Meeting Minutes

Date: Friday, October 12, 2018
Location: Denver Metro Chamber of Commerce, 5th Floor Conference Room
1445 Market St, Denver, CO 80202

Agenda Items

1. Call to Order, Welcome & Introductions
   - Denver Workforce Development Board (WDB) Chair Maggie Bolden welcomed everyone and called the meeting to order at about 11:40 a.m. She asked the group to welcome Sara Butz from Black Creek Group and Lynda Campbell from Stonebridge Companies, whom Mayor Hancock had officially appointed.
     - Mary Putman, The Reciprocity Collective, attended as proxy for Leanne Wheeler; Lisa Seaman, Associated General Contractors of Colorado, attended as proxy for Bryan Cook; Dorothea Steinke,
Literacy Coalition of Colorado, attended as proxy for Fabian Nardi; and Cynthia Wright, Design Thinking Denver, attended as proxy for Joseph Herold.

- Guests at the meeting included: Kristina Brickley, Denver Public Schools (DPS); Debra Bustos, Urban Land Conservancy; Liz Conley Colorado Department of Labor & Employment (CDLE); Matt Dodge, DPS; Kathy Ford, CDLE; Tim Foster, ResCare Workforce Services (ResCare); Sir Green, ResCare; Sharon Knight, Hope Communities; Cedric Lindsay, The Learning Source; James Sanchez, Goodwill Industries, Denver; Sarah Secrist, The Learning Source, Paris Sherman, ResCare; Ben Taylor, Dominium; Devin Tempton, The Empowerment Program; Matthew Thomas, Concorde Career College; Shanelle Watts, ResCare; and Tasha Weaver, Colorado Housing & Finance Authority.

- Denver Office of Economic Development (OED) and Denver Workforce Services (DWS) staff in attendance included: Tony Anderson, Ben Taylor, Ken Arellano, Laura Brudzynski, Barbara Callison, Deborah Cameron, Cindy Gaertner, Marcus Johnson, Liz Kisse, Ola Kukoyi, Yohannes Mengistu, James Roina, Shonta Trotman, Bret Walker, Dana Williams, and Mamay Worku.

- Maggie encouraged board member to sign-up for and October events which include activities related to National Disability Employment Awareness month.

2. Workforce Development Board Business
- Approval of Minutes. Cecil Velázquez moved and Michael Williams seconded a motion to approve the September 14, 2018, Board meeting minutes without modification.
  ➢ Action Taken: All Board members present voted to approve the minutes; the motion passed.

3. Housing Experts Panel. Maggie asked the Housing Panels to provide a brief overview of their work in affordable housing.

- Colorado Housing & Finance Authority (CHFA). Tasha Weaver, Manager, Tax Credits, at CHFA, provided an overview of CHFA’s work and background information on Low Income Housing Tax Credit (LIHTC) program which it administers. CHFA also provides homeownership and business finance services.
  
  - through its LIHTC program, CHFA helps finance affordable housing by allocating tax credits to affordable housing developers who sell the tax credits to investors in exchange for equity, which reduces their debt and allows them to charge lower rents required by the program. The two types of LIHTCs available are 9% and 4%.
    - The highly competitive 9% credits usually are awarded annually to new housing construction and provide developers with 70% LIHTC equity. In the 2018 competition, CHFA received 33 applications and awarded 15 projects.
    - Four percent credits are non-competitive, are often used on housing rehabilitation projects or large projects that are financed with tax-exempt bonds and provide only 15% LIHTC equity.
  
  - LIHTCs work because developers agree to long-term affordability (30 -40 years), the private sector investors assume the risk for project success, the competitive allocation process generates strong projects and each state can customize its program to meet its own affordable housing needs.
    - Colorado’s qualified allocation plan outlines minimum project requirements and priorities related to targeted populations, including the homeless, seniors, veterans, and other households with barriers to housing.
    - Many projects include set-asides for deeper affordability (with rents affordable to populations earning below 60% Area Median income (AMI)) and accept tenant-based rent vouchers.
  
  - CHFA works with Denver OED and other investors to preserve affordable projects and utilizes additional state funds to supplement the program.

- Dominium. Ben Taylor, Senior Development Associate for Dominium, a Minneapolis-based, for-profit affordable housing developer that manages or over 30,000 units in over 22 states, provided additional information.
In a recent survey of residents, Dominium found that its “average” customer is 46 years old with a household income of $18,420 and a credit score of 594; 72% of residents include a female head of household.

Dominium is almost exclusively a 4% LIHTC developer. Its projects are large and target 60% AMI ($37,800 for a one-person household; $53,940 for a family of four), which Ben considers workforce housing. East Range Crossing, a $67 million project under construction near Denver International Airport, will provide 252 60%, 50% and 40% AMI units, which will rent for about $950 for a 1-bedroom, $1,100 for a 2-bedroom and $1,250 for a 3-bedroom (although rent limits may increase before project completion. Project funding sources include $27 million in LIHTC equity and a $3 million Denver OED soft loan.

- Ben relayed that the metro Denver environment is one of the best for the availability of gap funding. Denver’s $30 million affordable housing fund is unique, although Oregon has proposed $160 million in funds; these state and local funds is important, since the amount of federal funds available is shrinking. Additionally, the partnerships with OED and Denver Housing Authority (DHA) are beneficial.
- East Range Crossing received extra tax credits because the US Department of Housing & Urban Development (HUD) has designated its location as both a difficult development area and a qualified census tract. HUD has incentivized affordable developments in these areas.
- A newly authorized option for affordability, income averaging, will allow projects to serve more lower income households.

- Denver Office of HOPE (OED-HOPE). Laura Brudzynski, Director Housing Policy & Programs for the OED-HOPE, discussed Denver’s housing needs, resources and strategies.
  - At least 3,330 households reported homelessness in the recent HUD point in time survey. OED-HOPE believes that over 100,000 of Denver’s households are cost-burdened – spending more than 30% of their incomes on housing – 68,000 rent and 35,000 own their homes.
  - Because federal funding has been shrinking, Denver approved a $30 million annual affordable housing fund from new development linkage fees and marijuana sales tax. Additionally, OED-HOPE is partnering with DHA to generate $105 million in bonds to create or preserve affordable housing.
  - Housing on Inclusive Denver is Denver’s housing plan. It outlines how funds will be used and policy strategies to promote inclusive and equitable communities through the creation, preservation and promotion of affordable and accessible housing options and direct services to stabilize residents at risk of displacement:
    - 20-25% of resources serve residents experiencing homelessness
    - 20-25% allow households earning less than 30% AMI to attain or retain housing
    - 20-30% provide rental housing for households earning between 31% and 50% AMI
    - 20-30% of resources help with homeownership.

Ultimately, Denver aims to create or preserve 62,000 affordable units to assist more than 31,000 households over the next five years.

- LIVE Denver, a pilot program OED-HOPE has implemented with DHA will provide tenants with rental assistance, provided in part by their employers. Loretta Owens (Lowens@denverhousing.org) at DHA is overseeing the program; Laura suggested interested employers contact her directly.

- Urban Land Conservancy (ULC). Debra Bustos, Senior Vice President for Real Estate, explained that ULC’s executes its mission to acquire, develop, and preserve urban community assets in metro Denver through acquiring and land banking strategic sites along transit corridors and other key areas to ensure continued public benefit, promote community development and strengthen neighborhoods.
  - ULC partners with affordable housing developers, charter schools and multi-tenant nonprofit facilities ensuring public benefit through 99-year land leases.
- One example is the property at West Colfax and Irving. After ULC purchased the land, it conducted brownfield remediation and then created three parcels. It sold one to the city (Corky Gonzales Library), another to an affordable housing developer (80 affordable units in the Avondale Apartments); and a third is slated for mixed-use development.
- Many of ULC’s assets are close to RTD’s light and commuter rail lines and have been or will be developed for affordable housing: the 9.4-acre Park Hill Village West property at 40th and Colorado, currently provides 156 affordable units with additional housing and commercial projects planned, a 1.4-acre site near the A-Line’s Blake Station will provide 66 affordable units including 2- and 3-bedroom family housing, and a 6-acre property near the National Western Center is slated for mixed-use, mixed-income development that will include a health clinic.
- ULC has been working with a group of developers to identify ways to engage with the community, help develop neighborhood residents’ skills and employ them at the development’s tenant businesses.
- ULC has been incubating Elevation Community Land Trust that will preserve the affordability of single family homes through the land trust model. Through this model, in which the buildings are owned by individual households, but the community owns the land, home prices can reduce by a third or more.
- **Hope Communities.** Sharon Knight, President & CEO of Hope Communities, spoke about the work her organization does to strengthen communities and provide pathways to economic and personal opportunity through housing, educational programs and support services.
- Hope Communities owns four affordable properties: two in Five Points, which provide 56 units, one in North Park Hill (94 units), and one in East Denver (130 units).
- The organization also provides culturally relevant services to assist its residents with economic mobility. Most of these services have been determined through resident councils, and include case management, resource management, adult education, career readiness, workforce training, job placement and retention, financial literacy, health & wellness and youth development.
- These services are supported by fundraising, in-kind donations, volunteers, and strong ties with community partners.

### 4. Denver Workforce Services
- Tony Anderson, Director of Workforce Services, thanked the affordable housing panel, referred the group to the *Workforce Director’s Update* handout, and asked Dana Williams, Acting Assistant Director, for an update.
- Dana reminded the group of DWS’ successful of the ReImagine Retail Program and acknowledged the contribution of DWS’ retail and hospitality employer partners. Dana recognized Denver WDB member Lynda Campbell as one of Denver’s strongest partners and thanked her for never hesitating to help with the program, speaking on a panel or representing the partnership. In the first lodging and hospitality manager certification training cohort, Stonebridge sponsored and hired 10 participants who now earn an average salary of about $70 thousand. Lynda announced that two more apprentices would start the program soon.

### 5. Meeting Wrap-Up, Q&A, Discussion.
- The Board meeting adjourned at approximately 1:32 p.m.