



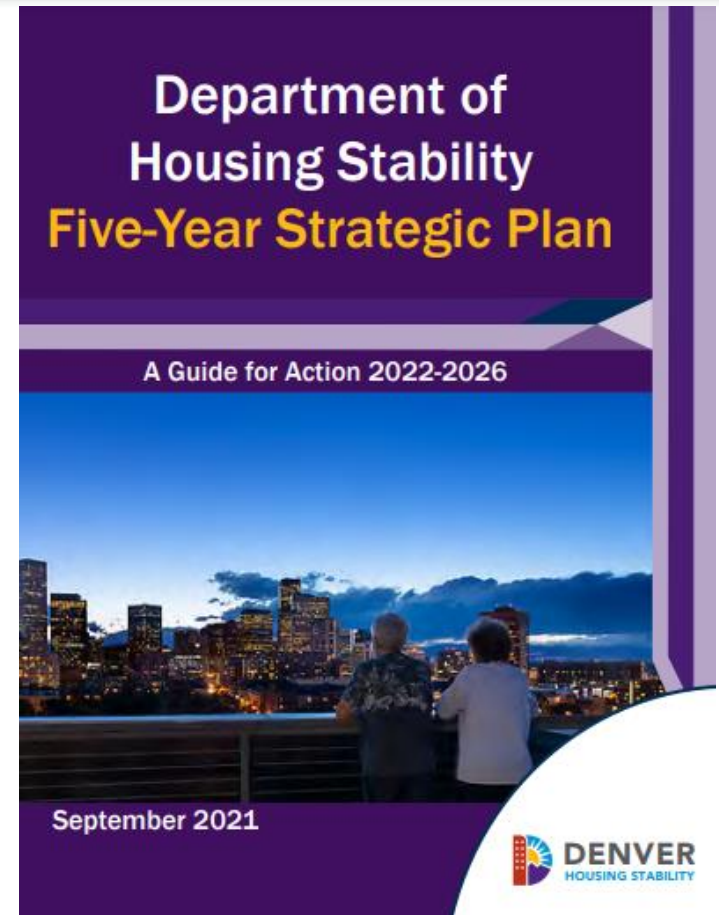
DENVER
THE MILE HIGH CITY

Department of Housing Stability

2023 Budget

“Invest, create policy, and partner to provide housing stability, homelessness resolution, and housing opportunity.”

- 2022 is first year of implementation of Five-Year Strategic Plan, 2023 is first budget cycle.
- Updated metrics for 2023 budget to align with plan goals



In 2021, HOST...



Created **576** new
affordable housing
units



Provided **5,761**
households with access
to housing resources

Supported **17,502**
unduplicated
households through
shelter and services.



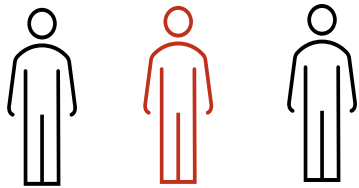
Preserved **290**
existing affordable
housing units



Assisted **10,031**
households at risk of
displacement

Rise in Housing Costs

One out of every three households in Denver is **cost burdened**, spending more than a third of their income on housing.

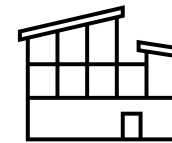


Median home price: \$740,000
Median rent: \$1,782/month

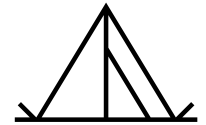


Rise in Experiences of Homelessness

Increase in one-night count from 2020 to 2022: 15% or 4,171 to 4,798 persons.



73% of persons experiencing homelessness in Denver are in shelter.



Increase in unsheltered homelessness: 31%, or 996 to 1,308 persons.

Background: Community Priorities

Homelessness and housing affordability
are top priorities for our community
and City Council.

This budget reflects these priorities.

*“The people of Denver said,
when it comes to our
recovery and the city we
want to be after the
pandemic, this is the type of
investment we want to see –
**investments that will have a
multi-generational impact.**”*

- Mayor Michael B. Hancock



2023 Budget Philosophy

2023 Budget Considerations

- **Bold investments: scale proven strategies to implement equity goals, respond to public feedback**
 - Decrease disparities in BIPOC homeownership, close wealth gaps, address housing justice.
 - Decrease unsheltered homelessness, ensure a balanced shelter system.
- Leverage current resources **between emergency response, recovery, and long-term stability** through acquisitions, investment in a pipeline of housing.
- To successfully implement current and new initiatives, **HOST staffing infrastructure needs to keep pace with growing portfolio.**

Equity Strategy

- **BIPOC, marginalized communities disproportionately experience homelessness/housing instability.** Addressing housing, shelter, and service needs of these populations helps address historic discrimination and supports city's equity goals.
- You can learn more about HOST's specific equity goals in our [Five-Year Strategic Plan](#), which include:
 - Increase the homeownership rate among BIPOC households across income levels from 41% to 45%.
 - Support advancement of prioritization policy to allow displaced residents priority to housing.
 - Increase the number of family households who exit shelter and outreach programs to housing to 50% by 2026.

2023 Expansion: Housing Outcomes

In addition to base budget outcomes, this budget allows the following **expansions**:

- **220+** housed quickly through hotel acquisitions
- **150+** housed through Rehousing Collaborative
- **200+** served through down payment assistance
- **133+** additional homeownership units
- **50+** served through HOA fine coverage
- **200+** served with foreclosure legal assistance



2023 Expansion: Housing Outcomes

Fund	Expenditures	FTE	Description	Duration
ARPA – Recovery	\$20M	0.0	Hotel Acquisition, Housing Development Outcome: ~220 supportive housing units	Temporary
ARPA – Recovery	\$6M	0.0	Rehousing Collaborative Outcome: 150 households annually	Temporary
ARPA – Recovery	\$10M	0.0	Down Payment Assistance Outcome: 200 households served annually	Temporary
ARPA – Recovery	\$10M	0.0	For Sale Development Pipeline Expansion Outcome: ~133 homeownership units	Temporary
General Fund	\$300K	0.0	Homeowners Association Fine Coverage Outcome: 50 households annually	Permanent
General Fund	\$200K	0.0	Foreclosure Legal Assistance Outcome: 200 households annually	Permanent
Total:	\$46.5M	0.0		

2023 Expansion: Unsheltered Homelessness Outcomes

In addition to base budget outcomes, this budget allows the following **expansions**:

- **270+** hotel rooms for navigation
- **12** served through RV buybacks
- **310** served in Safe Outdoor Spaces
- **45** served in Safe Parking



2023 Expansion: Unsheltered Homelessness

Fund	Expenditures	FTE	Description	Duration
ARPA – Recovery	\$23.250M	0.0	2 Hotel Acquisitions Outcome: ~270 rooms for housing navigation	Temporary
General Fund	\$250K	2.0	Public and Stakeholder Engagement	Permanent
General Fund	\$250K	0.0	RV Buy Back Pilot Outcome: 12 households annually	One Time
ARPA – Recovery	\$7.8M	0.0	Safe Outdoor Spaces Outcome: 310 households annually	Temporary
ARPA – Recovery	\$600K	0.0	Safe Parking Expansion Outcome: 45 households annually	Temporary
Total:	\$32.15M	2.0		

*Operating and outreach support for encampment decommissioning hotels is being planned for out of the Homelessness Resolution Fund (\$7M, 100 HH served annually)

2023 Expansion: Staffing Infrastructure

In addition to base budget outcomes, this budget allows the following **expansions**:

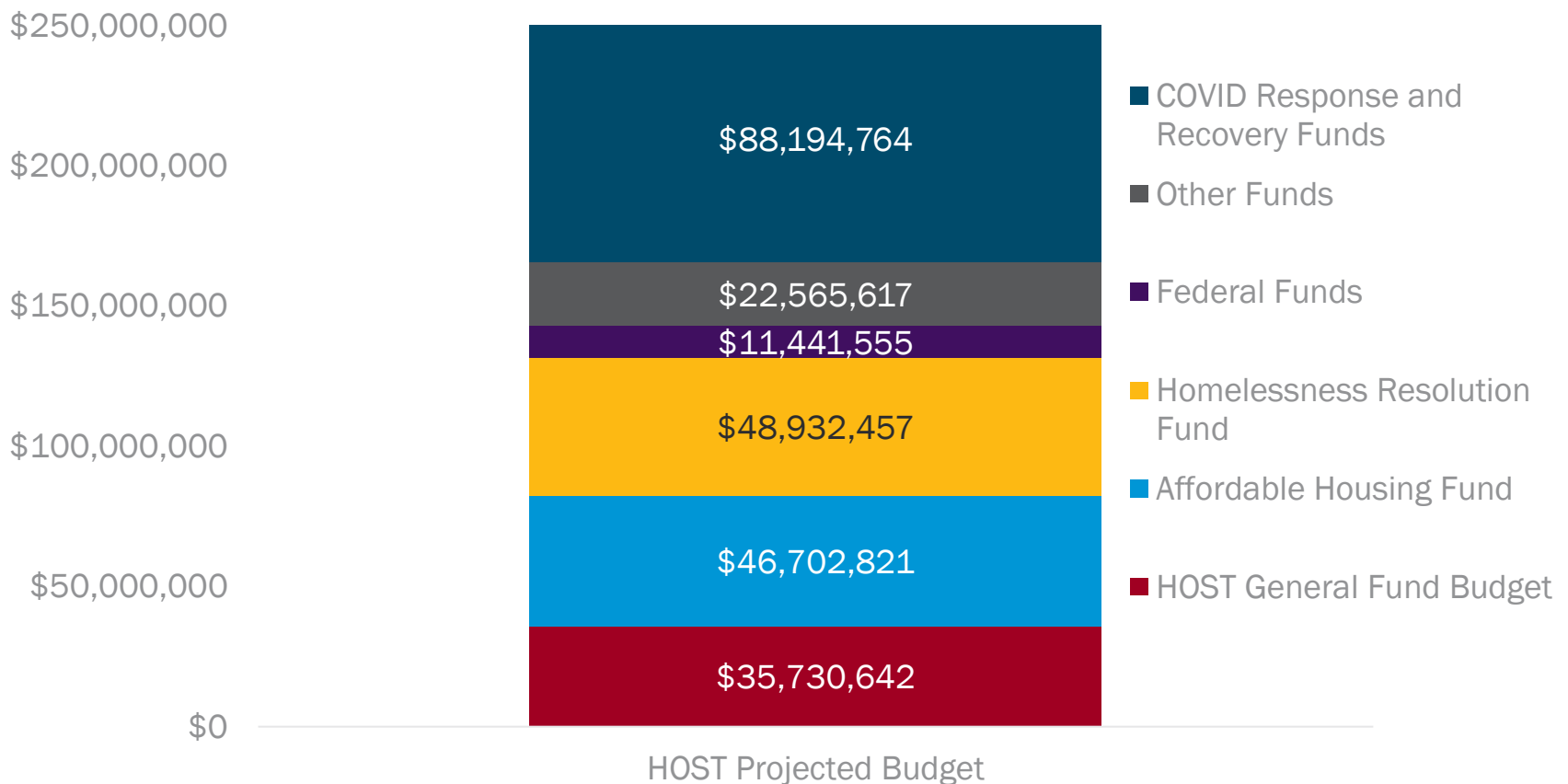
- ✓ Implementation of the Expanding Housing Affordability policy
- ✓ Implementation of the next steps for the Prioritization Policy
- ✓ Support for Hot Spot Outreach team and Complex Case Support
- ✓ Staff support for affordable housing compliance



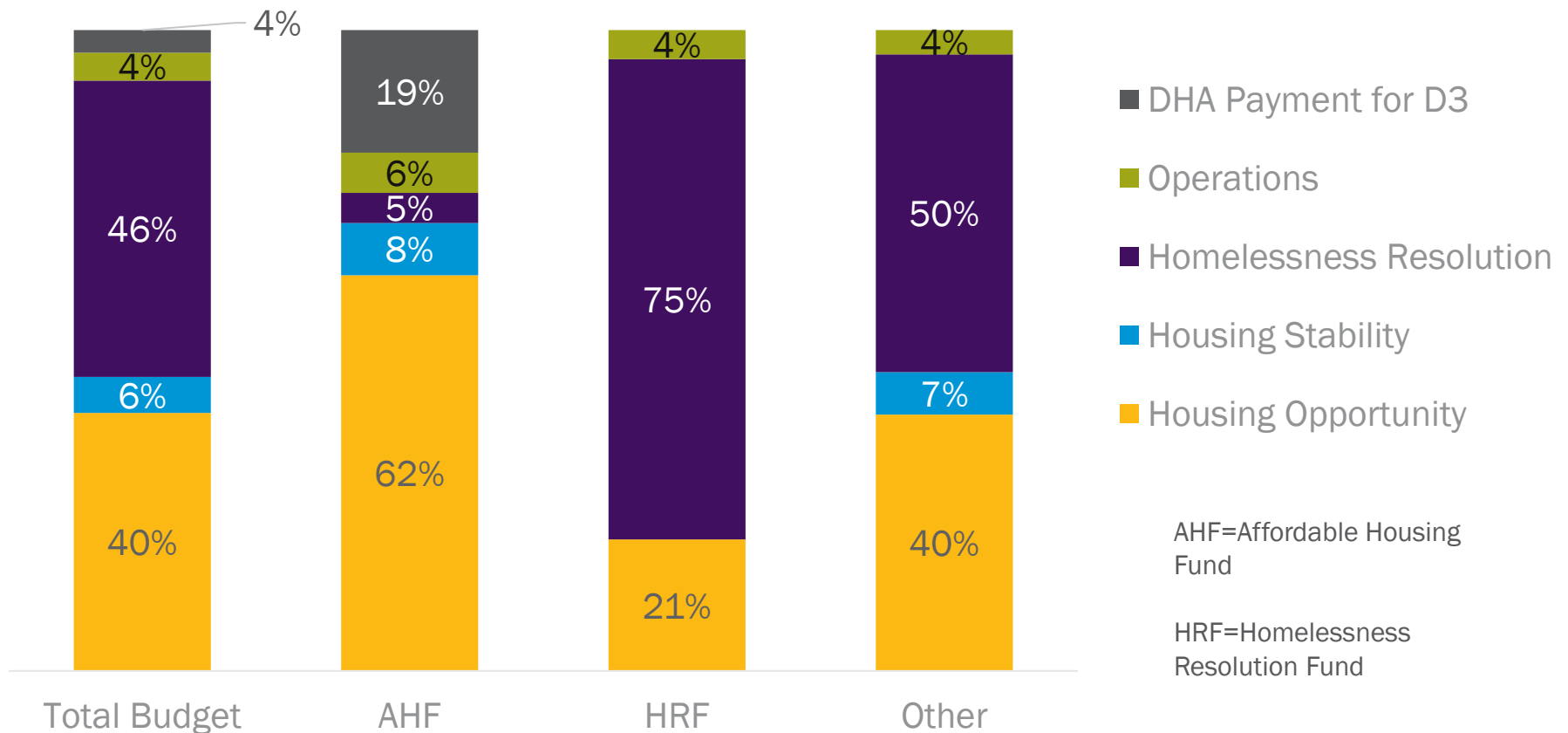
2023 Expansion: Staffing and Infrastructure

Fund	Expenditures	FTE	Description	Duration
General Fund	\$323K	3.00	Supportive Housing Data System Supervisor, Compliance Staff, and Program Administrator	Permanent
General Fund	\$245K	2.0	Public Outreach and Community Engagement	Permanent
General Fund	\$156K	1.50	Housing Compliance Staff (2 positions with April start)	Permanent
General Fund	\$162K	1.50	Staff support for Expanding Housing Affordability (2 positions, one with July start)	Permanent
General Fund	\$169K	1.50	Staff support for Prioritization policy (2 positions with April start dates)	Permanent
General Fund	\$0	0.00	Real Estate - HOST Project Manager – Convert from Limited to Permanent Position	Permanent
General Fund	\$110K	1.00	Complex Case Support - Program Manager	Permanent
General Fund	\$204K	2.00	Hot Spot Outreach Team Pilot	One Time
ARPA – Revenue Loss	\$45K	0.00	Vehicle for Hot Spot Outreach Team	One Time
Total:	\$1.41M	12.50		

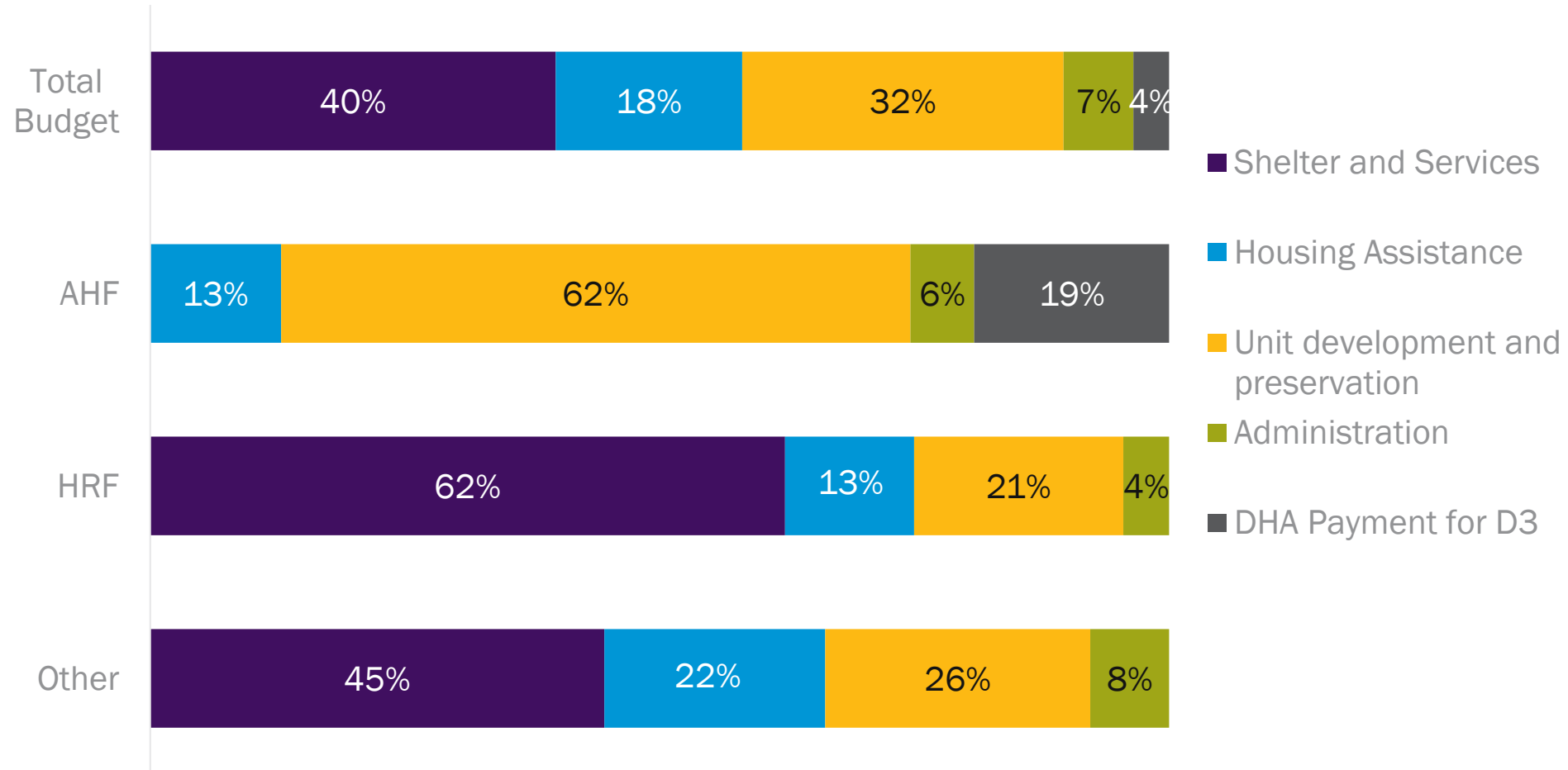
Proposed 2023 HOST Budget: \$253,567,856



Distribution of Funds by Pillar

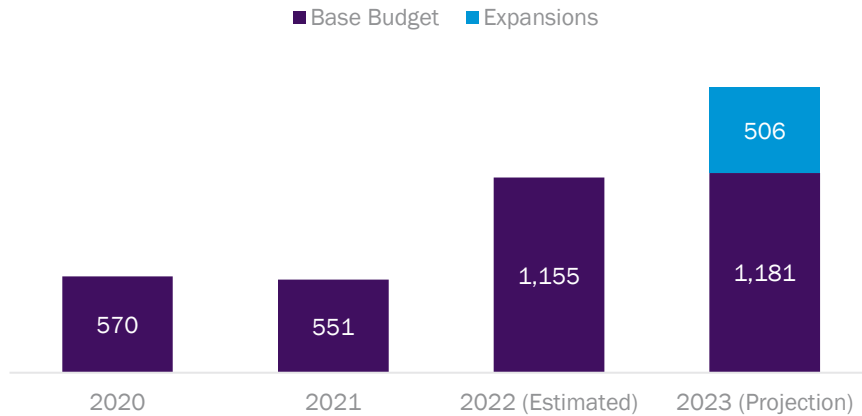


Distribution of Funds by Type

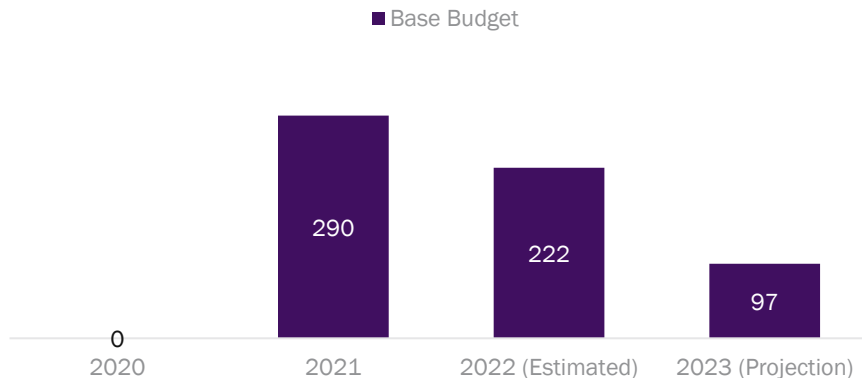


Housing Opportunity

Affordable Homes Created



Affordable Homes Preserved



Goals and Priorities

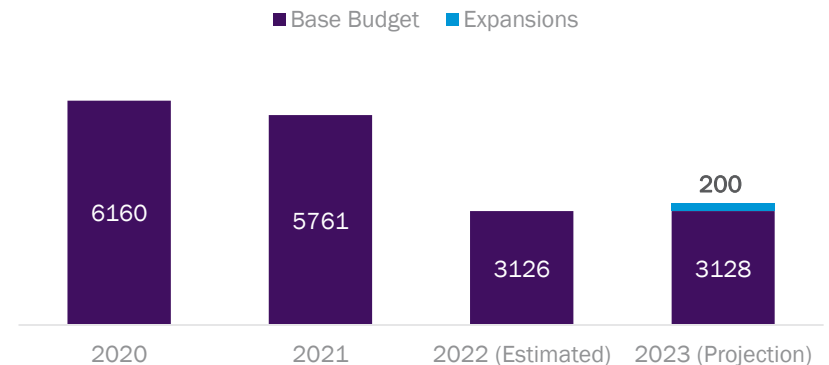
HOST Goals

- Increase the homeownership rate among low- and moderate-income households from 36% to 41% and the homeownership rate among BIPOC households across income levels from 41% to 45%.
- Reduce the rate of housing cost-burden among low- and moderate-income households from 59% to 51%

City Council Priorities

- Responsive to Priority 2 (increasing affordable housing); intersects with Priority 3 (anti-racist approaches to build healthy neighborhoods).

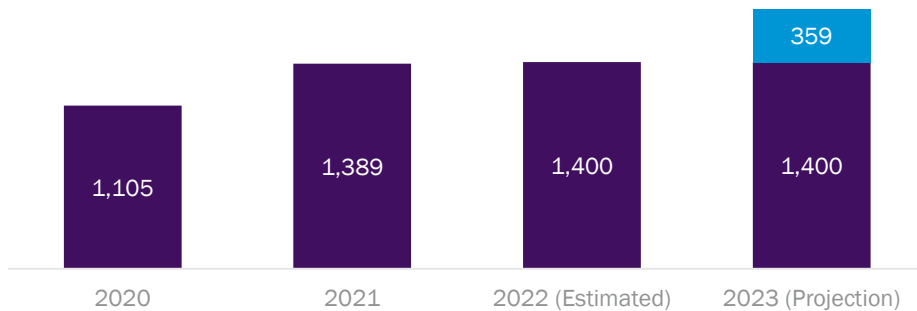
Households served in Housing Opportunity Programs



Homelessness Resolution

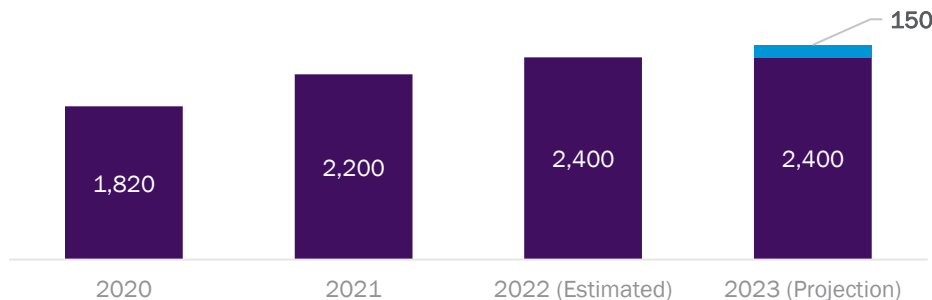
Number of households housed through Homelessness Resolution programs

■ Base Budget ■ Expansions



Number of households served in rehousing and supportive housing programs

■ Base Budget ■ Expansions



Goals and Priorities

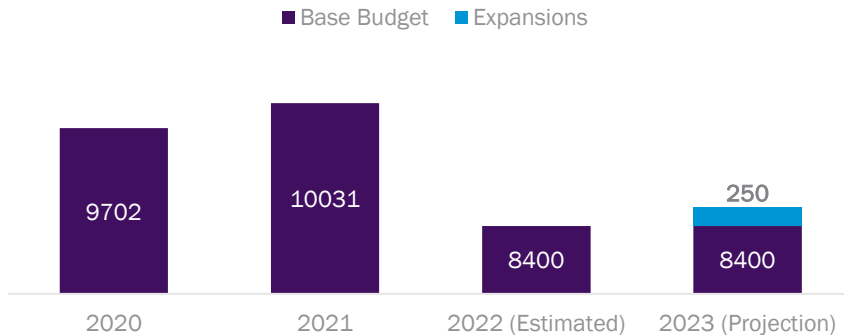
HOST Goals

- Reduce unsheltered homelessness from 2022 Point-in-Time Count to 2026 Point-in-Time Count by 50%.
- Increase the annual number of households served in rehousing and supportive housing programs from 1,800 to 3,000.
- Reduce the average length of time residents experience homelessness to 90 days by 2026.

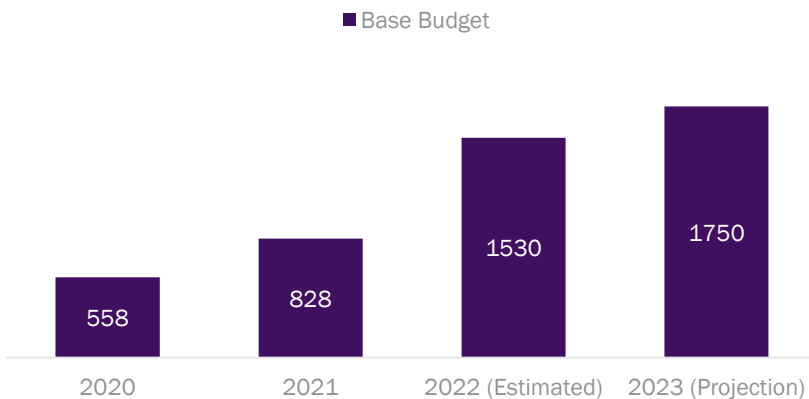
City Council Priorities

- Responsive to Priority 1 (improving community engagement) and Priority 2 (expanding housing for persons experiencing homelessness).

Households Served in Housing Stability Programs



Households Served in Eviction Legal Defense Programs



Goals and Priorities

HOST Goals

- Reduce the number of evictions filed by 25% from 8,800 to 6,600 annually.
- Support advancement of prioritization policy to allow residents at risk of or who have been displaced priority access to new affordable housing.

City Council Priorities

- Responsive to Priority 2 (mitigating and reducing involuntary displacement of community members).

HOST Vacancy Rates*

Vacancy Rate

14.4%

Time to Fill

57.7Days

Turnover

11.98%

Retention

- Among highest engagement of similarly sized agencies
- HOST has a higher retention rate than citywide average
- HOST has an engaged group of ambassadors supporting team including workgroups, events, wellness, etc.

Recruitment

- Partner to prioritize and phase recruitments, reduce open job requirements
- Targeted campaigns, network sourcing, and advertising
- Technical assistance from OHR in recruitment, equity; analyzing fallout

EDI

- 83.52% of HOST has partially or fully completed RSJ Academy training (on-call staff not required to complete this)
- HOST conducts annual Organizational Racial Equity Self Assessment survey
- 53% of HOST ORESA respondents identified lived expertise in homelessness and housing instability
- HOST internal EDI team working on several initiatives



American Rescue Plan Act Recovery Round One: Update

Program Name	Status	Amount Obligated/Spent	Amount Planned	Program Timeline
Affordable Housing Fund Infusion	Implementation	\$5,000,000	\$23,000,000	7/2021 – 12/31/2026
Rehousing Supports	Implementation	\$2,000,000	\$0	7/2021 – 12/31/2026
Shelter Alternatives	Implementation	\$150,000	\$0	7/2021 – 12/31/2026
Tiny Homes Capacity Building	Implementation	\$250,000	\$0	7/2021 - 12/31/2022
48 th Avenue Shelter Improvements	Implementation	\$227,869	\$7,242,131	7/2021 – 12/31/2026
Shelter Resiliency Improvements	RFP / Contracting	\$0	\$3,500,000	1/2022 – 12/31/2026
Housing Stability Supports	Implementation	\$1,500,000	\$0	7/2021 – 12/31/2023
Life Safety Improvements – Recreation Centers	RFP / Contracting	\$147,471	\$3,352,529	7/2021 – 12/31/2026

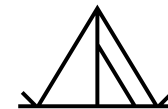
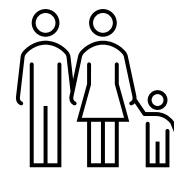


American Rescue Plan Act Round 2 Proposal Summary

Description	Priority	Amount
State and Local Fiscal Recovery Fund funding for down payment assistance to increase BIPOC home ownership in Denver. This program consists of \$10M of funding for down payment assistance and \$10M of funding to expand the pipeline of affordable homes.	Housing Opportunity/Stability	\$20,000,000
State and Local Fiscal Recovery Fund funding to support the acquisition of hotel properties for encampment decommissioning, including safe parking and vehicle support. The program would support the acquisition and rehabilitation of two hotels, including dedicated space for safe parking, contingent on ancillary funding being made available from other federal or state sources.	Unsheltered Homelessness	\$23,250,000
State and Local Fiscal Recovery Fund funding to support the acquisition of hotel properties for affordable housing. The program would support the acquisition of two hotel properties, contingent on ancillary funding being made available from other federal or state sources.	Housing Opportunity/Stability	\$20,000,000
State and Local Fiscal Recovery Fund funding to support a two-year continuation of Space Outdoor Spaces alternative shelter programming.	Unsheltered Homelessness	\$7,800,000
State and Local Fiscal Recovery Fund funding to support a two-year continuation of Safe Parking alternative shelter programming. The investment would also double the number of sites funded from previous ARPA allocations from two to four.	Unsheltered Homelessness	\$600,000
State and Local Fiscal Recovery Fund funding to support a two-year continuation of funding for the rapid re-housing of people experiencing homelessness directly from shelter settings.	Housing Opportunity/Stability	\$6,000,000
Grand Total		\$77,650,000

Nearly half of Denver residents said homelessness and housing affordability were their top priorities in our community's COVID-19 recovery.

These funds will help us deliver Denver's recovery to those most impacted by the pandemic.



Council Budget Priorities

1. Focus on **improving Community Engagement** and Customer Service to support residents navigating city services, resources, and accessibility, including language access.
2. **Increase affordable housing and support those experiencing homelessness throughout our city. Mitigate and reduce the involuntary displacement of community members and businesses.**
3. Reframe safety in a public health, evidence-based, and **antiracist context** with community investment to **ensure healthy neighborhoods.**

*HOST Intersections



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Questions?





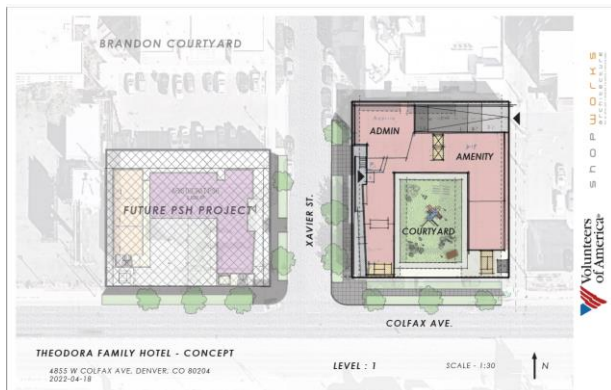
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APPENDIX

Voters approved \$38.6M to support acquisition and building/rebuilding facilities for youth, families, and persons experiencing homelessness.



Urban Peak - "The Mothership" Project



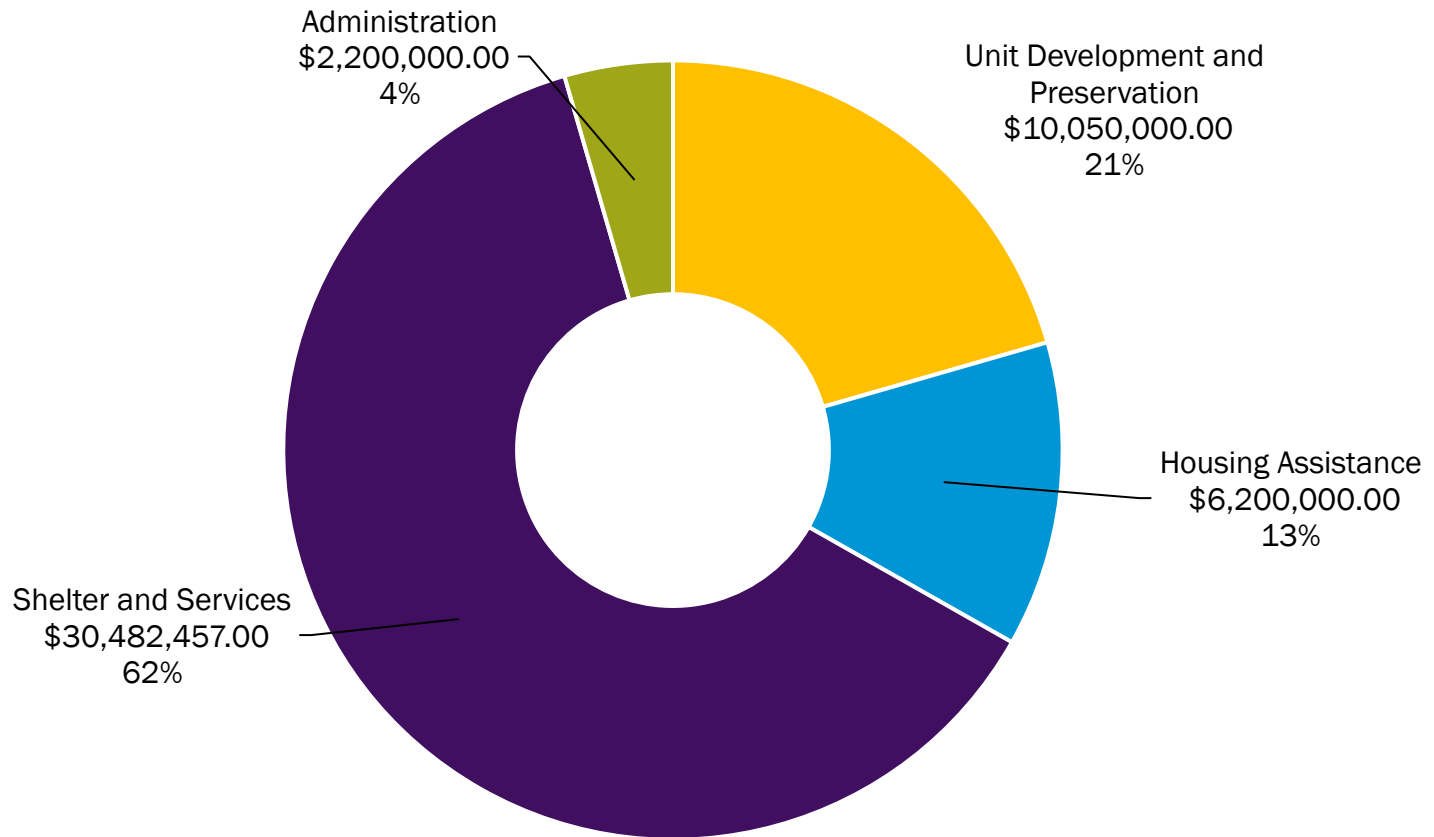
VOA – Theodora Family Hotel



48th Avenue Shelter – 4600 E. 48th Avenue

Homelessness Resolution Fund

Proposed 2023 Homelessness Resolution Fund Budget: \$48,932,457



Homelessness Resolution Fund Planning

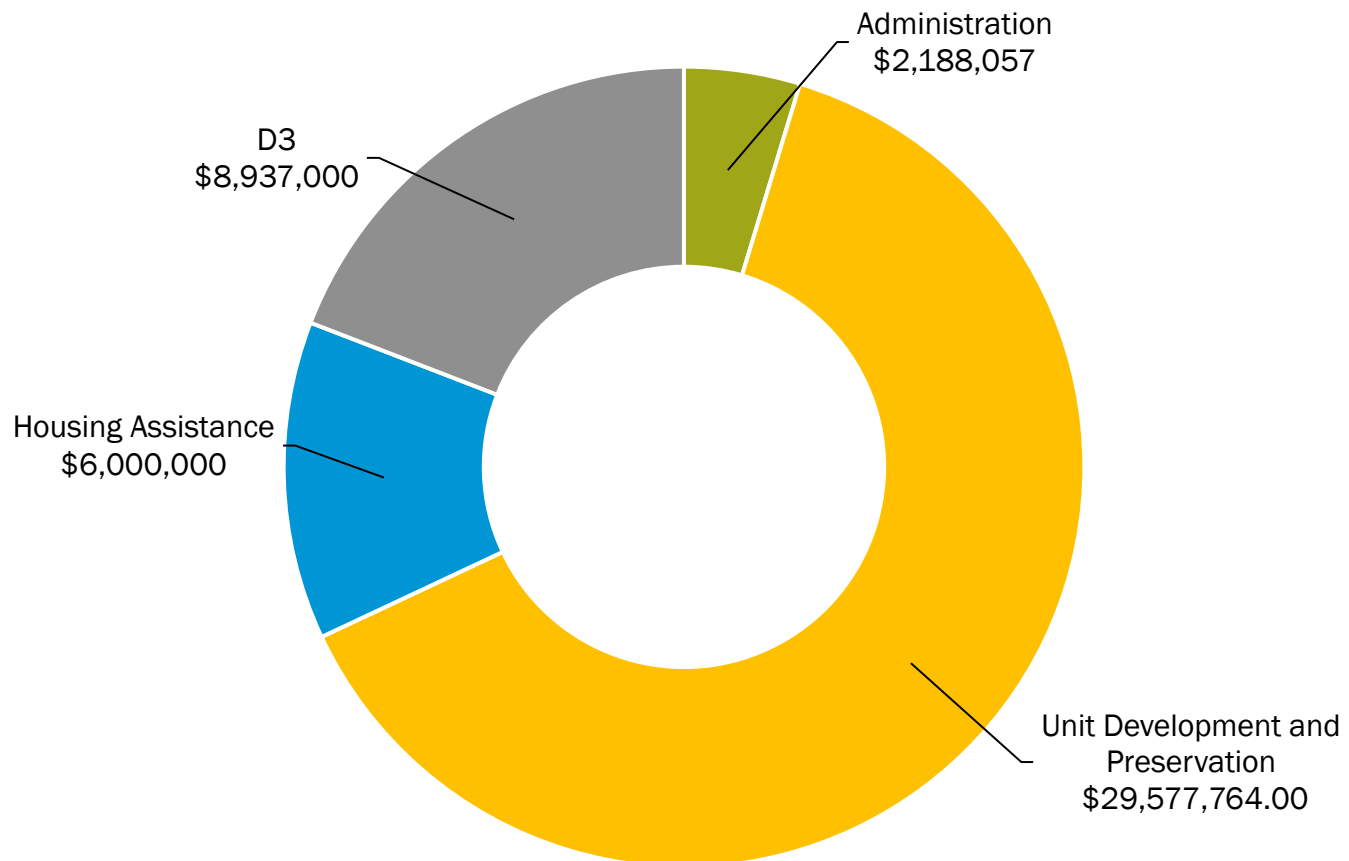
In 2023, the Homelessness Resolution Fund will support...

- ✓ Supportive housing gap financing, vouchers, and services
- ✓ Housing assistance programs
- ✓ 24/7 residential shelter
- ✓ Family shelter expansions
- ✓ Outreach/operation for encampment decommissioning
- ✓ Respite care
- ✓ Overflow beds



Affordable Housing Fund

Proposed 2023 Affordable Housing Fund Budget: \$46,702,821



General Fund Expansion Summary

Account Category	Permanent	One-Time	Total 2023
Personnel	\$1,301,610	\$0	\$1,301,610
Services and Supplies	-\$284,446	\$298,183	\$13,737
Capital Equipment	\$0	\$15,860	\$15,860
Internal Services	\$8,424	\$0	\$8,424
Grand Total	\$1,025,588	\$314,043	\$1,339,631

Permanent FTE	On-Call/Limited FTE	Total Expansion to 2023 FTE
10.50	2.00	12.50

General Fund Summary

Account Category	Operations	Housing Stability	Housing Opportunity	Homelessness Resolution	Unsheltered Response	Total
Personnel	\$4,140,213	\$110,718	\$2,356,588	\$2,069,475	\$1,885,100	\$10,562,094
Services and Supplies	\$1,005,000	\$0	\$115,788	\$23,242,835	\$684,475	\$25,048,098
Capital Equipment	\$13,420	\$0	\$0	\$0	\$27,640	\$41,060
Internal Services	\$37,768	\$0	\$4,212	\$22,506	\$14,904	\$79,390
Grand Total	\$5,196,401	\$110,718	\$2,476,588	\$25,334,816	\$2,612,119	\$35,730,642

Homelessness Resolution Fund

Summary

Category	Amount	Description
Unit Development and Preservation	\$10,050,000	Investments of approximately \$10M in 2023 will support housing development, gap financing, vouchers, and support services.
Housing Assistance	\$6,200,000	Investments of approximately \$6.2M in 2023 will help provide rental assistance with services to help households regain stable housing through rapid rehousing, scattered site supportive housing and other housing programs.
Shelter and Services	\$30,482,457	Investments of approximately \$30.4M in 2023 will help continue support for around the clock shelter across Denver's shelter network with supportive services, provide increased support and case management for family shelters, and support encampment decommissioning and operating for the hotel purchases funded through American Rescue Plan Act dollars. In addition, this supports new programs including daytime transportation for people experiencing homelessness, case support for respite care and complex cases.
Administration	\$2,200,000	Support of \$2.2M in 2023 will help HOST successfully administer and report on outcomes achieved through the fund. This includes support for development, program administration, finance, contracts and other critical infrastructure. Administration will also support 17 positions.
Grand Total	\$48,932,457	

Affordable Housing Fund Summary

Category	Amount	Description
Unit Development and Preservation	\$29,577,764	Investments of approximately \$30M in 2023 will support housing development gap financing to create and preserve units with affordability restrictions.
Housing Assistance	\$6,000,000	Investments of approximately \$6M in 2023 will help provide rental and utility assistance to stabilize those at risk of displacement, as well as bridge housing and rehousing support for people experiencing homelessness.
DHA Payment for D3	\$8,937,000	Investment of approximately \$9M in 2023 will support implementation of the Intergovernmental Agreement with the Denver Housing Authority to support the DHA Delivers for Denver (“D3”) program to help create 2,500 affordable and supportive housing units.
Administration	\$2,188,057	Support of approximately \$2.2M in 2023 will help HOST successfully administer and report on outcomes achieved through the fund. This includes support for development, program administration, finance, contracts and other critical infrastructure.
Grand Total	\$46,702,821	