted into a few key quantitative measures to be included in the impact analysis. We will develop an effective way to share timely findings from the process study.

# Data Security and Ownership

## Data Security

Data that is not publicly available will be provided to Urban via Secure File Transfer Protocol (SFTP) with password protection. This is the *only* acceptable method of providing data. The following methods are unacceptable: plain text e-mail, U.S. Postal Service with unencrypted CD-ROM, unsecure File Transfer Protocol (FTP), and all other methods that are not mentioned above.

Urban staff members will use PGP software to encrypt the administrative data file and password protect the hard drive. If we need to make backup copies of restricted data files, we will encrypt the files before the backup takes place. All restricted data and extracts will be encrypted. All backups of data onto CDs or DVDs will be stored in a locked file cabinet in the researcher’s office. Only research staff members who have signed confidentiality pledges will be allowed to access the data.

We will treat all data derived from restricted data in the same manner as the original restricted data. Data derived from restricted data include, but are not limited to, subsets of cases or variables from the original restricted data, numerical or other transformations of one or more variables from the original restricted data, and new variables constructed from the original data.

## Data Ownership

Urban will have full ownership of all data we collect for this study. We are bound by Urban Institute institutional Review Board (IRB)-approved standards of confidentiality and will not be able to turn over raw data to the City of Denver, the SPV, investors or any other stakeholders. In the event any of these entities requests an audit of the data to verify the outcomes reported by Urban, the requesting entity may select and fully pay for a qualified independent researcher to travel to Urban and conduct an audit of the data needed to verify the outcomes tied to the Denver H2H payment triggers. The qualified independent researcher must sign the confidentiality pledge signed by all members of the research team and would operate under the same IRB standards of confidentiality as the research team. The qualified independent researcher would have access to only the data outlined in Table 9 for verifying the outcomes tied to the Denver H2H payment triggers.

TABLE 9

**Data for Outcome Verification for Denver H2H Payment Triggers**

Data Source	Measures
-------------	----------

MHCD and CCH program data	Unique research ID Random assignment date Client housing screen outcome and date Client agreement to housing and date Voucher application outcome and date Voucher issuance date Voucher denial date Voucher denial reason Lease-up date Voucher loss reason and date
Denver Sheriff Department	Unique research ID Jail entry date Jail exit date Facility
Colorado Department of Health Care Policy and Financing	Unique research ID Beneficiary and provider enrollment Service utilization Claims and managed care data Expenditure data

In the event that Urban’s role as the independent evaluator is terminated and a new independent evaluator is selected, new data-sharing agreements must be negotiated between the new independent evaluator and each of the agencies from which data were collected before Urban can turn over any data to the new independent evaluator. It will be incumbent on the new independent evaluator to ensure that any necessary confidentiality and data security protocols are in place such that new data-sharing agreements can be signed with each administrative data agency to allow Urban to turn over any data already collected to the new independent evaluator.

## Reports and Findings

Final reports and findings will be presented in aggregate form only. No data will be presented in such a way that individuals could be identified. Frequencies and cross-tabulations will be sufficiently aggregated to protect individuals from identification through unique combinations of sensitive information and geographic identifiers. We may impose other restrictions based on our assessment of the data. All outcome reports as outlined in Table 11 will be publicly available, including findings from the implementation study. Urban may broadly disseminate publicly available findings through a variety of communication strategies, in collaboration with H2H partners and according to an agreed upon H2H communications protocol.

## Destruction of Data

All data will be destroyed by October 2031, or two years after all publications have been finalized. The Urban Institute will use PGP data encryption software to permanently destroy all data sets in a way that renders them unreadable.

# Project Monitoring and Outcome Reports

## Project Monitoring

For project monitoring purposes, the Urban Institute will maintain a bimonthly engagement dashboard (Appendix A) and a monthly pipeline dashboard (Appendix B). Data for these dashboards will be collected bimonthly from CCH and MHCD as specified in the data-sharing agreements with each service provider. The bimonthly engagement dashboard will track individual-level data on participant engagement and on enrollment in the program. Those data will be used by the service providers and Urban Institute to manage the randomization timeline and address any implementation challenges. Data from the engagement dashboard will be aggregated into a monthly pipeline dashboard that Urban will share with the City and SPV. The process for project monitoring will follow the schedule outlined in Table 10.

TABLE 10

### Project Monitoring Reports

Report Name	Frequency and Distribution	Description	Source
Engagement Dashboard	Bimonthly—data dashboard due to Urban twice per month	Individual-level data of client engagement and enrollment	CCH, MHCD, Urban
Pipeline Dashboard	Monthly—data dashboard due to the City on the 15th of each month	Aggregate number of referrals, assignments and housing outcomes	

**Note.** CCH = Colorado Coalition for the Homeless; MHCD = Mental Health Center of Denver

## Outcome Reports

Urban will submit outcome reports on housing stability starting in October 2023 and continuing annually thereafter, as indicated in Table 11, through the end of the project in October 2029. Urban will report outcome measurements on jail days for interim and final payment purposes in October 2025 and July 2029. Outcome measurement for net reduction in federal expenditures will be reported in the final evaluation report in July 2029. Outcome reports will be structured similarly to those provided to the Governance Committee for the related Denver SIB (Cunningham et al., 2018a), including updates on project implementation (Cunningham et al., 2018b). The final outcome report for SIPPR funding will be structured similarly to the steps and tables outlined in the Outcome Valuation Attachment of the H2H SIPPR application. All outcome reports will be delivered to the City and SPV by the 15th of the last month of the quarter, as outlined in Table 11. The final Wind Up Net Federal Expenditures Reductions Outcomes Report will be delivered to the federal government in September 2029.



TABLE 11

**Outcome Reports**

<b>Outcome Report Delivered</b>	<b>Period of Project Under Evaluation, Housing Stability</b>	<b>Housing Stability Outcomes Observed Through</b>	<b>Period of Project Under Evaluation, Jail Days</b>	<b>Jail days Outcomes Observed Through</b>	<b>Period of Project Under Evaluation, Federal Outlays</b>	<b>Federal Outlay Outcomes Observed Through</b>
2/15/24	Q1–6	10/31/23				
2/15/25	Q7–10	10/30/24				
2/15/26	Q11–14	10/30/25	Q1-14	10/31/25	Q1-14 <sup>a</sup>	10/31/25 <sup>a</sup>
2/15/27	Q15–18	10/30/26				
2/15/28	Q19–22	10/30/27				
2/15/29	Q23–26	10/30/28				
8/15/29	Q27–28	4/30/29	Q1-28	4/30/29	Q1-26	10/31/28

**Notes:** Urban’s ability to produce reports on time is dependent upon receiving accurate data from providers and other data-sharing agencies. Urban may request reasonable extensions for data delivery delays. Payment dates will be adjusted accordingly.<sup>a</sup> This report will be an initial analysis of federal expenditures for an early cohort of participants and will not be used for payment purposes.

# Appendix A. Biweekly Engagement Dashboard

ID	RA Date	Transferred	Date Located	Currently Engaged	Disengagement Reason	Disengagement Other Reason
Unique research identifier	Random assignment date	Whether the client was transferred to or from CCH/MHCD	The date this client was first located	Is this person currently engaged Y/N	If this person is no longer being engaged, why?	Only fill out this column in case of Disengagement Reason = Other

Passed Housing Screen	LOCUS	Date of Housing Orientation	Date of Lease Up	Housing Facility Type	Housing Type Reason	Total Months Homeless Directly before housing
Client passed SIB eligibility housing screen (Y-Chronic, Y-SIB definition, No)?	Level One- Recovery Maintenance and Health Management; Level Two- Low Intensity Community Based Services; Level Three- High Intensity Community Based Services; Level Four- Medically Monitored Non-Residential Services (ACT); Level Five- Medically Monitored Residential Services; Level Six- Medically Managed Residential Services.	Date housing orientation completed		RPMC or Scattered site?	This was on the list to keep but please review if we need other dropdowns	(Reported at Initial Intake)

Date of Exit 1	Exit 1 Type	Exit 1 Reason	Exit 1 Reason Other	Date of Housing Re-Entry After Housing Exit	Date of Exit 2	Exit 2 Type
Planned exit housing for: other permanent housing, residential treatment, prior offense incarceration, death? Leave blank if no exit. Unplanned exit for: voluntary voucher loss, lease violation voucher loss, other voucher loss? Leave blank if no exit. AL exit for: AL	Only fill out this column in the case of Exit 2 Reason = Other			planned, unplanned or AL	Planned exit housing for: other permanent housing, residential treatment, prior offense incarceration, death? Leave blank if no exit. Unplanned exit for: voluntary voucher loss, lease violation voucher loss, other	Only fill out this column in the case of Exit 3 Reason = Other

voucher loss? Leave blank if no exit. AL exit for: AL

Exit 2 Reason	Exit 2 Reason Other	Date of Housing Re-Entry After Housing Exit 2	Date of Exit 3	Exit 3 Type	Exit 3 Reason	Exit 3 Reason Other
Planned exit housing for: other permanent housing, residential treatment, prior offense incarceration, death? Leave blank if no exit. Unplanned exit for: voluntary voucher loss, lease violation voucher loss, other voucher loss? Leave blank if no exit. AL exit for : AL	Only fill out this column in the case of Exit 2 Reason = Other			planned, unplanned or AL	Planned exit housing for: other permanent housing, residential treatment, prior offense incarceration, death? Leave blank if no exit. Unplanned exit for: voluntary voucher loss, lease violation voucher loss, other voucher loss? Leave blank if no exit. AL exit for : AL	Only fill out this column in the case of Exit 3 Reason = Other

Date of Housing Re-Entry After Housing Exit 3	Date of Exit 4	Exit 4 Type	Exit 4 Reason	Exit 4 Reason Other
		planned, unplanned or AL	Planned exit housing for: other permanent housing, residential treatment, prior offense incarceration, death? Leave blank if no exit. Unplanned exit for: voluntary voucher loss, lease violation voucher loss, other voucher loss? Leave blank if no exit. AL exit for : AL	Only fill out this column in the case of Exit 4 Reason = Other

# Appendix B. Monthly Pipeline Dashboard

	Total	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
<b>Referrals</b>								
<b>Total on eligibility list</b>								
<b>Individuals meeting criminal justice criteria</b>								
<i>Arrest</i>								
<i>Police contact</i>								
<i>Jail</i>								
<b>Individuals meeting criminal justice and ED visit criteria</b>								
<b>Eligible individuals randomized</b>								
Control								
<b>Treatment</b>								
# Not found								
# Found								
<i>Failed housing screen</i>								
Passed housing screen								
<i>Agreed to housing</i>								
<i>Refused program</i>								
<i>Found ineligible for voucher</i>								
<b>Housing</b>								
<b># Available slots</b>								
<b># Issued voucher</b>								
# Not leased up								
<i>Still looking for housing</i>								
<i>Voucher expired</i>								
<i>Lost voucher</i>								
<i>Other</i>								
<b># Leased up</b>								
<b># Exited housing</b>								
Planned exit event								
<i>Other permanent housing</i>								
<i>Residential treatment/other</i>								
care								
<i>Prior offense incarceration</i>								
<i>Death</i>								

violation	Unplanned exit event		
	<i>Lost voucher—voluntary</i>		
	<i>Lost voucher—lease</i>		
	<i>Lost voucher—incarceration</i>		
	<i>Lost voucher—other</i>		

# Appendix C. SIPPRA H2H Housing Screen

Client Name: \_\_\_\_\_

**Part I.** Disabling Condition (*Check appropriate box(es)*):

- ☐ The person has a disability as defined in Section 223 of the Social Security Act of (42 U.S.C. 423);
- ☐ The person has a developmental disability as described by Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7));
- ☐ The person has a physical, mental or emotional impairment that:
  1. is expected to be of long-continued and indefinite duration;
  2. substantially impedes his or her ability to live independently, and
  3. is of such a nature that ability to live independently could be improved by more suitable housing conditions.

Acceptable forms for documenting a person's disability status are as follows and must be completed by a licensed professional: (*One of the following must be obtained*)

- ☐ Med-9 indicating permanent disabling condition for 12+ months
- ☐ Social Security Statement Indicating Disability Status
- ☐ Signed disability Verification Form
- ☐ Signed letter (on letterhead) from social service agency confirming disability
- ☐ Hospital record stating disability or mental health diagnosis

**Part II.** Literal Homeless Status (*Check ONE*):

- \_\_\_\_ Has a primary nighttime residence that is a public or private place not meant for human habitation
- \_\_\_\_ Is living in a publicly or privately-operated shelter designated to provide temporary living arrangements (including congregate shelters, bridge housing, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state and local government programs)
- \_\_\_\_ is in rapid re-housing or supportive housing for homeless persons who was originally chronically homeless and came from the streets or emergency shelters; and/or in any of the above places but is spending a short time (up to 90 consecutive days) in a hospital or other institution.

- \_\_\_ is exiting an institution where they resided for 90 days or less AND were residing in emergency shelter or place not meant for human habitation immediately before entering institution.
- \_\_\_ is an individual fleeing or attempting to flee domestic violence, dating violence, sexual assault, stalking, or other dangerous or life threatening conditions related to violence, who have no identified subsequent residence; AND lack the resources and support networks needed to obtain other permanent housing.

**Part III. Chronically Homeless Status (Check ONE):**

- ☐ **The individual has been continuously homeless for a year or more.**
- ☐ **The individual has had four (4) episodes of homelessness in the last three (3) years that total at least 12 months (3 months self-report; 9 months 3<sup>rd</sup> Party Verification)**
- ☐ **The individual has a total of 12+ months of homelessness in the past 3 years and meets Dedicated Plus criteria for CoC programs: <https://www.hudexchange.info/faqs/3284/what-is-a-dedicatedplus-project/>**

Part II or III is supported by Third Party Certification, which includes dates and locations of homelessness, from one or more of the following: *Check ALL that apply.* This third party or narrative verification should include dates and locations of episodes of homelessness. Verification Levels should be attempted in order from 1 through 4. Narrative should include date(s) attempted for third party verification and date(s) completed as appropriate.

**First Level of Verification**

- ☐ Signed Third Party letter(s) on agency letterhead from a shelter worker, homeless service provider, outreach worker, other healthcare or human service provider attesting to homelessness. Print outs from HMIS database documenting episode(s) of homelessness can be used with written narrative explaining such.

**Second Level of Verification**

- ☐ Signed written documentation on agency letterhead by Intake Worker of phone/in person/email conversations with a shelter worker, homeless service provider, outreach worker, other healthcare or human service provider attesting to homelessness. Print outs from HMIS database documenting episode(s) of homelessness can be used with written narrative explaining such.

**Third Level of Verification**

- ☐ Signed written documentation on agency letterhead by Intake Worker of their observations of the client's housing history attesting to homelessness. Housing history should include length of stay at each place during the past 4 years if possible. Print outs from HMIS database documenting episode(s) of homelessness can be used with written narrative explaining such.

**Fourth Level of Verification**

- ☐ Signed & notarized written documentation by client of their homelessness status along with a housing history showing episode(s) of homelessness during the past 4 years.

Staff Name: \_\_\_\_\_

Staff Title: \_\_\_\_\_

Organization: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Instructions:** This Homelessness History Summary provides a suggested timeline to be used by individuals who receive funds for programs targeted to chronically homeless persons. It may be used to analyze whether the chronology of a homeless person's history meets the time frame for the definition of chronic homelessness.

Time Period	Location/Narrative	Documentation? y/n



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## Exhibit C: Project Budget and Operating Account Balance

### Project Budget

Project Budget									
	2022	2023	2024	2025	2026	2027	2028	Wind-up	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7		
CCH	\$ 1,604,374	\$ 1,252,020	\$ 1,289,580	\$ 1,328,268	\$ 1,368,117	\$ 1,409,160	\$ 1,451,434	\$ -	\$ 9,702,952
MHCD	\$ 81,250	\$ 87,408	\$ 93,995	\$ 100,936	\$ 108,158	\$ 115,787	\$ 123,851	\$ -	\$ 711,385
DHHA	\$ 50,046	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,046
SPV	\$ 239,495	\$ 165,112	\$ 165,112	\$ 165,112	\$ 165,112	\$ 165,112	\$ 165,112	\$ -	\$ 1,230,167
Contingency reserve	\$ 55,450	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,450
Subtotal	\$ 2,030,615	\$ 1,504,540	\$ 1,548,687	\$ 1,594,316	\$ 1,641,387	\$ 1,690,059	\$ 1,740,397	\$ -	\$ 11,750,000
Wind-down reserve adjustment	\$ 284,628	\$ 61,265	\$ 11,407	\$ 11,768	\$ 12,168	\$ 12,585	\$ (393,821)	\$ -	\$ -
TOTAL	\$ 2,315,243	\$ 1,565,805	\$ 1,560,094	\$ 1,606,083	\$ 1,653,555	\$ 1,702,643	\$ 1,346,576	\$ -	\$ 11,750,000

### SPV Operating Account Balance

SPV Operating Account End of Quarter Balance			
Q1	Q2	Q3	Q4
\$598,638	\$474,615	\$350,546	\$394,785
Q5	Q6	Q7	Q8
\$390,963	\$391,109	\$391,256	\$402,440
Q9	Q10	Q11	Q12
\$402,591	\$744,578	\$586,693	\$435,496
Q13	Q14	Q15	Q16
\$414,811	\$414,967	\$415,122	\$427,046
Q17	Q18	Q19	Q20
\$427,206	\$427,366	\$427,526	\$439,855
Q21	Q22	Q23	Q24
\$440,020	\$440,185	\$440,350	\$453,099
Q25	Q26	Q27	Q28
\$453,269	\$453,439	\$453,609	\$59,958

**Exhibit D-1: Independent Evaluator Agreement**

See attached

## Urban Institute Scope of Work

The Urban Institute agrees to the following scope of work and specifics included in **Exhibit C** the **Evaluation Design**.

### ***I. Task 1: Referral and Randomization—Management & Coordination***

- a. Based upon the eligibility criteria established in the Research Design and in accordance the Denver Housing to Health (H2H) Pay for Success Contract between the City and SPV (the “H2H Contract”) in coordination with the City of Denver (“City”)—including the Denver Police Department, the Denver PFS, LLC (i.e, H2H Special Purpose Vehicle (“SPV”)), and Colorado Coalition for the Homeless (“CCH”) and WellPower, the Urban Institute (“Urban”) will:
  - i. Establish a list of eligible participants for the H2H initiative;
  - ii. Lead and coordinate a randomization process needed to identify the proper number of individuals needed to fulfill the Research Design;
  - iii. Lead and coordinate a referral and hand-off process for those individuals identified as the group receiving treatment;
  - iv. Facilitate a housing screen that will screen out individuals who are not considered homeless according to the Research Design;
  - v. Support a Release of Information process for those participants receiving treatment; and
  - vi. Lead and coordinate ongoing updates to the PFS eligibility list and randomize individuals in accordance with Service Provider needs.
- b. As a part of this task, Urban will work with all program partners to address ongoing challenges and referral and enrollment difficulties, including but not limited to:
  - i. Attending operating committee meetings and governance committee meetings as outlined in the H2H Contract;
  - ii. Providing ongoing and timely support to City, SPV, and Provider staff involved with the project; and
  - iii. Generating proposals for improving processes to ensure adequate referral and enrollment levels are met.

### ***II. Task 2: Process Study—Data Collection***

- a. Key process-related information is necessary to manage implementation, including the housing and referral pipeline, and to make mid-course corrections to keep the initiative on track to achieve long-term outcomes. Process information will also help interpret the results of the impact evaluation based on documentation of the program model and participant engagement. To collect data and conduct the process study, Urban will:
  - i. Manage an engagement dashboard;
  - ii. Manage a housing enrollment pipeline;
  - iii. Conduct annual site visits and key respondent interviews with service providers and other important stakeholders; and
  - iv. Review program-related documents such as training manuals, standard operating procedures, or other descriptions of program components.

### ***III. Task 3: Impact Study—Data Collection***

- a. In accordance with the H2H Contract, Urban will collect and certify the validity of the data and calculations used to inform Success Payment. Specifically, Urban will:
  - i. Collect and validate Service Provider data on participant exits from housing and measure days spent in housing;
  - ii. Collect and validate Denver Sheriff Department data on jail days and measure the impact of the Program on the target population's jail days; and
  - iii. Collect and validate HCPF data on healthcare utilization to measure the impact of the program on Medicaid and Medicare billing.
- b. In addition to the measures outlined in the H2H Contract, Urban will collect and certify the validity of the data and calculations used to measure additional outcomes. These outcomes include, but are not limited to:
  - i. Whether outcomes differ for participants housed in scatter-site versus single-site units;
  - ii. Police contacts and continued criminal justice involvement; and
  - iii. Homelessness system utilization and costs.
- c. In the event of an early termination of the H2H Contract, Urban will collect and certify the validity of the data and calculations used to inform the early success payments as outlined in the H2H Contract and Research Design. Additionally, Urban will work with the City to determine what additional reports and outcomes can be documented at the point of early termination.
- d. In the event that that an insufficient enrollment difference exists as defined in the Research Design, Urban will collect and certify the validity of the data and calculations used to inform Success Payments in accordance with the Alternate Analysis Plan for Triggers Payments outlined in the Research Design.

### ***IV. Task 4: Reporting and Dissemination***

- a. Urban will provide timely and comprehensive reports as outlined in the Research Design and as required under the H2H Contract between the City and SPV to the City, SPV, Providers, and Lenders. Urban will also provide performance reports to the City on a quarterly basis that describe project activities during the reporting period to facilitate the City's quarterly submission of those reports to Treasury. Urban shall also provide timely and comprehensive reports as described pursuant to Section 2 of Schedule 1 of the Federal Grant and 42 U.S.C. §§ 1397n-4(d) and (e) to Treasury and the Chair of the Federal Interagency Council on Social Impact Partnerships. Lenders to receive reports are those lenders that have a Lender Agreement with the SPV for the PFS project.
- b. For project monitoring purposes, Urban will maintain a biweekly engagement dashboard and monthly pipeline dashboard as outlined in the Evaluation Design. Data for these dashboards will be collected at least biweekly from

the Service Providers. The biweekly engagement dashboard will track individual-level data on participant engagement and enrollment in the program to be used by the service providers and Urban to manage the randomization timeline and address any implementation challenges. Data from the engagement dashboard will be aggregated into a monthly pipeline dashboard that Urban will share with the City, SPV, Providers, and Lenders.

The process for project monitoring will follow the schedule outlined in the Research Design.

- c. Urban will conduct the outcome measurements on housing stability for interim payment purposes and submit outcome reports starting in quarter 8 and continuing every 12 months thereafter as indicated in the Evaluation Design through the evaluation project wind up in quarter 30. Urban will conduct the outcome measurements on jail days for one interim and one final payment and submit the outcome report in quarter 16 and in the evaluation project wind down in quarter 30. Urban will conduct the outcome measurements on Medicaid and Medicare billings (federal outlay outcomes) for a final payment and submit the outcome report in the evaluation project wind down in quarter 30. Outcome reports will be delivered to the City, SPV, Providers, and Lenders as outlined in the Research Design and H2H Contract. In furtherance of this task, Urban will calculate Housing Stability Success Payments, Jail Day Reductions Success Payments, and Federal Outlay Outcomes and prepare the related certifications as described under the Pay for Success Contract.
- d. In the event the City, SPV or Lenders dispute any of Urban's calculations and certifications described above, Urban shall attempt to cooperate in the resolution of such dispute in accordance with Section 4.02 of the Pay for Success Contract.
- e. At the conclusion of the evaluation or in the event of early termination of the H2H Contract, Urban will provide the City with an evaluation report that captures an overview of the evaluation, key findings, and outcomes—including but not limited to:
  - i. Methodology used to evaluate the H2H program;
  - ii. Process study findings and recommendations; and
  - iii. Impact study data (aggregate), outcomes, findings, and recommendations.

## **Exhibit D-2: Project Management and Fiscal Agent Agreement**

### **Description of Services**

#### **A. FINANCIAL MANAGEMENT**

1. Establish and maintain SPV Operating Account.
2. Develop the accounting and financial procedures regarding administration of SPV Operating Account.
3. Develop the following policies and procedures:
  - (a). Daily transaction procedures for cash management, cash receipts, and cash disbursements;
  - (b). Financial reporting, including but not limited to financial statements, cash flow, and budget to actual analysis;
  - (c). Compliance with Loan Documents and all applicable provisions of Partnership Agreement.
4. Receive disbursements from Lenders (according to draw schedule set forth under Partnership Agreement).
5. Make interest payments and outcome payments (if any) to Lenders.
6. Pay fees and expenses on behalf of the SPV, including payments to Service Providers:
  - (a). Prepare checks or ACHs for the payment of Total Project Costs and fees as described in the Partnership Agreement and prepare wire transfer instructions for the authorization of the payment amounts owed under the loan documents, in each case for the signature or authorization of the SPV.

#### **B. FINANCIAL REPORTING**

1. Maintain all financial records as required under Partnership Agreement and as required under the Loan Documents.
2. Prepare quarterly account reconciliations of actual expenditures to the anticipated expenditures set forth under Section 5.03 of the Partnership Agreement.
3. Retain and oversee external auditors to prepare for any audits of SPV and to prepare any audited financial statements required during the Term and oversee the preparation of and provide, when due, to the appropriate entity the financial audits required by the Program;



4. Oversee the preparation of quarterly financial statements, due within forty-five (45) days following the end of each quarter;
5. Provide access to all financial records maintained on behalf of SPV to any Lenders and the City in accordance with the Partnership Agreement and the Loan Documents and to CSH in accordance with the SPV's operating agreement.
6. Assist SPV in complying with any filing requirements of any government authority having jurisdiction over SPV (e.g., the filing of any required City vendor compliance forms).

**C. FUNDER COMMUNICATION**

1. Provide notice to City and Lenders of SPV Operating Account and wire transfer instructions and changes thereto.
2. Respond to periodic inquiries from Lenders regarding SPV Operating Account and related balances, deposits and disbursements.
3. As requested, assist the City in complying with required financial reporting to the Department of Treasury pursuant to the SIPpra award for this initiative by providing requested financial information and/or filling out templates provided by the City for such reporting.
4. As requested, assist the City in complying with required programmatic reporting to the Department of Treasury pursuant to the SIPpra award for this initiative by provided requested information and/or filling out templates provided by the City for such reporting.

**D. PROJECT OVERSIGHT AND ADVISORY SERVICES**

1. Monitor the day-to-day operations of the Program.
2. Support provider performance to ensure housing and services adhere to evidence-based practice:
  - (a). Provide ongoing technical assistance around the CSH Dimensions of Quality Supportive Housing, including the Housing First philosophy;
  - (b). Provide expert advice that raises the quality of permanent supportive housing in Denver, Colorado.
3. Support providers to ensure housing placements:
  - (a). Work collaboratively with City and State housing agencies and other stakeholders to identify and resolve any obstacles to accessing and utilizing housing vouchers;

- (b). Identify and support the resolution of any obstacles to on-time lease up of new construction buildings.
- 4. Review Provider reports; ensure such reports are timely and complete.
- 5. Identify Program implementation challenges and work with Partnership Agreement parties and other Program stakeholders to facilitate Program adjustments in the interest of improving service delivery and efficiency of the Program.
- 6. Assist Providers with reporting and other administrative tasks that are specifically related to the project, as requested.

**E. STAFF THE OPERATING COMMITTEE**

- 1. Serve as a member of the Operating Committee.
- 2. Staff the Operating Committee, which includes:
  - (a). Scheduling meetings;
  - (b). Raising agenda items and facilitating group discussions;
  - (c). Preparing and circulating all meeting materials including: agenda, minutes, evaluator's reports, provider updates, financial reports, etc.;
  - (d). Coordinate and manage membership.
- 3. Liaison to any additional consultant services provided to the Program, if any.

**F. STAFF THE GOVERNANCE COMMITTEE**

- 1. Serve as a member of the Governance Committee, with particular attention to:
  - (a). Determine if program launch conditions have been met.
- 2. Staff the Governance Committee, which includes:
  - (a). Scheduling meetings (meetings shall be held once per Quarter or as members shall deem appropriate as set forth under Section 5.02 of the Partnership Agreement);
  - (b). Raising agenda items and facilitating group discussions;
  - (c). Preparing and circulating all meeting materials including: agenda, minutes, evaluator's reports, provider reports, financial reports, etc.);
  - (d). Coordinate and manage membership.

**G. INVESTOR RELATIONSHIPS**

1. Provide any required notices to Lenders under the Partnership Agreement and under the Loan Documents.
2. Populating the Program's financial model and calculating the amounts owed to Lenders in accordance with the Loan Agreement.

**H. COMMUNICATION WITH ALL PARTIES**

1. Advising of any events of default by Service Provider.
2. Act as central point of contact for all media inquiries, requests for information.
3. Assist all parties with communications per the communications protocol.

## **Exhibit D-3: Service Agreement with CCH**

### **DESCRIPTION OF SERVICES AND PROJECT BUDGET**

#### **I. Program Description and Service Guidelines**

##### **A. Overview**

Provider will use a modified Assertive Community Treatment (“ACT”) team model of community-based clinical services, integrated with a flexible array of housing options delivered through an evidence-based Housing First approach to provide housing and supportive services for the costliest members of the population of focus as described below.

##### **B. Enrollment**

After an individual has been deemed eligible for the Project, has consented to participation in the Evaluation Plan, and has been randomly assigned to be served by Provider through the Project, the individual will be referred by the City via the Referral Coordinator with the Denver Department of Health & Environment (“DDPHE”) to Provider. Provider will process the referrals in accordance with the following client pathway:

1. Pre-Engagement Period. Upon receipt of a Referral, Provider will attempt to engage the referred individual to participate in the Project as a client. If the referred individual has an existing relationship with Provider or with another service provider in the area, the primary service and case management responsibilities will be transferred to Provider as clinically appropriate and upon approval of the client and existing treatment team to the greatest extent possible. The City will assist Provider in locating and making contact with individuals who are the subject of a Referral as follows: (i) the DDPHE referral coordinator will link the unique research IDs back to the individual identifiers (i.e., names and as much information as is available from the intake points) on the master eligibility list, and (ii) Denver Health and Hospital Authority (“Denver Health”) along with co-responder staff within the Denver Police Department (“DPD”) will assist Provider in locating eligible individuals and engaging referred individuals to the extent possible.

2. Screening. Providers will engage clients in the treatment group for a minimum of three (3) months, as described in the Evaluation Plan, before stepping down the engagement and requesting a new referral. After being located, individuals must also pass the housing screen tool as described in the Evaluation Plan (the “Housing Screen”) to confirm homelessness and continue engagement toward housing placement. While the Housing Screen will only screen out any individuals who are not considered homeless according to the Housing Screen requirements, it will also screen for chronic homelessness which will help determine the most appropriate housing subsidy for the individual.
3. Assignment to Case Management Treatment Team and Clinicians. Within two (2) months of initial contact with the client, Provider will assign the client to a case management team and, through such case managers and clinicians, will conduct a full mental health assessment of the client, establish and implement a Treatment Plan (as defined below) for the client, identify barriers to housing for the client, and address other pressing client needs.
4. Provider will directly or indirectly provide Services for at least one hundred (100) clients during the first year (commencement through December 31, 2022). Provider will directly or indirectly provide Services for at least one hundred (100) cumulative clients annually during later phases of this Agreement (after January 1, 2023).

### **C. Housing Services**

1. From initial contact with the client, Provider will assess the client’s particular housing needs, establish a housing stability plan, and work with the client to access and maintain appropriate housing.
2. Provider’s housing placement and support services will include housing search and location, landlord outreach, teaching housing skills, lease negotiation, establishing a housing stability plan, conflict mediation, subsidy administration and other key functions. In addition, Provider will assertively engage and offer services to tenants to maximize their tenure in housing including assistance with maintaining their household and finances, independently performing activities of daily living, developing community living skills, maximizing tenant safety and security, guarding against predatory guests and illegal activity in their unit, and generally upholding the terms of their lease. Providers will actively communicate with landlords and property managers to advocate on behalf of tenants, prevent avoidable evictions, and intervene and mitigate crisis situations.
3. Provider will ensure that all clients served have access to housing units

that are affordable on an ongoing basis. This is defined as meaning that the tenant household ideally pays no more than thirty percent (30%) of its household income toward rent and utilities, and never pays more than fifty percent (50%) of income toward such housing expenses.

4. As part of ensuring this affordability, Provider will work with the City and County of Denver and the State of Colorado Department of Local Affairs to ensure that each client is connected to a rental subsidy or rental assistance that ensures that their rent is affordable. This also includes connecting up to 25 project participants served by the Mental Health Centers of Denver with rental subsidy as outlined and agreed upon in Colorado Coalition for the Homeless's ("CCH") contract with the City of Denver's Department of Housing Stability ("HOST"). The SPV and SIPRA project partners will continue to work with CCH to identify additional housing subsidies as needed.

#### **D. Supportive Services**

All services will be voluntary and driven by individual choice. Recognizing that individuals may initially refuse assistance or services, provider will assertively and creatively engage tenants, including engaging clients multiple times and in multiple settings, to maximize participation in services. The delivery of all services will be guided by the principles of cultural competence, trauma informed care, recovery, and resiliency with an emphasis on building enrollee strengths and resources in the community, with family, and with their peer/social network.

1. Provider will offer and provide clients with a variety of services as deemed clinically appropriate based on assessed needs. Services provided will be designed to help clients (i) address barriers to housing stability, (ii) manage mental illness and other disabling conditions, (iii) reduce interaction with the justice system (number of jail days), and (iv) improve health outcomes. At the outset of each client's engagement in the Project, Provider will work collaboratively with the client to develop a Treatment Plan (as defined below).
2. Provider's Services will include, as appropriate for and desired by each client, intensive case management, crisis intervention, substance use counseling, mental health treatment, peer support, skills building, connection to primary care, and various other services identified as necessary in each client's Treatment Plan (as defined below).
3. A treatment plan ("Treatment Plan") will be developed consistent with the principles of client choice, wellness and recovery.

- a. Provider will work with the client to develop individualized goals in relation to housing. Other goals may be related to health maintenance, medication management, peer relations, social activities, relapse prevention and/or other individualized needs based on clinical necessity.
- b. The client will be primarily responsible for establishing the specific goals that define his/her desired quality of life.
- c. The Treatment Plan will specify clinical interventions that will be used to assist the client in meeting identified goals.
- d. The Treatment Plan will define the roles and responsibilities of all parties involved in the development of the treatment plan.
- e. The Treatment Plan may be used to help clients identify, cultivate and sustain relationships with peers, family members, neighbors, and others as clinically appropriate to create a network of support that will build the well-being of clients.

#### **E. Modified ACT Team**

1. Individuals will likely come from culturally and linguistically diverse backgrounds, requiring that Modified ACT staff practice “cultural competence” which emphasizes the acquisition of cultural knowledge and the proper application of that knowledge when working with individuals from a variety of cultures. This requires that Case Management & Treatment staff understand and implement the following practices:
  - a. “Cultural humility” emphasizes adopting the perspective that individuals and families are the best source of information concerning cultural issues that impact their care.
  - b. “Cultural sensitivity” encourages providers to begin with the assumption that cultural differences exist even when none are apparent and continuously apply themselves to understanding as much as possible about the cultural lens through which each individual and family views and experiences the outside world.
2. Clients will have access to the Modified ACT Team or mobile crisis support twenty-four (24) hours a day seven (7) days per week.

3. Housing Counseling Services. Each client will have access to Housing Counseling services, it being understood that the Housing Counseling services may be provided by a designated Housing Specialist or by a case manager or other staff person with housing expertise.
4. The Modified ACT Team shall operate substantially in accordance with CSH's "Dimensions of Quality" Supportive Housing as provided here: <https://www.csh.org/resources/dimensions-of-quality-supportive-housing-guidebook/>.
5. The Modified ACT Team shall assist clients in obtaining and maintaining permanent housing utilizing resources that are available through resources other than those outlined in Section I.C.4, as applicable.
6. The Modified ACT Team shall use clinical interventions such as motivational interviewing to assist the client in engaging and linking with integrated health services, as deemed clinically appropriate.
7. The Modified ACT Team shall assist each client in obtaining supplemental income, health insurance and other federal, state, or local benefits for which they are eligible if the client is willing.
8. The Modified ACT Team has final accountability for assuring that all services identified in the treatment plan are offered to all clients, acknowledging that clients ultimately have self-determination in regards to whether or not they engage in offered services.
9. The Modified ACT Team shall deliver or collaborate with other community agencies to provide for the delivery of all services identified in the Treatment Plan.
10. Modified ACT services will "meet clients where they are" physically and figuratively. As a general rule, most case management services shall be provided in the field where clients conduct their lives—in the clients' home or in other community locations—allowing individuals to learn and practice skills in the actual environment where they will be using them, rather than in clinic or office settings.
11. The Modified ACT Team, when appropriate and where in alignment with the client's treatment plan, shall link clients with education services (e.g., general education programs, technical/trade schools) and develop action steps in the Treatment Plan related to educational



opportunities that will contribute to successful workforce participation.

12. The Modified ACT Team shall take a Housing First approach to housing.
13. The Modified ACT Team shall work with clients to identify and access other medical and dental services.
14. The Modified ACT Team shall provide or link clients with appropriate health promotion education.
15. The Modified ACT Team shall conduct “in-reach” services to clients who are currently incarcerated in order to complete intake and housing paperwork with clients before they are exited from jail (as possible based on jail visitor rules and policies). Once housed, the Modified ACT Team shall make reasonable effort to attend court with clients and provide advocacy as requested to probation and parole offices. This may require periodic coordination with the Denver Sheriff’s or Police Offices, City and County Judges or offices of probation or parole. For some clients, periodic coordination may be required with sheriff’s, police, judges, probation or parole offices in areas outside of Denver across the seven-county Denver Metro area.
16. If the Modified ACT Team determines that an enrollee requires psychiatric inpatient care or other residential treatment, those services shall be provided through current agency processes. However, the Modified ACT Team will provide continued contact with the client and appropriate treatment staff.
17. If the Modified ACT Team determines that an enrollee requires placement assisted living, the ACT team will work with the participant to identify the most appropriate assisted living facility where an occupancy agreement can be signed. The Modified ACT team will continue to provide the full range of Modified ACT services to the enrollee while they reside in the assisted living facility to ensure their ongoing housing stability.
18. Modified ACT staff will attend all required meetings, seminars and other collaborative events scheduled by SPV. SPV will provide advance notice of any scheduled sessions to the greatest extent possible.

## **F. Population of Focus**

As described in the Evaluation Plan, the population of focus for this initiative are adults who meet all of the following criteria:

1. Experiencing homelessness at the time of referral
2. High utilizers of City justice/jail services, indicated by:
  - a. at least eight (8) arrests—at least three (3) of which are marked as transient—over a period of three (3) years in Denver County;
  - b. at least one police contact in the last year
3. At high risk for avoidable and high-cost health services paid through Medicaid, including services received at Denver Health.

## **II. Staffing Requirement**

### **A. Projected Staff**

Based on modified ACT principles and available funding resources, Provider will maintain a target staff-to-client ratio of one (1) staff member to every ten (10) clients and no less than one (1) staff person to every twelve (12) clients. Services will be delivered in a team-based model in which team members are in close communication and clients may receive services from any team member depending on their preferences and needs. Exact staffing for each team will vary but should include personnel to address the following functions:

1. Team Leader/Manager: This role is a full-time leader of the team and a practicing clinician on the team.
2. Psychiatrist/Psychiatric Nurse Practitioner: A psychiatrist or psychiatric nurse practitioner who works on a full-time or part-time basis. The psychiatrist/psychiatric nurse practitioner provides clinical services to all modified ACT clients and works closely with the team leader and team members to monitor clients and direct relevant treatment.
3. Nurse: A part- or full-time nurse who will work to identify and collaborate with medical personnel for assessment and treatment as an

active member of the treatment team.

4. Behavioral Health Treatment Provider(s): At least, one to two (1-2) full-time staff with certified expertise in providing treatment to persons with behavioral health diagnoses including substance use disorders.
5. Peer Specialist: A staff member who is or has been a recipient of mental health services for serious mental illness and/or other life experience with homelessness and/or the justice systems.
6. Case Managers with expertise as Housing Counselors, Vocational Specialists and/or Jail/Court Liaison.
7. Housing Specialist: at least one (1) staff member who has expertise in supporting tenants in housing and who is focused on promoting ongoing housing stability. This may be a case manager or another role on the team.
8. Outcomes Specialist/Administrative Assistant: Non-clinical staff member that provides support with organizing records, monitoring and reporting functions, and facilitating communication among the team members.

## **B. Notification**

Provider shall notify SPV of staffing changes and provide actual staffing numbers and costs at year end.

## **III. Data Reporting**

### **A. The Data Dashboard**

1. As identified in the Evaluation Plan, data dashboard reports will be completed for all enrolled clients by the Case Management & Treatment team and submitted to the Evaluator via Secure File Transfer Protocol (SFTP) at least two times per month.
2. Provider is responsible for training staff on completing and submitting the data dashboard. Provider shall enter all relevant and required client data into the data dashboard.

## **B. Medicaid Billing**

Within ninety (90) days following the end of each program year, Provider will analyze and report to the Project Manager the amount of services provided to Project clients that have been successfully billed to Medicaid and reimbursed to Provider. The Project Manager will review the report and submit to the Governance Committee for review.

## **IV. Operating Committee and Governance Committee.**

1. Provider shall cause the Team Leader/Manager or a qualified designee to attend, in person, videoconference or by phone, any Operational Meetings (as that term is defined in the Partnership Agreement) and to deliver all data and program metrics to the Project Manager as required under the Partnership Agreement, including all required Service Provider Reports.
2. Provider shall cause the Team Leader/Manager to attend, in person, videoconference or by phone, any Governance Committee Meetings (as that term is defined in the Partnership Agreement) if invited by the City or the Project Manager (at the direction of SPV) at least three (3) business days prior to the meeting, provided that notice may be provided on one (1) business days' notice if an urgent matter is on the agenda.

## **Exhibit D-4: Service Agreement with WellPower**

### **DESCRIPTION OF SERVICES AND PROJECT BUDGET**

#### **II. Program Description and Service Guidelines**

##### **A. Overview**

Provider will use a modified Assertive Community Treatment (“ACT”) team model of community-based clinical services, integrated with a flexible array of housing options delivered through an evidence-based Housing First approach to provide housing and supportive services for the costliest members of the population of focus as described below.

##### **B. Enrollment**

After an individual has been deemed eligible for the Project, has consented to participation in the Evaluation Plan, and has been randomly assigned to be served by Provider through the Project, the individual will be referred by the City via the Referral Coordinator with the Denver Department of Health & Environment (“DDPHE”) to Provider. Provider will process the referrals in accordance with the following client pathway:

1. **Pre-Engagement Period.** Upon receipt of a Referral, Provider will attempt to engage the referred individual to participate in the Project as a client. If the referred individual has an existing relationship with Provider or with another service provider in the area, the primary service and case management responsibilities will be transferred to Provider as clinically appropriate and upon approval of the individual, respecting patient choice of provider, and existing treatment team to the greatest extent possible. The City will assist Provider in locating and making contact with individuals who are the subject of a Referral as follows: (i) the DDPHE referral coordinator will link the unique research IDs back to the individual identifiers (i.e., names and as much information as is available from the intake points) on the master eligibility list, and (ii) Denver Health and Hospital Authority (“Denver Health”) along with co-responder staff within the Denver Police Department (“DPD”) will assist Provider in locating eligible individuals and engaging referred individuals to the extent possible.
2. **Screening.** Providers will engage clients in the treatment group for a minimum of three (3) months, as described in the Evaluation Plan, before stepping down the engagement and requesting a new referral. After being located, individuals must also pass the housing screen tool

as described in the Evaluation Plan (the “Housing Screen”) to confirm homelessness and continue engagement toward housing placement. While the Housing Screen will only screen out any individuals who are not considered homeless according to the Housing Screen requirements, it will also screen for chronic homelessness which will help determine the most appropriate housing subsidy for the individual.

3. Assignment to Case Management Treatment Team and Clinicians. Within two (2) months of initial contact with the client, Provider will assign the client to a case management team and, through such case managers and clinicians, will conduct a full mental health assessment of the client, establish and implement a Treatment Plan (as defined below) for the client, identify barriers to housing for the client, and address other pressing client needs.
4. Provider will directly or indirectly provide Services for at least twenty-five (25) clients during the second year (commencement through December 31, 2023). Provider will directly or indirectly provide Services for at least one hundred (25) cumulative clients annually during later phases of this Agreement (after January 1, 2023).

### **C. Housing Services**

1. From initial contact with the client, Provider will assess the client’s particular housing needs, establish a housing stability plan, and work with the client to access and maintain appropriate housing.
2. Provider’s housing placement and support services will include housing search and location, landlord outreach, teaching housing skills, lease negotiation, establishing a housing stability plan, conflict mediation, subsidy administration and other key functions. In addition, Provider will assertively engage and offer services to tenants to maximize their tenure in housing including assistance with maintaining their household and finances, independently performing activities of daily living, developing community living skills, maximizing tenant safety and security, guarding against predatory guests and illegal activity in their unit, and generally upholding the terms of their lease. Providers will actively communicate with landlords and property managers to advocate on behalf of tenants, prevent avoidable evictions, and intervene and mitigate crisis situations.
3. Provider will ensure that all clients served have access to housing units that are affordable on an ongoing basis. This is defined as meaning

that the tenant household ideally pays no more than thirty percent (30%) of its household income toward rent and utilities, and never pays more than fifty percent (50%) of income toward such housing expenses.

4. As part of ensuring this affordability, Provider will ensure that each client is connected to a rental subsidy or rental assistance that ensures that their rent is affordable. This includes rental subsidies made available for participants in this project through the City and County of Denver and the State of Colorado Department of Local Affairs. This also includes connecting up to 25 project participants served by the Mental Health Centers of Denver with rental subsidy from the Colorado Coalition for the Homeless's ("CCH") contract with the City of Denver's Department of Housing Stability ("HOST"). The SPV and SIPRA project partners will continue to work with MHCD and CCH to identify additional housing subsidies as needed.

#### **D. Supportive Services**

All services will be voluntary and driven by individual choice. Recognizing that individuals may initially refuse assistance or services, provider will assertively and creatively engage tenants, including engaging clients multiple times and in multiple settings, to maximize participation in services. The delivery of all services will be guided by the principles of cultural competence, trauma informed care, recovery, and resiliency with an emphasis on building enrollee strengths and resources in the community, with family, and with their peer/social network.

1. Provider will offer and provide clients with a variety of services as deemed clinically appropriate based on assessed needs. Services provided will be designed to help clients (i) address barriers to housing stability, (ii) manage mental illness and other disabling conditions, (iii) reduce interaction with the justice system (number of jail days), and (iv) improve health outcomes. At the outset of each client's engagement in the Project, Provider will work collaboratively with the client to develop a Treatment Plan (as defined below).
2. Provider's Services will include, as appropriate for and desired by each client, intensive case management, crisis intervention, substance use counseling, mental health treatment, peer support, skills building, connection to primary care, and various other services identified as necessary in each client's Treatment Plan (as defined below).

3. A treatment plan (“Treatment Plan”) will be developed consistent with the principles of client choice, wellness and recovery.
  - a. Provider will work with the client to develop individualized goals in relation to housing. Other goals may be related to health maintenance, medication management, peer relations, social activities, relapse prevention and/or other individualized needs based on clinical necessity.
  - b. The client will be primarily responsible for establishing the specific goals that define his/her desired quality of life.
  - c. The Treatment Plan will specify clinical interventions that will be used to assist the client in meeting identified goals.
  - d. The Treatment Plan will define the roles and responsibilities of all parties involved in the development of the treatment plan.
  - e. The Treatment Plan may be used to help clients identify, cultivate and sustain relationships with peers, family members, neighbors, and others as clinically appropriate to create a network of support that will build the well-being of clients.

**E. Modified ACT Team**

1. Individuals will likely come from culturally and linguistically diverse backgrounds, requiring that Modified ACT staff practice “cultural competence” which emphasizes the acquisition of cultural knowledge and the proper application of that knowledge when working with individuals from a variety of cultures. This requires that Case Management & Treatment staff understand and implement the following practices:
  - a. “Cultural humility” emphasizes adopting the perspective that individuals and families are the best source of information concerning cultural issues that impact their care.
  - b. “Cultural sensitivity” encourages providers to begin with the assumption that cultural differences exist even when none are apparent and continuously apply themselves to understanding as much as possible about the cultural lens through which each individual and family views and experiences the outside world.



2. Clients will have access to the Modified ACT Team or mobile crisis support twenty-four (24) hours a day seven (7) days per week.
3. Housing Counseling Services. Each client will have access to Housing Counseling services, it being understood that the Housing Counseling services may be provided by a designated Housing Counselor or by a case manager or other staff person with housing expertise.
4. The Modified ACT Team shall operate substantially in accordance with CSH's "Dimensions of Quality" Supportive Housing as provided here: <https://www.csh.org/resources/dimensions-of-quality-supportive-housing-guidebook/>.
5. The Modified ACT Team shall assist clients in obtaining and maintaining permanent housing utilizing resources that are available through resources other than those outlined in Section I.C.4, as applicable.
6. The Modified ACT Team shall use clinical interventions such as motivational interviewing to assist the client in engaging and linking with integrated health services, as deemed clinically appropriate.
7. The Modified ACT Team shall assist each client in obtaining supplemental income, health insurance and other federal, state, or local benefits for which they are eligible if the client is willing.
8. The Modified ACT Team has final accountability for assuring that all services identified in the treatment plan are offered to all clients, acknowledging that clients ultimately have self-determination in regards to whether or not they engage in offered services.
9. The Modified ACT Team shall deliver or collaborate with other community agencies to provide for the delivery of all services identified in the Treatment Plan.
10. Modified ACT services will "meet clients where they are" physically and figuratively. As a general rule, most case management services shall be provided in the field where clients conduct their lives—in the clients' home or in other community locations—allowing individuals to learn and practice skills in the actual environment where they will be using them, rather than in clinic or office settings.
11. The Modified ACT Team, when appropriate and where in alignment with the client's treatment plan, shall link clients with education

services (e.g., general education programs, technical/trade schools) and develop action steps in the Treatment Plan related to educational opportunities that will contribute to successful workforce participation.

12. The Modified ACT Team shall take a Housing First approach to housing.
13. The Modified ACT Team shall work with clients to identify and access other medical and dental services.
14. The Modified ACT Team shall provide or link clients with appropriate health promotion education.
15. The Modified ACT Team shall conduct “in-reach” services to clients who are currently incarcerated in order to complete intake and housing paperwork with clients before they are exited from jail (as possible based on jail visitor rules and policies). Once housed, the Modified ACT Team shall make reasonable effort to attend court with clients and provide advocacy as requested to probation and parole offices. This may require periodic coordination with the Denver Sheriff’s or Police Offices, City and County Judges or offices of probation or parole. For some clients, periodic coordination may be required with sheriff’s, police, judges, probation or parole offices in areas outside of Denver across the seven-county Denver Metro area.
16. If the Modified ACT Team determines that an enrollee requires psychiatric inpatient care or other residential treatment, those services shall be provided through current agency processes. However, the Modified ACT Team will provide continued contact with the client and appropriate treatment staff.
17. If the Modified ACT Team determines that an enrollee requires placement assisted living, the ACT team will work with the participant to identify the most appropriate assisted living facility where an occupancy agreement can be signed. The Modified ACT team will continue to provide the full range of Modified ACT services to the enrollee while they reside in the assisted living facility to ensure their ongoing housing stability.
18. Modified ACT staff will attend all required meetings, seminars and other collaborative events scheduled by SPV. SPV will provide advance notice of any scheduled sessions to the greatest extent possible.

## **F. Population of Focus**

As described in the Evaluation Plan, the population of focus for this initiative are adults who meet all of the following criteria:

1. Experiencing homelessness at the time of referral
2. High utilizers of City justice/jail services, indicated by:
  - a. at least eight (8) arrests—at least three (3) of which are marked as transient—over a period of three (3) years in Denver County;
  - b. at least one police contact in the last year
3. At high risk for avoidable and high-cost health services paid through Medicaid, including services received at Denver Health.

## **III. Staffing Requirement**

### **A. Projected Staff**

Based on modified ACT principles and available funding resources, Provider will maintain a target staff-to-client ratio of one (1) staff member to every ten (10) clients and no less than one (1) staff person to every twelve (12) clients. Services will be delivered in a team-based model in which team members are in close communication and clients may receive services from any team member depending on their preferences and needs. Exact staffing for each team will vary but should include personnel to address the following functions:

1. Program Manager: This role is a .10 FTE leader of the team and a practicing clinician on the team.
2. Psychiatrist/Psychiatric Nurse Practitioner: A .2 FTE psychiatrist or psychiatric nurse practitioner who works on a full-time or part-time basis. The psychiatrist/psychiatric nurse practitioner provides clinical services to all modified ACT clients and works closely with the team leader and team members to monitor clients and direct relevant treatment.
3. Nurse: A .10 FTE who will work to identify and collaborate with medical personnel for assessment and treatment as an active member of the treatment team.

4. Peer Specialist: A 1.0 FTE staff member who is or has been a recipient of mental health services for serious mental illness and/or other life experience with homelessness and/or the justice systems.
5. Case Managers with expertise as Housing Counselors, Vocational Specialists and/or Jail/Court Liaison.
6. Housing Support Specialist: at least one (1) staff member who has expertise in supporting tenants in housing and who is focused on promoting ongoing housing stability. This may be a case manager or another role on the team.

**B. Notification**

Provider shall notify SPV of staffing changes and provide actual staffing numbers and costs at year end.

**IV. Data Reporting**

**A. The Data Dashboard**

1. As identified in the Evaluation Plan, data dashboard reports will be completed for all enrolled clients by the Case Management & Treatment team and submitted to the Evaluator via Secure File Transfer Protocol (“SFTP”) at least two times per month.
2. Provider is responsible for training staff on completing and submitting the data dashboard. Provider shall enter all relevant and required client data into the data dashboard.

**B. Medicaid Billing**

Within ninety (90) days following the end of each program year, Provider will analyze and report to the Project Manager the amount of services provided to Project clients that have been successfully billed to in Medicaid and reimbursed to Provider. The Project Manager will review the report and submit to the Governance Committee for review.

**V. Operating Committee and Governance Committee.**

1. Provider shall cause the Team Leader or a qualified designee to attend, in person, videoconference or by phone, any Operational Meetings (as that term is defined in the Partnership Agreement) and to deliver all data and program metrics to the Project Manager as required under the

Partnership Agreement, including all required Service Provider Reports.

2. Provider shall cause the Team Leader to attend, in person, videoconference or by phone, any Governance Committee Meetings (as that term is defined in the Partnership Agreement) if invited by the City or the Project Manager (at the direction of SPV) at least three (3) business days prior to the meeting, provided that notice may be provided on one (1) business days' notice if an urgent matter is on the agenda.

## **Exhibit D-5: Service Agreement with Denver Health**

### **DESCRIPTION OF SERVICES AND PROJECT BUDGET**

Denver Health is the primary hospital serving the SIPBRA Housing to Health (H2H) target population and will serve as both primary intake point and data sharing agency for the project. To carry out these two functions, Denver Health will assign 2% of a FTE Site Principle Investigator to oversee the project for at least the first 18 months of the project; and 25% of a FTE Project Coordinator for at least the first 18 months of the project. The primary services delivered under this agreement are outlined below.

1. Serve as primary intake point for the H2H project
  - (a). Participate in the referral and randomization process as outlined in the Referral and Randomization Flowchart in the H2H Evaluation Plan.
    - (i). Receive H2H eligibility list from the Denver Police Department
    - (ii). Search Denver Health data systems to for individuals included on the H2H eligibility list.
    - (iii). Send unique research IDs of those with two or more emergency department visits in the last year to Urban Institute.
    - (iv). Share H2H opportunity with clients when possible through passive or direct referrals to the H2H services providers (Colorado Coalition for the Homeless (CCH) and Mental Health Center of Denver (MHCD)).
2. Coordinate with H2H services providers for outreach once clients have signed a Release of Information (ROI). Act as a data sharing agency in the H2H project
  - a) Send list of unique research IDs and data elements to Urban Institute as outlined Data Access Plan in the H2H Evaluation Plan.
  - b) Conduct data sharing for the H2H project as outlined in the Data Use Agreement between Urban Institute and Denver Health signed February 2, 2022 and any subsequent data sharing agreements that may be signed between the Urban Institute and Denver Health for the H2H project.

3. Liaise with H2H project partners (CSH, CCH, MHCD, & Urban Institute) to ensure successful implementation of Denver Health as a primary intake point and data sharing entity in the H2H project. This may include:
  - a) Identifying and assigning Denver Health staff or contractors to attend regularly scheduled H2H project coordination meetings including the monthly Operations Committee Meeting and other meetings as needed. Meetings may be held more frequently in the first six months of the project to ensure smooth project launch.
  - b) Coordinate via email or phone with H2H project partners (CSH, CCH, MHCD, & Urban Institute) to facilitate referrals to the program or streamline or troubleshoot referral or data sharing processes.
4. Coordinate across Denver Health departments as needed to ensure successful implementation of Denver Health as a primary intake point and data sharing entity in the H2H project. This may include:
  - a) Establishing communications across Denver Health introducing H2H, obtaining feedback on workflows and implementing IRB approved recruitment and referral processes.
  - b) Implementing all internal protocols and workflows at Denver Health to support the H2H program.
  - c) Initiate and maintain data sharing agreements for the H2H project.
  - d) Maintaining the electronic program eligibility list.
  - e) Coordinating with the Denver Health Office of Research about IRB submissions and maintain regulatory compliance Colorado Multiple Institutional Review Board (COMIRB).

### Exhibit E: Minimum Housing to Health Social Impact Fund Balance

Housing to Health Social Impact Fund Minimum Account Balance (calculated as 100% max payment earned each year)								
City Fiscal Year	2023	2024	2025	2026	2027	2028	2029	TOTAL
For Housing Stability	\$ 618,310	\$ 1,170,456	\$ 878,281	\$ 878,281	\$ 878,281	\$ 878,281	\$ 439,141	\$ 5,741,032
For Jail Days Reduction	\$ 458,571	\$ 458,571	\$ 458,571	\$ 458,571	\$ 458,571	\$ 458,571	\$ 458,571	\$ 3,210,000
Annual Transfer	\$ 1,076,881	\$ 1,629,028	\$ 1,336,853	\$ 1,336,853	\$ 1,336,853	\$ 1,336,853	\$ 897,712	\$ 8,951,032
<b>TOTAL Fund Balance</b>	<b>\$ 1,076,881</b>	<b>\$ 2,087,599</b>	<b>\$ 2,253,996</b>	<b>\$ 2,712,567</b>	<b>\$ 1,566,138</b>	<b>\$ 2,024,710</b>	<b>\$ 2,044,141</b>	



## **Exhibit F: Operating and Governance Committee Members**

**Initial Operating Committee Members will consist of one representative appointed by each of the following:**

Denver Department of Housing Stability
The Urban Institute
Colorado Coalition for the Homeless
WellPower
Denver Health
Denver SIPPRA, LLC

### **Initial Governance Committee Members:**

The Governance Committee's voting membership will consist of one representative appointed by each of the following as set forth in Section 5.02(b) of the Partnership Agreement.

Chief Housing Officer for the City of Denver
Colorado Coalition for the Homeless
WellPower
Denver Health
Denver SIPPRA, LLC
The Northern Trust Company
The Denver Foundation
Gary Philanthropy
Colorado Access Foundation

### Exhibit G: Unit Lease-Up Schedule

Quarter	Month	CCH	WellPower	Total Monthly Placements (at end of month)	Cumulative
July 1-October 31 = enrollment ramp-up period					
2	1-Nov-22	8		68	68
	1-Dec-22	8		8	76
3	1-Jan-23	8	4	12	88
	1-Feb-23	8	4	12	100
	1-Mar-23	8	4	12	112
4	1-Apr-23		4	4	116
	1-May-23		4	4	120
	1-Jun-23		5	5	125
5	1-Jul-23			0	125
	1-Aug-23			0	125
	1-Sep-23			0	125
6	1-Oct-23			0	125
	1-Nov-23			0	125
	1-Dec-23			0	125
7	1-Jan-24			0	125
	1-Feb-24			0	125
	1-Mar-24			0	125
8	1-Apr-24			0	125
	1-May-24			0	125
	1-Jun-24			0	125

## **Exhibit H: Communications Protocol**

The City, in partnership with the SPV, Project Manager, Independent Evaluator, CCH, MHCD, Denver Health and Lenders, will operate the Denver Housing to Health Social Impact Bond. With the various partners involved in the Project, it is important that information about the project is shared consistently. In order to ensure communications related to the project are consistent across all program stakeholders, the Parties, as defined herein, have agreed to adhere to the Communications Protocol as described in this Exhibit H. The Communication Protocol outlines what information about the project can be shared with external partners and the process by which external communications will be reviewed. Terms used but not defined in this Exhibit shall have the meanings, as applicable, set forth in the Partnership Agreement or the Evaluation Plan (Exhibit B).

### **Process:**

The Project Manager will serve as the project's communication hub. Where possible, all external requests and press inquiries should be shared with the Project Manager. External communications will be reviewed for consistency by the Project Manager. Items of interest will then be distributed to the broader group for reference. Notwithstanding the foregoing, the City may provide general, high-level responses to inquiries regarding the City's involvement with the Project without prior approval by the Project Manager, provided that the Project Manager shall be copied on such responses or notified as soon as practicable thereafter.

### **What can be shared?**

#### *General Project Information:*

Only information from fact sheets or summaries that have been approved by the Governance Committee should be shared when providing general information about the project.

#### *Anecdotal Information:*

The Project Manager will work with all project stakeholders to periodically produce documents that provide high-level, non-outcome driven information that can be shared with external parties after Governance Committee approval. This may include lessons learned, de-identified participant stories and/or information about project coordination.

#### *Dashboard Data:*

A variety of data points can be shared from the "Housing Placement and Engagement" dashboard. It is important that the external communications only include information from the most recent dashboard and not ad-hoc reports. Any combination of the following data points that can be shared externally. Items not listed here are not to be shared. No dashboard data may be shared prior to 12/31/22.

1. *Housing Placements to Date:*

Housing placements to date can be shared with external parties. Information about recent housing placements should be pulled from the project's most recent dashboard. The number used should be the one labeled "# Ever Leased Up."

2. *Number of Participants Engaged in the Project:*

Number of engaged participants in the treatment group can be shared with external partners. Information about number of participants engaged should be pulled from the project's most recent dashboard. The number used should be the one labeled "# Engaged."

*Public Reports:*

Because of the seven- year term of the project, the design of the evaluation and the need to reach full enrollment, outcome data is not available on a real-time basis. The first public Housing Stability Outcomes Report will be delivered in Quarter 8 and annually thereafter. Jail Day Reduction Outcomes are calculated over a two- and four-year timeframe and there will be two formal public outcomes reports for this measure provided in Quarters 16 and 28. There will only be one (1) formal public outcomes report for the Net Reductions in Federal Expenditures outcomes (also called federal outlays) delivered in Q28.

The final public Outcomes Report will include Housing Stability, Jail Day Reduction and Net Reductions in Federal Expenditures outcomes and will be delivered October 15, 2029. The detailed Outcome Reporting schedule can be found below and in Table 11 in the Evaluation Plan (Exhibit B).

Initial drafts of these public reports should not be shared. The Project Manager will inform stakeholders when the public reports are final and available to be shared externally.

*Information Requested by Project Funders*

From time to time, the City, Treasury, Lenders, Kaiser or the Trust may request additional information not captured in the preceding description for purposes of required reporting. If available, such information may be provided for this purpose by the Project Manager or the Independent Evaluator and will be marked as confidential and not for public distribution.

**What cannot be shared?**

*Non-Public Outcome Information:*

During the course of the project, interim reports will be provided to the Governance and Operating Committees by the Independent Evaluator. Such reports are confidential and not to be shared externally. These internal interim reports will be delivered to the Governance and Operating Committee members and will include both Housing Stability and Jail Day Reduction

Outcomes. There will also be one interim check-in on federal outlays that will be shared with internal project stakeholders.

**TABLE 11 – FROM EVALUATION PLAN**  
**Outcome Reports**

<b>Outcome report delivered<sup>a</sup></b>	<b>Housing Stability</b>		<b>Jail Days</b>		<b>Federal Outlays</b>	
	<b>Period of project under evaluation</b>	<b>Date outcomes observed through</b>	<b>Period of project under evaluation</b>	<b>Date outcomes observed through</b>	<b>Period of project under evaluation</b>	<b>Date outcomes observed through</b>
4/15/24	Q1–6	12/31/23				
4/15/25	Q7–10	12/31/24				
4/15/26	Q11–14	12/31/25	Q1–14	12/31/25	Q1–14 <sup>b</sup>	12/31/25
4/15/27	Q15–18	12/31/26				
4/15/28	Q19–22	12/31/27				
4/15/29	Q23–26	12/31/28				
10/15/29	Q27–28	6/30/29	Q1–28	6/30/29	Q1–26	12/31/28

**Source:** Urban framework and project documents.

**Notes:** <sup>a</sup>Urban’s ability to produce reports on time is dependent upon receiving accurate data from providers and other data-sharing agencies. Urban may request reasonable extensions for data delivery delays. Payment dates will be adjusted accordingly. <sup>b</sup>This report will be an initial analysis of federal expenditures for an early cohort of participants and will not be used for payment purposes.

## **Exhibit I: Order of Distribution of Success Payments from the SPV Operating Account**

Pursuant to Article 4, the SPV shall distribute Success Payments from the SPV Operating Account and shall do so pursuant to the terms and conditions of the Loan Documents and in the order set forth below (the “**Success Payments Waterfall**”). The Loan Documents shall reflect the Success Payments Waterfall.

### **Success Payments Waterfall:**

The SPV shall disburse Success Payments in the following order:

1. First, to the Lenders on a pro rata basis (determined by reference to the principal amount provided by each Lender) up to \$10,250,000, with such amount reflecting the cumulative principal repayments under the Loan Documents.
2. Second, by reducing the amount of one or more Success Payment(s) due from the City to the SPV by up to \$500,000.
3. Third, up to \$1,000,000 payable pursuant to the Kaiser Grant Agreement.
  - a. Pursuant to the Kaiser Grant Agreement, such payment obligation may be satisfied, upon the written instructions of Kaiser to the SPV, by distributing any such funds to CCH and MHCD, on a pro rata basis determined based on overall Project funding related to each such Service Provider.
4. Thereafter, to the Lenders on a pro rata basis (determined by reference to the principal amount provided by each Lender) up to \$2,713,032, with such amount reflecting the cumulative return available to the Lenders.