

**HOUSING ADVISORY COMMITTEE MEETING**  
**Thursday, December 6, 2018 | 2:00 p.m. – 4:00 p.m.**  
**Webb Building (201 W Colfax) Room 1B6**

---

**Committee Members Present:** Jill Jennings Golich, John Parvensky, Heather Lafferty, Carrie Kronberg on behalf of Alison George, Veronica Barela, Brad Weinig, Carl Patten, Bill Pruter, Chuck Perry, Jenny Santos, Trini Rodriguez, Councilwoman Robin Kniech, Ismael Guerrero, Kenneth Ho, Margaret Danuser on behalf of Brendan Hanlon, Kate Quillin on behalf of Kevin Marchman

**Committee Members Not Present:** Randy Kilbourn, Eric Hiraga, Doug Selbee on behalf of Britta Fisher, Chris Conner, Cris White, Michael Warren, Tracy Huggins

- **Roll call**
- **Approval of November meeting minutes**
- **PSH Supportive Services Update - Annie Bacci, CSH – See memo for additional information**
  - Key points
    - \$1.5M-\$2M available in 2019
    - Target population: only a small population needs intensive services - services are temporary to the tenant
    - Need adequate/dedicated funding for services and focus on quality standardization
    - At least 500 PSH units in the pipeline - opportunity to get quality services right
    - Funding
      - Project-generated cash flow is a small part of funding
      - PSH projects get a boost in developer fee to put toward services
      - Medicaid is typically 15% of PSH projects if not community mental health centers
      - Once SIB goes away in 5 years, services funding will be very limited
    - Quality definition:
      - Goal: 1:10-15 staff to client ratio, as well as integrative team model
      - Types of staff positions based on population served
      - Set of outcomes tracked
      - Funding ranges
    - How much does it cost:
      - Tenancy support service: \$7k
      - Family/youth: \$10k
      - Intensive Case Management/Assertive Community Treatment: \$17k
    - OED can provide funding \$3-4k per unit per annum for services
    - Dedicated services funding from ballot initiative?
  - Questions/comments
    - What quality standards are being implemented?
      - Working with State and OED to make use of toolkit widespread
      - Providing training
      - Projects are inconsistent
    - Reserve not accessible because all tax credit basis is allocated to building cost - can't count on the funding being available
      - Investors want to see capitalized interest reserve
    - Projects have additional property management costs:

- Security
    - Front desk staff
    - Numbers above for services don't cover these costs
  - Do term sheets reflect additional property management costs?
    - Not currently
  - What does long-term funding mean?
    - At least 15-year project term to match CHFA tax credit process
    - Need annual review of quality standards and outcome
  - Do the outcomes matter with a mixed model or 100% model?
    - Both work
    - CCH: very hard to mix population, as less intensive service clients don't want to live in that services model
  - Critical to grow the pipeline and equity with high standards
    - Need toolkit to build pipeline and provide training
  - Quality over quantity
    - Trade higher per unit subsidy and fewer units of PSH
  - Not legislative intent of the linkage fee ordinance to exclusively serve new development with PSH supportive services funding- needed to be linked to housing
    - Need to make a legislative change to include existing PSH projects
    - Need talk about expanding services funding
- 2018 Budget Update – *see powerpoint for additional information*
    - Questions:
      - \$60M roll over into 2019 instead of \$50M?
      - What are the strings associated with the unspent \$10M?
      - How do we encourage more applications? How do we work better with CHFA?
      - What happens if we don't allocate all the funding?
        - Depends on the funding source
      - Could we help future projects to get done with 4% credits alone with greater subsidy?
      - Looking regionally, are there projects in other markets that are more feasible with 4% credits?
      - Almost impossible to do a project more than every 2 years
      - Could we create a new PSH authority?
      - Need to discuss with CHFA
        - When City submits their priorities, we would like CHFA to pay attention
        - Get a set aside for PSH or for City
  - Director Updates
    - Production/Preservation - Haley Jordahl
      - Breakdown of units by new build and preservation
      - Update on preservation ordinance rules and regulations
      - Margaret Danuser - MMA+ down-payment assistance program - revamping program due to lack of use because of market conditions; did RFP over the summer and selected George K. Baum to restructure into a 0% 2nd mortgage for 3 years, which will allow a lower interest rate on the first mortgage
        - Income range up to 120% AMI for 4-person household
    - Compliance - Rick Padilla
      - Have settled 132 of 306 cases; issuing 5 violation letters per week

- 49 foreclosures - investors - working on settlements through April on compliance resolution program
- Undergoing audit - go in front of committee on 12/20 - one finding that OED has been working on
- Now have 7 people on compliance team and are working on technology updates; updating IHO rules and regulations
- Expanding scope in 2019 to multi-family
- Policy/Programs - Melissa Thate
  - Welcome Dave Riggs
  - January HAC Meeting
    - Officer Election
    - Update on City-Owned Land Analysis
    - Metro Denver Fund Update
    - Property Tax Rebate Program Update
- Finance - Chiquita McGowin
  - No new updates
- Adjourn