



DENVER
THE MILE HIGH CITY

Department of Housing Stability

2022 Budget

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

What is HOST?

- Mayor Hancock formed new department
- Bring housing + homelessness together
- Executive order signed Oct. 23, 2019



**Healthy, housed,
and connected.**

**We invest resources,
create policy, and partner
to provide housing stability,
resolve episodes of
homelessness,
and create housing
opportunities**

Who Does HOST Serve?

In 2020:

600+ affordable units created/preserved

5000+ in housing access programs

5000+ in stability programs

1,800+ in rehousing groups

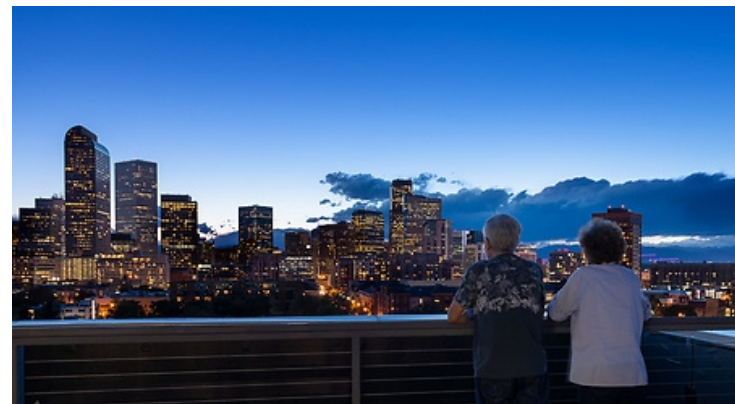
11,000+ in shelters

1,300+ through outreach programs

53% guests in shelters and 57% of outreach clients are BIPOC compared to 46% of the population overall

During COVID-19, we began sheltering people in hotels; hotels disproportionately serve women and older adults

More than 40% of Point-in-Time count respondents in shelter and unsheltered situations report a disabling condition





Agency Equity Plan and Goals

Key Equity Work and Accomplishments

Advance Equity:

Race no longer predicts outcomes for involuntary displacement, homelessness, homeownership, or cost burden

You can learn more about HOST's specific equity goals in our [Five-Year Strategic Plan](#), which include:

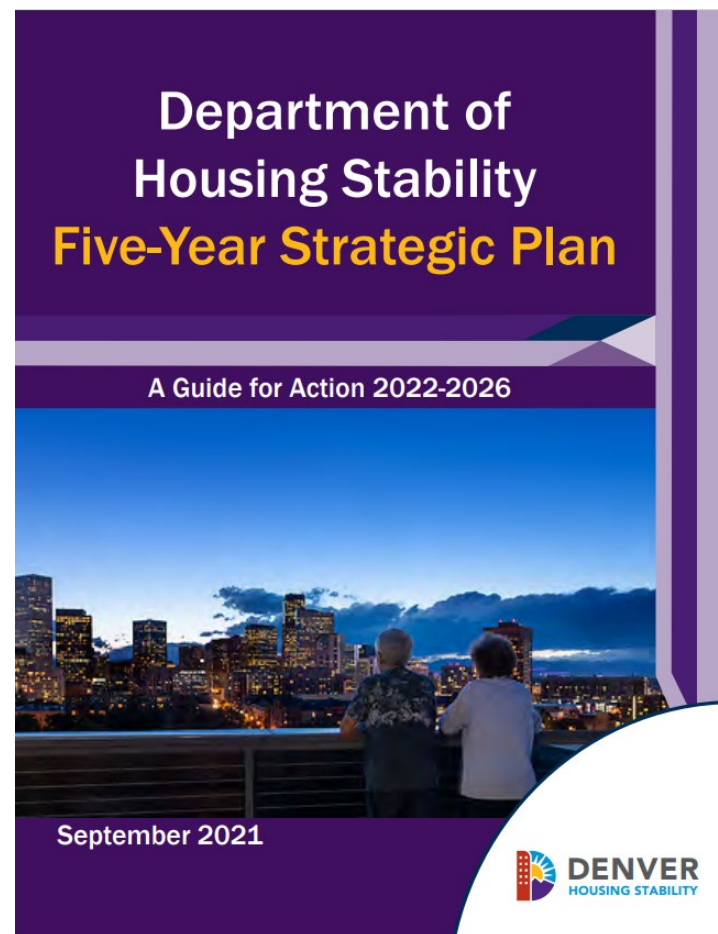
- Increase the homeownership rate among BIPOC households across income levels from 41% to 45%.
- Support advancement of prioritization policy to allow residents at risk of or who have been displaced priority access to new affordable housing.
- Increase the number of family households who exit shelter and outreach programs to housing from 25% to 50% by 2026.

2022 Budget Expansion Equity Considerations

- Those experiencing homelessness and housing instability **disproportionately represent BIPOC and historically marginalized communities**. Addressing housing, shelter and service needs of population helps address historic discrimination and supports city's equity goals.

Strategic Plan, '22 Action Plan

- Engaged 1,750+ stakeholders for feedback
- Feedback received through strategic plan process informed 2022 priorities
- 2022 Action Plan in development, to be finalized in Q4 with input from Housing Stability Strategic Advisors



HOST is committed to integrating and aligning with City Council's priorities:

**Affordable housing and support for people experiencing homelessness –
Reflected throughout our strategic plan**

**Community engagement and customer service –
Operations goals:**

- Expand Communications and Community Engagement
- Expand and Support Partnerships through Transparent, Efficient, and Effective Procurement, Contracting, and Financial Processes

Context for 2022 HOST Budget

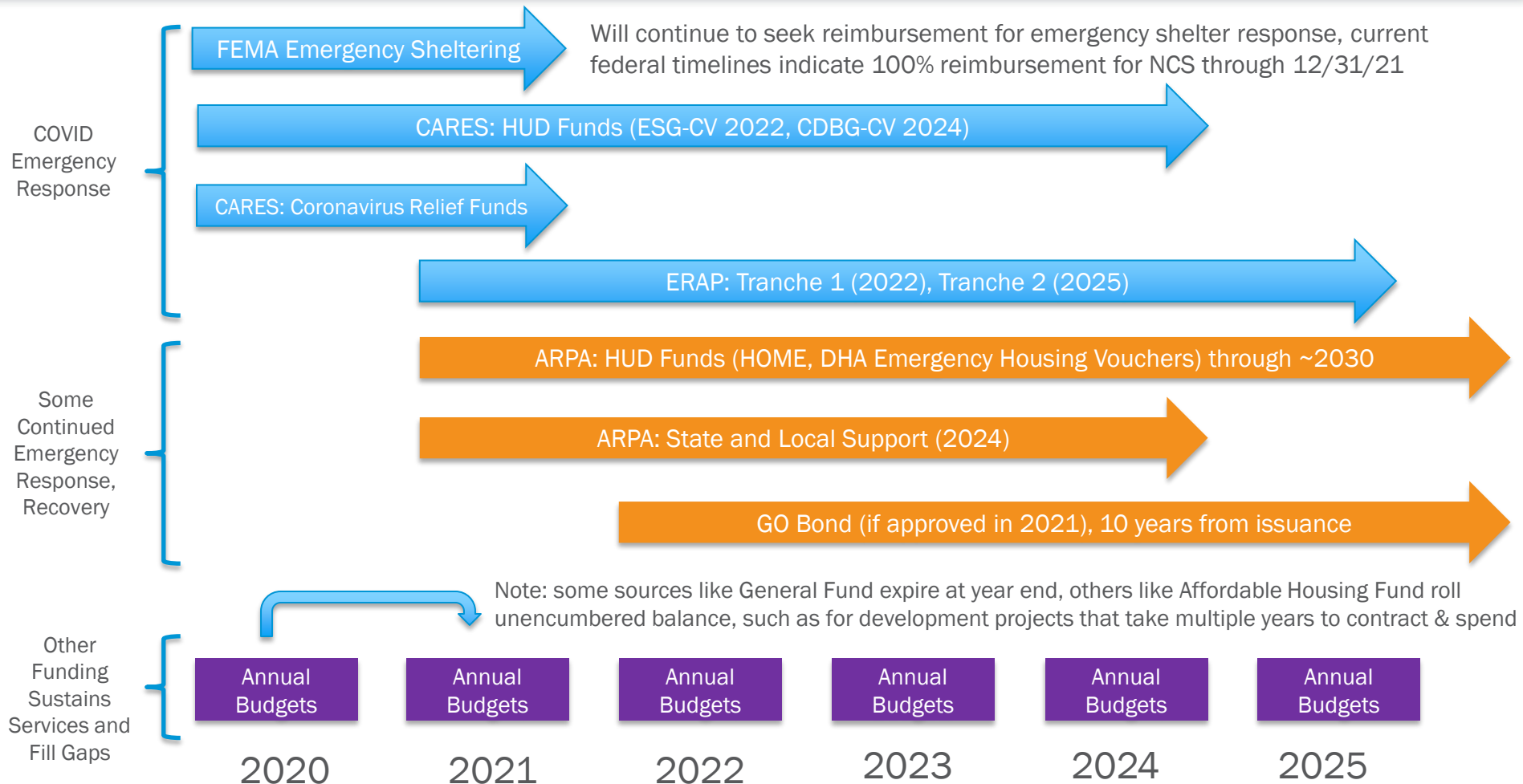
- HOST and partners continue to respond to COVID emergency while working toward housing stability
- 2022 Budget reflects expansion of support for those experiencing unsheltered homelessness, stronger shelter response, and infrastructure for recovery efforts
- 2022 Budget complemented by recovery funding to support housing development and preservation, shelter resiliency, support for rehousing and unsheltered homelessness, and eviction prevention

Ongoing Emergency Response

- Approximately \$85M obligated from FEMA for emergency shelter response between March 2020 – June 2021
- Extending emergency shelter project through 2021 and into 2022 where appropriate
- Cash flow for emergency shelter operations has been supported through Coronavirus Relief Funds, city's COVID Special Revenue Fund and Homelessness Resolution Fund
- More than 7,000 served in emergency shelter since March 2020



HOST Funding Landscape



Emergency Rental Assistance

Temporary Rent and Utility Assistance Program (TRUA)

- Launched in October 2017 with two nonprofits and quickly expanded during COVID
- Funded with the Affordable Housing Fund in 2019 (\$2M) and served ~1,000 households, expanded in 2020 with temporary funds (\$8M with Coronavirus Relief Funds) and served ~2,500 households, and in 2021 have spent \$4M to date to serve ~1,800 households

1,870 served through TRUA in 2021
400 served in ERAP since June 2021
6,000 served through CO DOH ERAP

Emergency Rental Assistance Program (ERAP)

- ~\$21.8M in ERAP1 (expires 9/2022) and ~\$27.2M ERAP2 (expires 9/2025)
- Partnering with the CO Division of Housing on use of shared database/application
- As of August 2021, have executed contracts with five non-profit organizations to administer \$21,679,739 within Denver:
 - \$3M of ERAP1 to serve approximately 400 households, amount being dispersed is increasing each month
 - Total amount dispersed to Denver with state funding through ERAP is \$23M to serve approximately 6,000 households

Planned and Proposed HOST Budget

Source	Amount
2022 HOST Budget	\$138,581,067
American Rescue Plan Act (ARPA)	\$50,270,000
Total Planned for HOST in 2022	\$188,851,067
General Obligation Bond (proposed)	\$38,600,000

2022 HOST Budget – Detail	Amount
General Fund	\$34,080,065
Special Revenue Funds (including dedicated sources)	\$94,409,560
Grants	\$10,109,442
2022 HOST Budget	\$138,581,067

*See slide 18 for proposed ballot measure impacts

American Rescue Plan Act (Proposed)

Program/Use	Amount	Purpose, Outcomes
Affordable Housing Fund infusion	\$28,000,000	Acquisition, development, and preservation
Shelter alternatives	\$4,300,000	Safe outdoor space, tiny homes, safe parking
Housing stability supports	\$1,500,000	Eviction prevention and stability assistance
Rehousing supports	\$2,000,000	Rapid resolution, rent, and service assistance
Total Operating	\$35,800,000	
4600 48 th Ave shelter improvements	\$7,470,000	Commercial kitchen and clinic
Shelter resiliency improvements	\$3,500,000	Emergency preparedness for major shelters
Life safety improvements – rec center	\$3,500,000	Updates at rec centers for emergency shelter
Total Infrastructure/Capital	\$14,470,000	
Total Combined	\$50,270,000	

- Total of \$38.6M for Housing and Sheltering approved by Council for voters to consider on November ballot
 - 48th Avenue Shelter Purchase: \$7.4M
 - Shelter Facility Acquisition and Improvements: \$30M
 - Purpose Contingency: \$1.2M
- Would support continued use of shelter serving 450+ in around the clock shelter
- Seeks to implement ongoing non-congregate shelter strategy to bring more people inside with housing-like supports

Proposed RISE GO Bond: Housing and Sheltering

Project Name	City Council District	Jobs Provided*	Wages Provided*	Economic Output	Estimated Project Cost
48th Avenue Shelter Purchase	8	N/A	N/A	N/A	\$7,400,000
Shelter Facility Acquisition, Conversion, and/or Construction	TBD	457	\$26,100,000	\$60,000,000	\$30,000,000

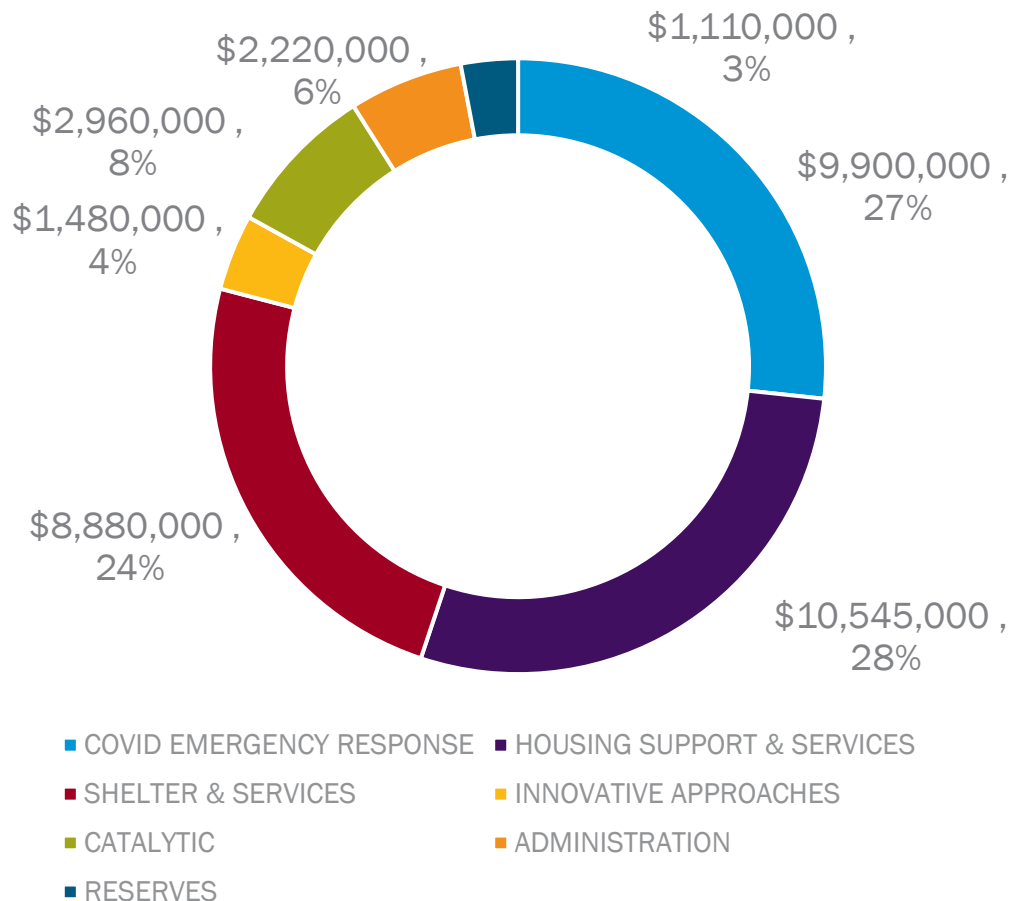
Housing and Sheltering Total 457 \$26,100,000 \$60,000,000 \$37,400,000

**Job and wage figures are estimates produced by an economic model based on the anticipated full cost of project where additional funding sources have been identified to complete project.*

Homelessness Resolution Fund

2021 Outcomes

2021 Homelessness Resolution Fund Budget

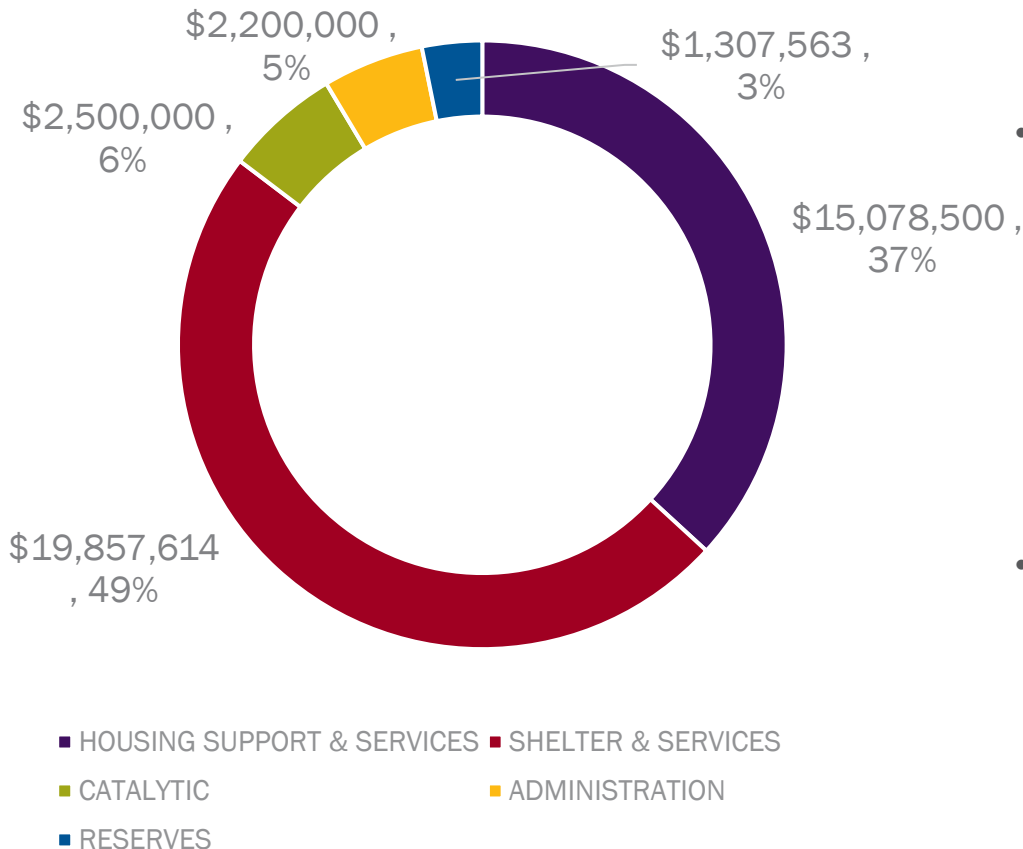


- Already in 2021, investments from the first year of Homelessness Resolution Fund are:
 - Converting 440 beds to 24/7 shelter
 - Serving 220+ households in rapid rehousing and supportive housing programs
 - Creating 160+ supportive housing units with wraparound services
- Emergency funding reserve is helping to provide cash flow for emergency shelter efforts ultimately part of FEMA application

Homelessness Resolution Fund

2022 Planning

DRAFT 2022 Homelessness Resolution Fund Budget



- Stakeholders informed initial draft plans for 2022, HOST will continue to engage with HSSA in fall through 2022 action plan
- DRAFT 2022 budget anticipated to increase housing resources, transition from emergency shelter
 - 180+ supportive housing units developed
 - 585 households in rehousing and other housing supports
 - Sustain support for 24/7 shelter
- Increase to sheltering reflects transition down from temporary resources like ESG-CV in 2021, if/as emergency shelter winds down from 2021 budget, resources will support housing and catalytic projects

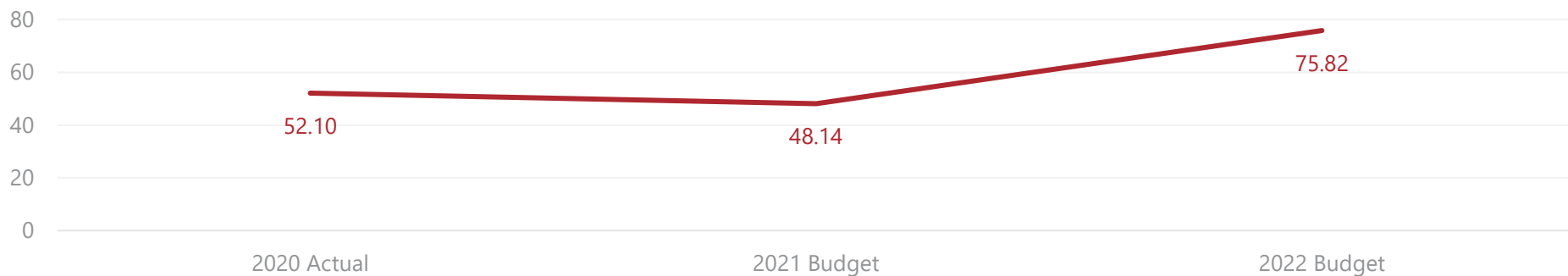
Impact of Proposed Ballot Measures for HOST

- Initiated Measure 304
- Referred Question 2F
- Initiated Measure 303

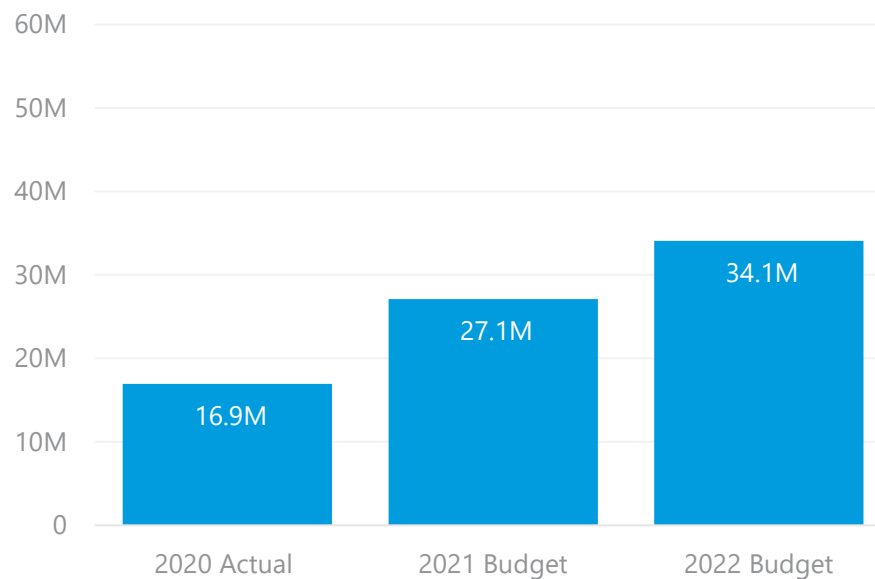


Agencywide General Fund Expenditures & FTE Changes

Total FTE

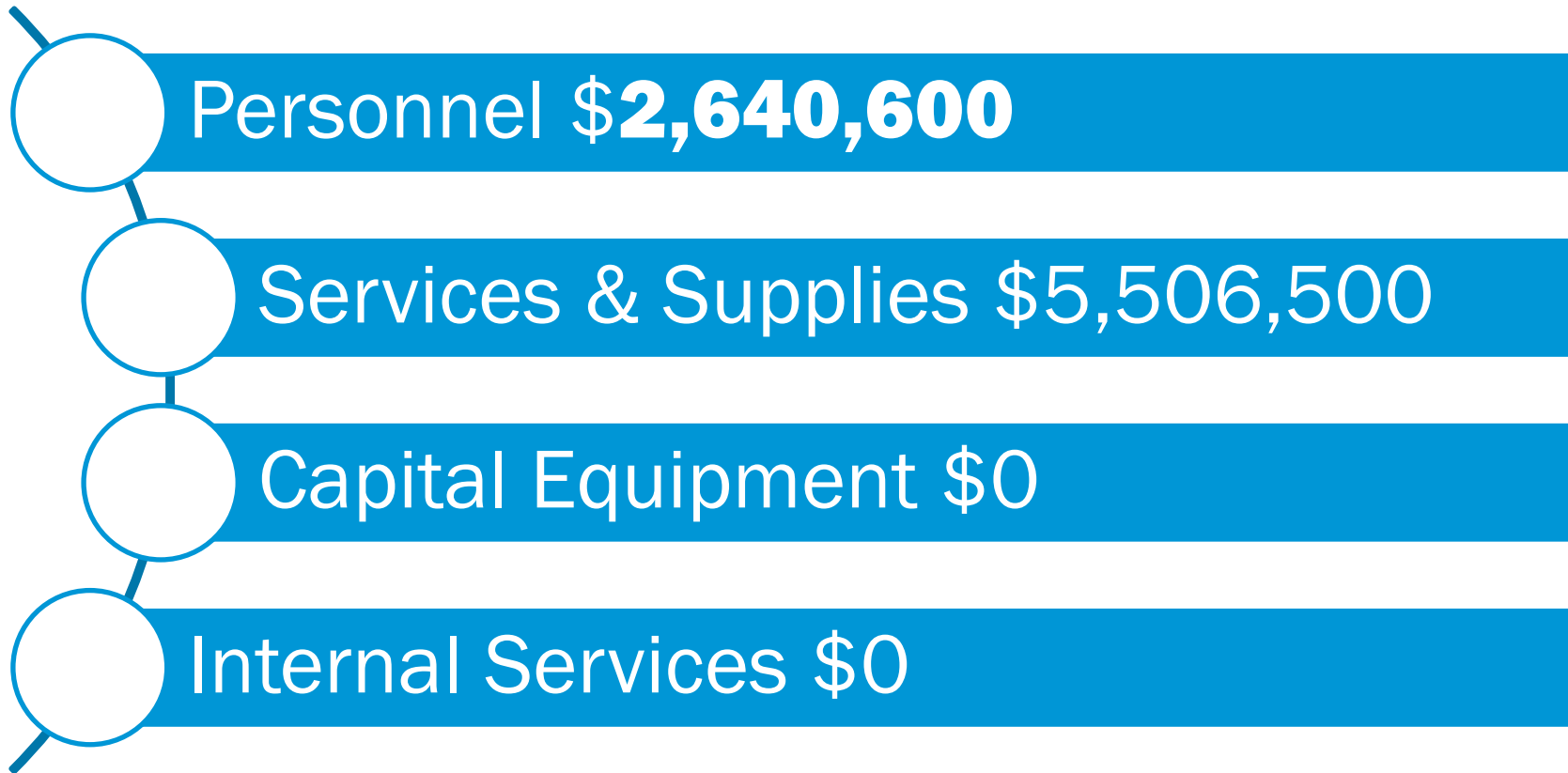


Total Expenses





Agency Total General Fund Expansions





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Operations

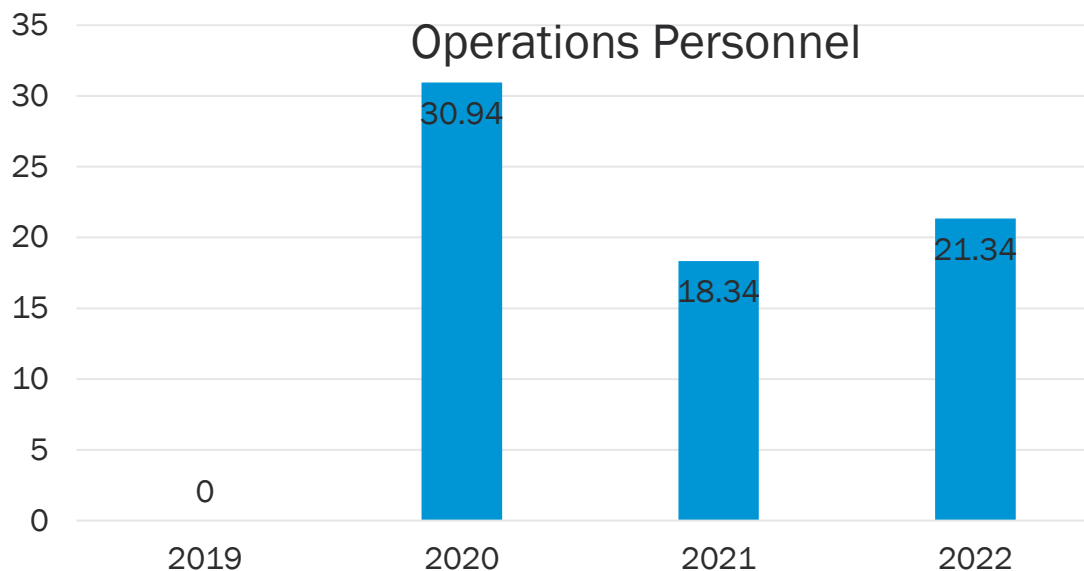




Operations Personnel Expansions

Personnel Expenditures	FTE	Services & Supplies
Capital Project Manager	1.0 Unlimited	\$132,600
Real Estate Project Manager	1.0 Limited	\$132,600
DHS Position Transfer	1.0 Unlimited	\$98,000

Represents support for HOST team for capital project management to support recovery resources and other projects in the development pipeline and a complementary limited position in the Division of Real Estate for recovery project management support. Additionally, includes the transfer of funding for one position in 2022 from DHS to HOST. Position was hired for in 2021 – this transfer clarifies budget.





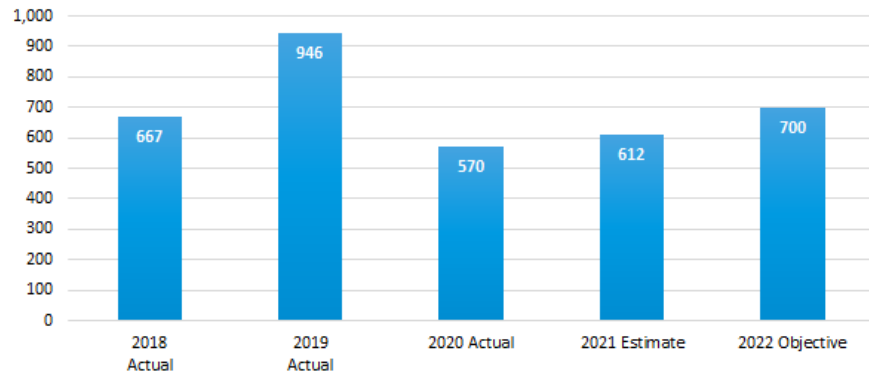
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Housing Opportunity

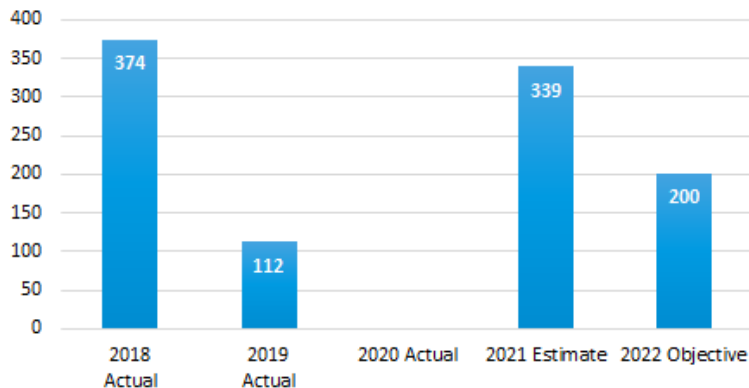


Housing Opportunity

New Affordable Housing Units Financed



Preservation Affordable Housing Units Financed



HOST Housing Opportunity 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 Priority Summary

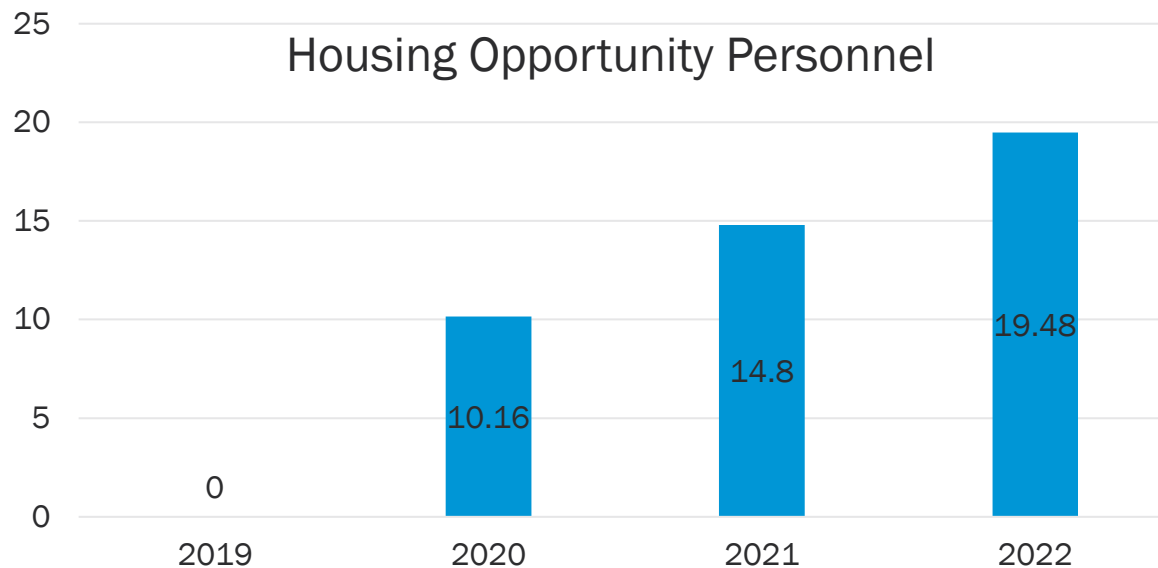
- Responsive to language in Priority 2 around increasing affordable housing options, and intersects with Priority 3 around using anti-racist approaches to build healthy neighborhoods (through homeownership and rentals).



Housing Opportunity Personnel Expansions

Personnel Expenditures	FTE	Services & Supplies
Environmental Specialist	1.0 Unlimited	\$100,500
Affordable Housing Review Team	3.67 Unlimited	\$314,000

Represents support for HOST team for 1) compliance with environmental requirements for housing development contracts and 2) the HOST team's portion of a new, cross-departmental team to prioritize review of affordable housing in permit and plan review processes.





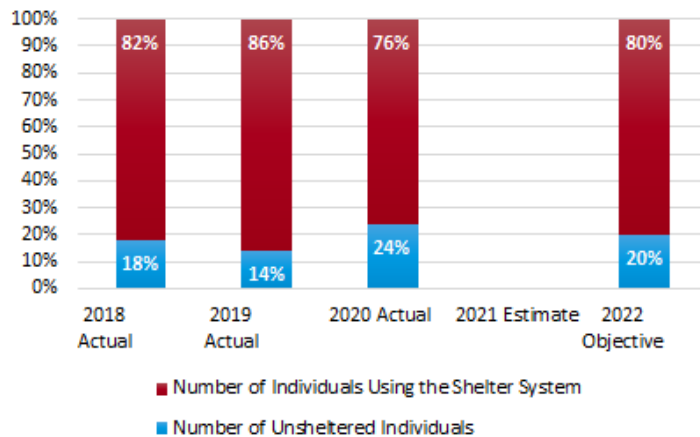
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Homelessness Resolution and Housing Stability

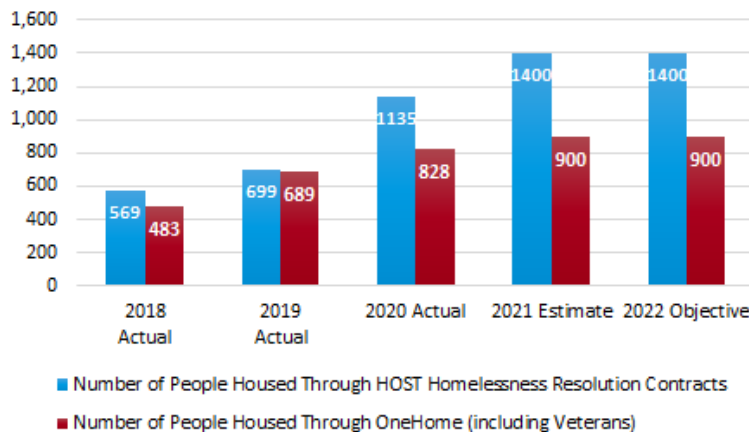


Homelessness Resolution

Shelter Utilization Rate



People Housed



HOST Homelessness Resolution Goals:

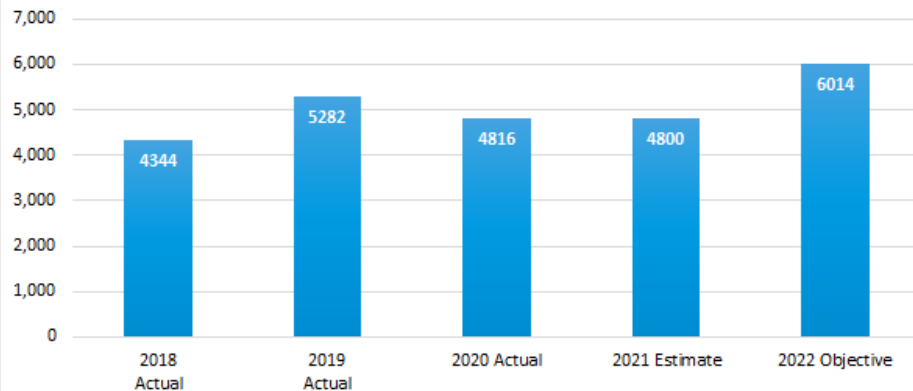
- Reduce unsheltered homelessness from 2022 Point-in-Time Count to 2026 Point-in-Time Count by 50%.
- Increase the annual number of households served in rehousing and supportive housing programs from 1,800 to 3,000.
- Reduce the average length of time residents experience homelessness to 90 days by 2026.

City Council Priority Summary

- Responsive to language in Priority 2 around increasing support for those experiencing homelessness in Denver.

Housing Stability

Households Served Through Stabilization Programs



HOST Housing Stability 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.*

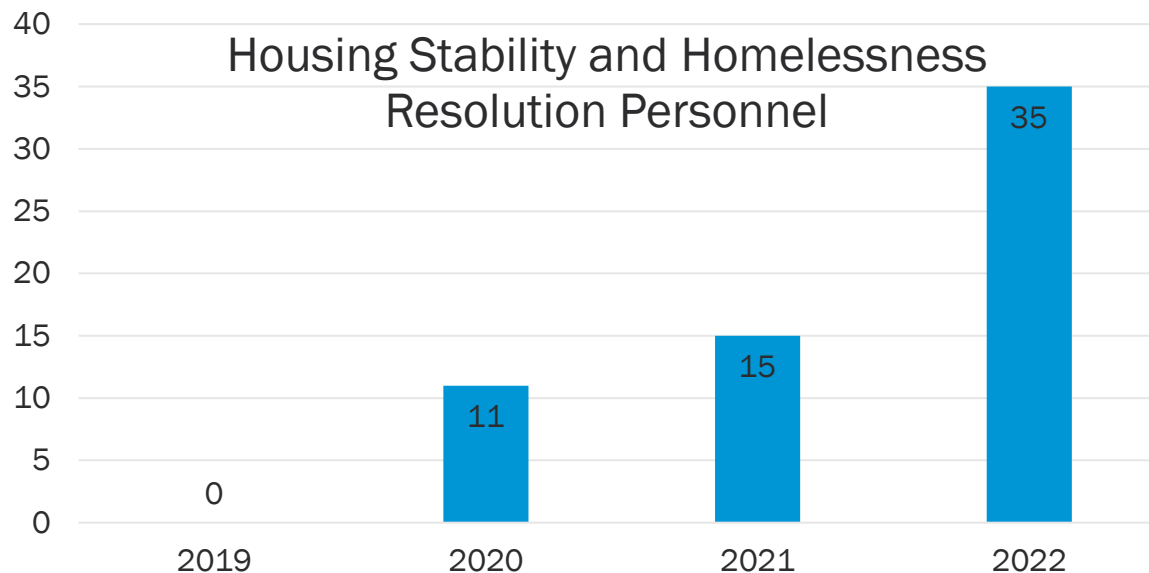
City Council Priority Summary

- *Responsive to language in Priority 2 around mitigating and reducing involuntary displacement of community members.*

Homelessness Resolution and Housing Stability Personnel Expansions

Personnel Expenditures	FTE	Services & Supplies
Unsheltered Response, EIT Team	19.0 Unlimited	\$2,759,600
Program Manager	1.0 Unlimited	\$107,700

Represents support within HOST for 1) a new and expanded unsheltered response and Early Intervention Team including a new director, project manager, program coordinator, 5 outreach case coordinators, 4 behavioral health outreach workers, and the transfer of 7 positions hired in 2021 for the Early Intervention Team on program management, coordination and outreach, and 2) a program manager to support housing stability programs such as rent assistance, legal defense and other eviction preventions.



Homelessness Resolution

Budget Expansion – Unsheltered/EIT

Services and Supplies

Expenditures

\$998,400

Duration

Permanent

Provides support for the unsheltered response and Early Intervention Team through:

- Office and field equipment, workstations
- Vehicles to support direct transportation including accessible options (planned purchase of 2 lift-equipped transport vans and 2 smaller vehicles)
- Direct client assistance to flexibly meet immediate needs and address barriers to housing
- Translation support to equitably meet needs of those unsheltered
- Other supplies



Homelessness Resolution

Budget Expansion – 48th Campus Operating

Services and Supplies

Expenditures	Duration
\$3,000,000	Permanent

Provides support for shelter operations at 48th avenue campus through:

- Cost of lease for 4600 E 48th Ave
- Maintenance costs for 4600 E 48th Avenue as the property is not part of the CIP budget
- Operating support for partners serving guests at the campus including support for food, laundry and staffing, and case management to support access to housing and services



Homelessness Resolution

Budget Expansion – Shelter Vouchers

Services and Supplies

Expenditures

\$1,000,000

Duration

Temporary

Provides temporary shelter support for the unsheltered response and Early Intervention Team, as well as other outreach and enforcement teams throughout the city, through:

- Overnight temporary hotel vouchers for those experiencing unsheltered homelessness
- Provides safety net support for those who may have barriers to traditional shelter system



List of Other Expansions

TITLE/DESCRIPTION	BUDGET IMPACT	FTE	DURATION
Prioritization policy (iFund)	\$1,000,000	0.0	One-Time

City Council and HOST have recommended a prioritization policy to help connect those at risk of or who have experienced displacement to new housing opportunities. HOST hired staff in 2021 to support policy development, adoption and implementation.

The proposed BLOOM platform would help connect residents searching for affordable homes to prospective housing through a shared portal with landlords, mitigating for the number of applications and waitlists that an individual household may currently utilize to find affordable housing. The system is also anticipated to support implementation of the prioritization policy.



HOST 2022 budget expansions:

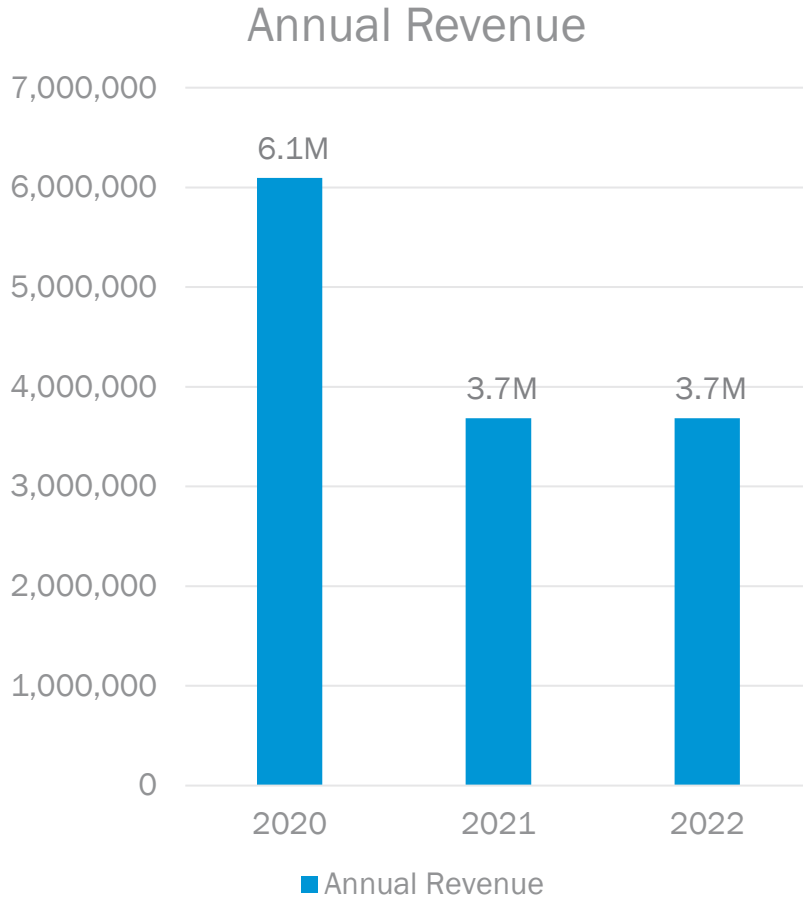
- Provide housing stability, resolve episodes of homelessness, and create housing opportunities – this is what our community is concerned about and is asking us to address.
- Expand support for strategies to support those who are experiencing unsheltered homelessness with project management, outreach and case management, transportation and other services
- Scale infrastructure of the department to meet growing portfolio and staffing needs
- Further city's equity goals as those experiencing homelessness and housing instability disproportionately represent BIPOC and historically marginalized communities



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Appendix

YOY Agency General Fund Revenue Change



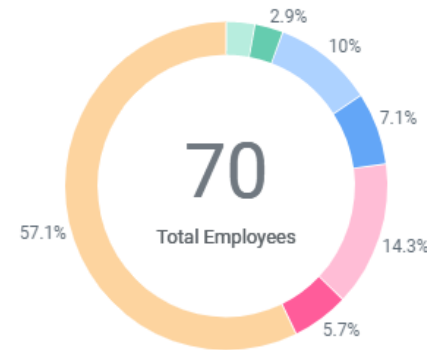
- Represents the indirect cost allocation from the State deposited in the General Fund.
- Previously, this revenue was deposited in the Human Services special revenue fund to support homeless services.
- Beginning in 2020, staffing and programming dollars directly associated with homeless services were transferred to the General Fund to the Department of Housing Stability.

Primary Uses of Local Funds for Housing and Homelessness

Use	Affordable Housing Fund	Homelessness Resolution Fund	General Fund
General Housing Development/ Preservation	X		
Supportive Housing Development	X	X	
Supportive Services	X	X	X
Rehousing Programs	X	X	X
Shelter Operations		X	X
Other Homelessness Programs		X	X
Stability Programs	X		

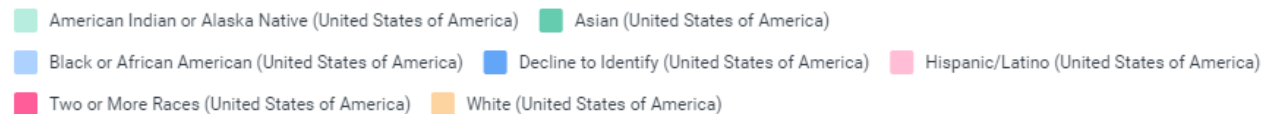
Employee Demographics:

- 74 employees
 - 70 filled
 - 4 onboarding
- 28 on call employees



Hiring Updates:

- 10 Active Recruitments
- 4 positions in process



38 employees hired already in 2021:

- 44.73% of new hire FTE are from diverse populations (17 of 38)

If 2022 budget is approved, additional 26 positions would be added to HOST team (some partial year funding in 2022 for permit review team)



2021 YTD BUDGET SUMMARY FOR AHF, HRF

Fund	Planned Amount	Contracted	Awarded Pending Contract	Budgeted Pending Award	Budgeted	Remaining Funding*
Definition	Appropriated amount	Contract executed or in process	Award notification, contract pending	Award anticipated, contract pending	In procurement or planning processes	Balance that could roll over*
Affordable Housing & Property Tax Fund	50,232,570	40,888,102	9,335,000			9,469
Affordable Housing Linkage Fee Fund	20,277,991	5,645,862	10,510,000			4,122,129
Homelessness Resolution Fund	37,128,521	20,888,512	1,925,076	2,800,000	11,149,924	365,009
TOTAL	107,639,082	67,422,476	21,770,076	2,800,000	11,149,924	4,496,606

*If/as projects and programs are identified for funding in Q4 2021, balance of funding may move to other columns with final reconciled balance rolling into 2022.

**Note, support from Homelessness Resolution Fund that is helping to cash flow emergency shelter response in 2021 will be available if/as items are approved and reimbursed by FEMA to roll into 2022.