

# Rhonda's Place

Safety, Housing, Education, & Homelessness Committee

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Department of Housing Stability

# Rhonda's Place Supportive Housing Project

- The mission of REDI is “to provide special needs persons with affordable housing facilities and services specifically designed to meet their physical, social and psychological needs and to promote their health, security and happiness.”
- REDI Corporation will construct a 50 one-bedroom unit building on South Federal Boulevard as a project serving those experiencing homelessness. Forty-nine of these units will be affordable at 30% of AMI, and one unit will be for an on-site manager.
- Rhonda's Place will allow individuals who use wheelchairs to approach, enter, and use all common spaces. The building will offer an elevator, so all floors are accessible. Three units will be reserved for persons with mobility disabilities and 1 unit will be reserved for persons with hearing or visual disabilities.
- Fifty percent of the unit tenants will be sourced from OneHome.

## Rhonda's Place Supportive Housing Project – Cont.

- REDI Corporation is contracting with Blueline Development to complete the buildout.
- REDI Corporation is requesting \$1,500,000 in housing development gap financing (\$30,612 per unit for the 49 units) and \$825,000 in services gap financing (\$1,122 per unit per year for 15 years). The total development cost is \$16,057,714 (\$321,154 per unit for 50 units). REDI will record a 60-year covenant and a collateralized deed of trust.
- REDI is seeking a services contract for the \$825,000 for \$55,000 per year for 15 years.
- This project, development and services, will be funded by the Homelessness Resolution Fund (2B).
- Services will be provided on-site on the 1st floor.

## REDI Corporation – Rhonda’s Place #21-1014

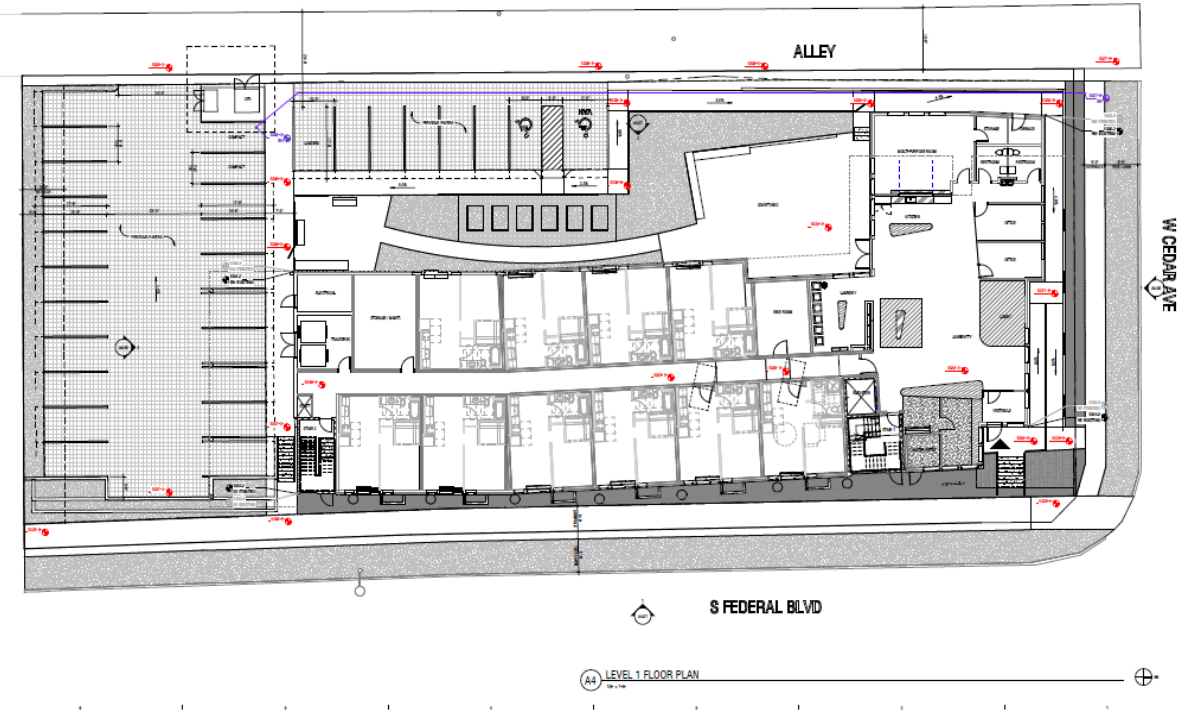
Loan Term	11/1/2021 – 10/31/2081
Funding Source	Homelessness Resolution Fund
60-Year Performance Loan Amount	\$1,500,000

- Located at 211-225 South Federal Boulevard
- Provides loan to REDI Corp. to develop a total of 49 units
- Performance loan forgiven after 60 years of affordable housing performance compliance
- All units affordable 30% AMI
- Non D3 Project

# UNIT MIX FOR RHONDA'S PLACE

Unit Type	30% AMI	40% AMI	50% AMI	60% AMI
One-bedroom	49			
Two-bedroom				
Three-bedroom				
Total	49	0	0	0
% of Total	100%	0%	0%	0%

*Context: 30% AMI for a single-person household is \$21,000, four-person household is \$30,000*



## PROJECT DETAILS – SOURCES & USES

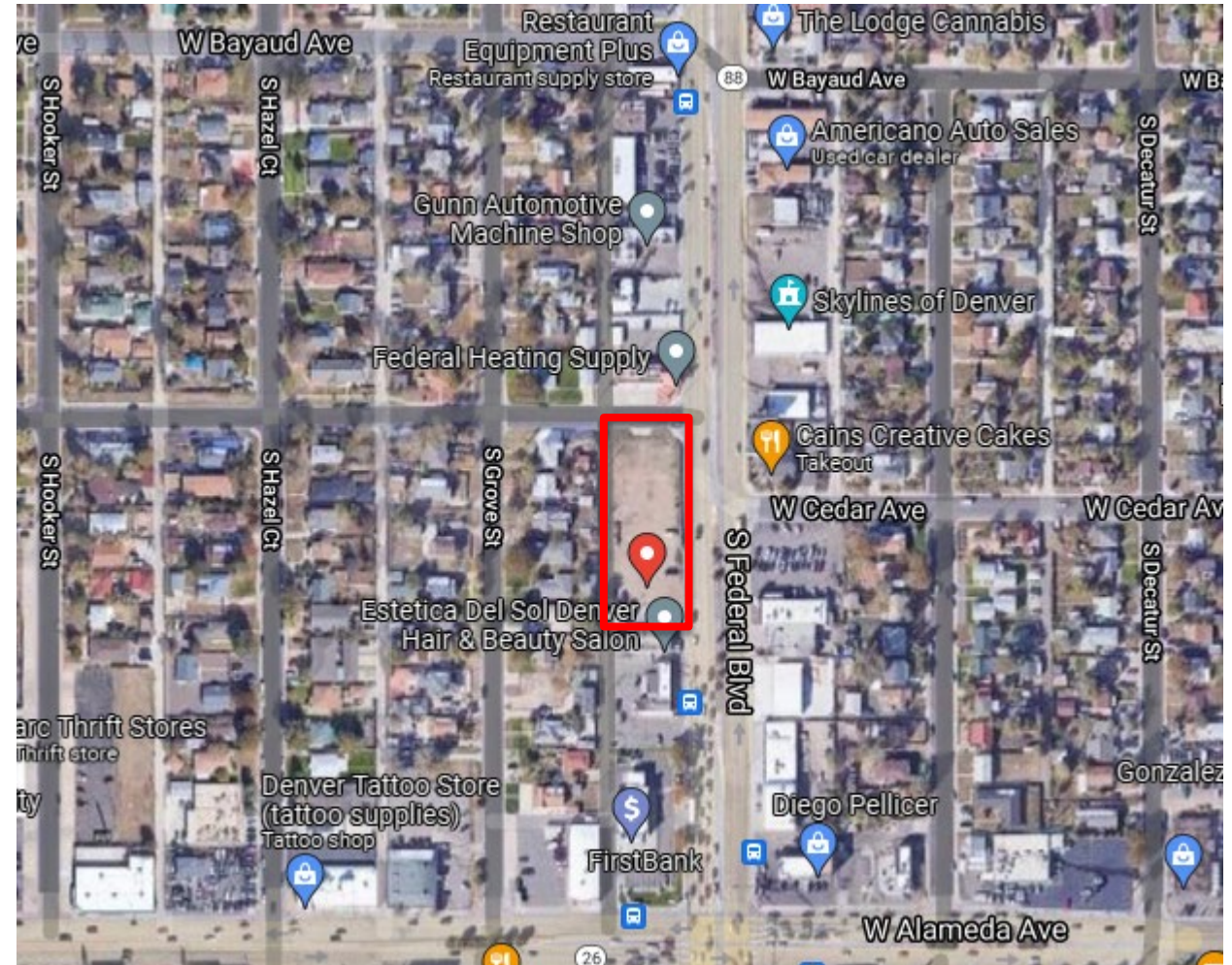
Sources	Total	%
First Mortgage	\$5,085,000	29.4%
4% LIHTC Equity	\$6,809,582	39.4%
State LIHTC Equity	\$2,047,567	11.8%
City of Denver Loan	\$1,500,000	8.7%
CDOH Grant	\$1,350,000	7.8%
Deferred Developer Fee	\$495,145	2.9%
<b>Total</b>	<b>\$17,287,294</b>	<b>100%</b>

- Overall total development cost is \$17.2 million, or \$321,154 per unit
- In addition to City funds, borrower will leverage private debt, LIHTC equity, CDOH funds, and deferred developer fee
- 49 vouchers will be provided by Colorado Division of Housing



## PROJECT CONTEXT

- Federal and Alameda in the Barnum neighborhood and Council District 3
- Located in a high-frequency RTD bus transit area
- One mile to Barnum Park



# Supportive Services



## Rhonda's Place Supportive Services #21-1015

Contract Term (15-year)	1/1/2022 – 12/31/2037
Funding Source	Homelessness Resolution Fund
15-year Contract Amount	\$825,000

- Supportive services to residents of 49 units at Rhonda's Place for 15 years
- REDI Corp. can draw up to 1/15 of the funds each year, and undrawn funds in subsequent years.
- REDI may draw in advance of expenses, rather than on a reimbursement basis.
- Budget in year one is \$7,275 per unit and increases by 3% per year
- 1:8 staff to resident ratio
- Includes 24-hour front desk support
- Includes RTD transportation passes

# Action Requested Today

## Approval of the following Resolutions:

- #21-1014 – REDI Corporation  
\$1,500,000 performance loan (49 units), supporting development of the 4% + State LIHTC project, Loan term duration 60 years.
- #21-1015 – REDI Corporation  
\$825,000 supportive services contract, supporting services for 49 units for 15 years.

# APPENDIX

# SUPPORTIVE SERVICES

## PROCESS AND OUTCOME MEASURES (1) - INCOME

### Income Acquisition Benchmarks:

#### For Current Participants.

- 80% of Current Participants must increase or maintain income (earned and unearned) and non-cash benefits. Income includes, but is not limited to, mainstream financial benefits (i.e. SSI, SSDI, TANF, AND), income from employment, and non-cash benefits such as SNAP.
- This will be measured as the percentage of households who increase or maintain total income from program entry to most recent assessment.

#### For Exiting Participants.

- 80% of Exiting Participants must have increased or maintained income (earned and unearned) and non-cash benefits. Income includes, but is not limited to, mainstream financial benefits (i.e. SSI, SSDI, TANF, AND), income from employment, and non-cash benefits such as SNAP.
- This will be measured as the percentage of Exiting Participants who increase total income from program entry to program exit.

# SUPPORTIVE SERVICES

## PROCESS AND OUTCOME MEASURES (2) – PERMANENT HOUSING

### Program Retention and Housing Attainment Benchmarks:

#### For Current Participants.

- Average and median length of Program Enrollment Period, measured in terms of days.
- Number and percentage of Current Participants enrolled in the program for: less than 3 months, 3 to 12 months, and longer than 12 months.

#### For Exiting Participants.

- 70% of Exiting Participants must exit the program into a Permanent Housing outcome.
- Number and percent of Exiting Participants by Destination at Exit. Destinations at Exit are defined as: Permanent Housing, other stable housing outcomes, and outcomes to other locations (e.g., nightly shelter, street, jail, or unknown destinations).
- Length of stay for Exiting Participants

# SUPPORTIVE SERVICES

## PROCESS AND OUTCOME MEASURES (3) – HOUSEHOLDS SERVED

### Households Served and Household Characteristics

- Number of households served each reporting period.
- Number of Exiting Participants within the reporting period.
- AMIs of each assisted household.
- Number and percent of heads of household by race, ethnicity, and income level at entry

# SUPPORTIVE SERVICES REQUIREMENTS

Intensive case management services must be available to residents of Supportive Housing Units, including the following services:

1. Access to a multidisciplinary treatment team, including: Nursing care, case management, peer support, individual therapy and group therapy, and psychiatry/medication support.
2. Housing stabilization: Contractor must provide assistance in healing from trauma, addiction, mental health issues and homelessness through assessment, treatment planning, benefit acquisition, care coordination, and crisis response. These interventions will support long-term housing stability.
3. Linkage to community supports: Contractor must work to develop community supports through engagement, socialization, life skills, peer activities, and vocational programming.



## SUPPORTIVE SERVICES REQUIREMENTS continued

- Providers must have a budget of at least \$7,200 per unit per year exclusive of operating expenses
- Services must provide for at least one staff person for every 15 supportive housing units. Staff must have the relevant education and experience needed to implement Supportive Services, as determined by the State of Colorado Office of Homeless Initiatives (“OHI”).
- Supportive Services must be offered on a volunteer basis to tenants of Supportive Housing Units. In addition, services are expected to be implemented in a manner reliant on current best practice models, including Housing First, Harm Reduction and Trauma-Informed Care.

## TENANT REFERRALS

- 50% of referrals will originate from the OneHome Coordinated Entry System

## SUPPORTIVE SERVICES SOURCES (FIRST FIVE YEARS)

7C1 Forecast of Services Expenses	Year 1	Year 2	Year 3	Year 4	Year 5
Annual inflation factor of 3%	\$356,481.00	\$367,175.43	\$378,190.69	\$389,536.41	\$401,222.51

7C2 Forecast of Services Sources						
Funder/Source	Status (e.g. committed, applied for)	Year 1	Year 2	Year 3	Year 4	Year 5
Operating cash flow	Committed	\$55,000.00	\$56,100.00	\$57,222.00	\$58,366.44	\$59,533.77
Medicaid	Eligible services billed directly by service provider	\$164,334.00	\$167,620.68	\$170,973.09	\$174,392.56	\$177,880.41
DOH TSS	Applying 8/1/20	\$109,733.33	\$109,733.33	\$109,733.33	\$109,733.33	\$109,733.33
On-Site Manager	In-Kind	\$16,116.00	\$16,116.00	\$16,116.00	\$16,116.00	\$16,116.00
HOST Services	Committed	\$55,000.00	\$55,000.00	\$55,000.00	\$55,000.00	\$55,000.00
Total Annual Sources Forecast		\$400,183.33	\$404,570.01	\$409,044.42	\$413,608.33	\$418,263.51

- Supportive services budget in year one is \$7,275 per unit and increases by 3% per year
- Services budget includes 1:10 staff to resident ratio
- Services budget includes 24-hour front desk support
- Services budget includes RTD transportation passes