

Permanent Supportive Housing Project Pipeline  
Housing and Homeless Working Group  
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City defines “supportive housing” as stable, long term housing for individuals experiencing homelessness that includes, but is not limited to supportive services such as case management, health care and/or workforce training.

- Alongside investment into units, City piloted **Social Impact Bonds** as an innovative approach to funding case management and mental/behavioral health services in supportive housing projects
  - *Over 100 individuals have been housed* and are receiving comprehensive services.
  - The remaining 150 individuals will be housed by late summer/early fall.
  - The program is *reaching a very vulnerable population*, those with intense co-occurring needs such as mental health disorders, severe substance use, and unmanaged chronic illness.
  - Participants have scored very high on our region’s vulnerability tool, the VI-SPDAT
  - Both MHCD and CCH are continuing to develop strategies to *best leverage Medicaid funding* in order to develop long-term sustainability for the program.

- The City of Denver has partnered with the State of Colorado to fund the Toolkit of Permanent Supportive Housing
  - 2015/2016 toolkit resulted in three supportive housing projects that are currently under construction
  - 2016/2017 toolkit included five projects in various stages of the housing pipeline
    - Senior Support Services
    - Volunteers of America
    - Second Chance Center
    - Denver Indian Family Resource Center
    - Urban Peak Denver

- City organizes pipeline of affordable housing requests into tiers based on project readiness:
  - Tier 1: projects with site control, financing and project design
  - Tier 2: projects that may have site control but are in planning phase
  - Tier 3: projects that are in concept phase

Current CHALLENGES for projects in the affordable housing pipeline (including PSH):

- 1) Since land prices have substantially increased citywide, **availability and cost of land** is a challenge for affordable development
- 2) With rising interest rates and a decline in tax credit pricing, developers are seeing an **increased need for gap financing for vertical construction**
- 3) Goal of investment in housing across variety of neighborhoods to deconcentrate poverty but **may face financial, site capacity and other barriers**

Current CHALLENGES for projects in the SUPPORTIVE housing pipeline:

- 1) Since supportive housing includes on-site services, some sites may have **challenges with site design, development capacity and zoning** to accommodate the mix of uses
- 2) **Supportive services represent an additional operating cost** for developers with limited subsidies available
- 3) There are a number of **different subpopulations within supportive housing with unique service needs**

Current OPPORTUNITIES for projects in the supportive housing pipeline:

- Land:
  - Dedicated Housing Fund and federal resources for land/property acquisition
  - Updated Executive Order to prioritize affordable housing when disposing of owned-owned land
  - Partnerships with public/quasi-public partners with landholdings
- Vertical Construction:
  - Dedicated housing fund and federal resources for gap financing alongside tax credits and/or direct rehabilitation

*Note: These challenges apply to affordable housing generally*

## Current OPPORTUNITIES for projects in the supportive housing pipeline :

### – Pipeline:

- Improve synchronization of project priorities between State, CHFA and City
- Improve outreach and communication with developers/service providers in the PSH pipeline

### – Funding:

- Operating - Connect existing resources among DHS(including Medicaid and TANF), DRH, BHS and OED for operating subsidies
- Operating - Finalize structure for Dedicated Housing Fund, and \$16M in Marijuana Funds investments into supportive services
- Capital - Co-Convene Meeting with Colorado Health Foundation, and Colorado Coalition for the Homeless to consider development of PSH Revolving Loan Fund (Land Acquisition)

- *Refining* and implement a strategy for connecting program resources of housing, services and workforce training
- *Synchronizing* funds to make impact investments across the scale of affordable housing, including PSH Projects
- *Identifying* alternative funding sources to LIHTC to widen the pool of resources for all Affordable Housing projects, including PSH
- *Improving coordination with PSH Toolkit to understand the specific needs of projects and create Action Plans to move projects through the pipeline*
  - *Convene service providers to provide input on the structure of supportive service resources from the Dedicated Housing Fund*