2023

DEPARTMENT OF HOUSING STABILITY

ACTION PLAN

DENVER
HOUSING STABILITY

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INTRODUCTION

IN 2021, THE DEPARTMENT OF HOUSING STABILITY (HOST) PUBLISHED ITS FIVE-YEAR STRATEGIC PLAN. THE PLAN IS THE CULMINATION OF TWO YEARS OF COMMUNITY ENGAGEMENT TO CHART THE DIRECTION FOR THE DEPARTMENT THROUGH 2026 IN OUR COLLECTIVE VISION TO CREATE A HEALTHY, HOUSED, AND CONNECTED DENVER.

While the plan articulates the department's best thinking when it was developed, it was intended to provide strategic vision that would evolve over time as needs change. As such (and described on page 56 of the five-year plan), the department committed to publish annual reports that track progress on our goals, and annual action plans that detail the upcoming year's priorities.

These annual action plans provide the opportunity and flexibility to reflect on progress and adjust as needed. They are developed with input from the Housing Stability Strategic Advisors, HOST's publicly appointed advisory body, and from the broader community.

HOST's projected budget for 2023 is around $249.5 million, including a combination of dedicated local funds such as the Homelessness Resolution Fund and Affordable Housing Fund, federal grants, and time limited COVID response and recovery funds (the "2023 Financial Landscape" section of this plan describes HOST's projected budget and planned expenditures in more detail).

In 2023, HOST will continue to advance strategies started in 2022 and take on new priorities. Specifically, we will:

- Create and preserve more than 1,700 affordable homes through HOST's investment in the affordable housing pipeline, strategic acquisition of hotels, and successful implementation of the new Mandatory Affordable Housing ordinance;
- Expand pathways to homeownership, including by leveraging American Rescue Plan Act (ARPA) funds to scale up down payment assistance programs for households impacted by historic practices like redlining and support more development of affordable for sale homes.
- Serve more than 8,000 households with housing stability programs, including more than 1,700 in eviction legal defense programs and 250 in a new foreclosure prevention and legal assistance program;
- Serve more than 2,500 households experiencing homelessness in rehousing and supportive housing programs, and house more than 1,700 households through all of HOST's Homelessness Resolution investments;
- Address unsheltered homelessness by implementing encampment decommissioning strategies to help at least 100 households per year experiencing unsheltered homelessness connect to stability through housing navigation and other services, and by continuing to support safe outdoor space and safe parking programs;
- Improve the homelessness resolution system for families through investment in hotel options for families in need of shelter, expanding housing-focused case management for those families, and expanding supportive housing for families;
- Commission a disparity study to document racial disparities and discrimination in housing in Denver and propose solutions that advance equity;
- Release a new publicly available financial dashboard providing transparency to how HOST uses its resources;
- Expand functionality and use of HOST data systems to support more efficient electronic contracting and invoicing processes and tracking; and
- Prepare to implement the Affordable Housing Prioritization Policy, including the development of a data system to improve access to affordable housing citywide and help match residents with available affordable housing options.

Please visit denvergov.org/housingfiveyearplan to view snapshots of the progress being made throughout the year and sign up for updates on HOST's work.

Denver's Housing Affordability Challenge

While Denver is recovering from the impacts of the COVID-19 pandemic, housing prices have continued to climb. The median single-family home in Denver sold for $720,000 in March 2022.[1] To provide a 20% down payment on such a home, the typical household in Denver needs to bring more than $140,000 to the table, a hurdle that is nearly impossible to clear for first time buyers. Rents have continued to increase, reaching $1,683 per month in January 2022.[2] To pay no more than 30% of their income on rent on that median apartment, the median household would need to make more than $67,000 per year. This is twice what a worker earning the minimum wage in Denver earns in a year ($33,000). In the face of these costs, one in every three Denver households pays more than the recommended 30% of its income for housing, and the number of eviction filings is increasing.[3]

Across Colorado, residents are struggling to keep up with housing costs. More than 175,000 households statewide reported being behind on rent and mortgage payments in July 2022.[4] Of households that have fallen behind on housing payments, 64% of renters and 22% of owners report that it is very or somewhat likely that they will need to leave their home due to eviction or foreclosure.[5] Additionally, more than 6.5 million households statewide reported that their rent had increased by more than $250 per month.[6]

These trends reflect a nationwide housing affordability crisis and the economic hardship created by the COVID-19 pandemic. With the foundation of a stable place to call home out of reach for many, homelessness in Denver and the region has increased. From 2020 to 2022, the number of people experiencing homelessness on a given night in Denver increased by 15% (from 4,171 to 4,798 people) compared to 13% regionally.[7] In the face of growing need for shelter, Denver has expanded capacity to meet the need. As a result, the vast majority of those experiencing homelessness in Denver are sheltered: 3,490 people on that given night. That's 73%, unlike many West Coast peer cities that see that percentage of their homeless population living on the streets. And yet, today's numbers show an increase in unsheltered homelessness of 31% during the pandemic, from 996 to 1,308 people, an increase of 312 people. Of those experiencing unsheltered homelessness, 117 people were staying in a Safe Outdoor Space on that night, an option not available in Denver in 2020.[8]

[1] Denver Metro Association of Realtors, Local Market Update.

[2] Apartment Association Metro Denver. (2022). Denver Metro Apartment Vacancy and Rent Report 4th Quarter 2020. https://www. aamdhq.org/vacancy-and-rent. Data are for Denver County

[3] From January – July 2022, 4,348 evictions were filed with Denver County Court, compared to 4,894 for calendar year 2021 and 3,912 for calendar year 2020.

[4] U.S. Census Bureau. (2022, July 20). Week 47 Household Pulse Survey: June 29 – July 11. https://www.census.gov/data/tables/2022/demo/hhp/hhp47.html. Note: Data are only available statewide; they not available for Denver County.

[5] U.S. Census Bureau. (2022, July 20). Week 47 Household Pulse Survey: June 29 – July 11. https://www.census.gov/data/tables/2022/demo/hhp/hhp47.html. Note: Data are only available statewide; they not available for Denver County.

[6] U.S. Census Bureau. (2022, July 20). Week 47 Household Pulse Survey: June 29 – July 11. https://www.census.gov/data/tables/2022/demo/hhp/hhp47.html. Note: Data are only available statewide; they not available for Denver County.

[7] Metro Denver Homeless Initiative. (2022, July 20). "First Phase of Annual Homelessness Count Released." https://www.mdhi.org/blog/first-phase-of-annual-homeless-count-released

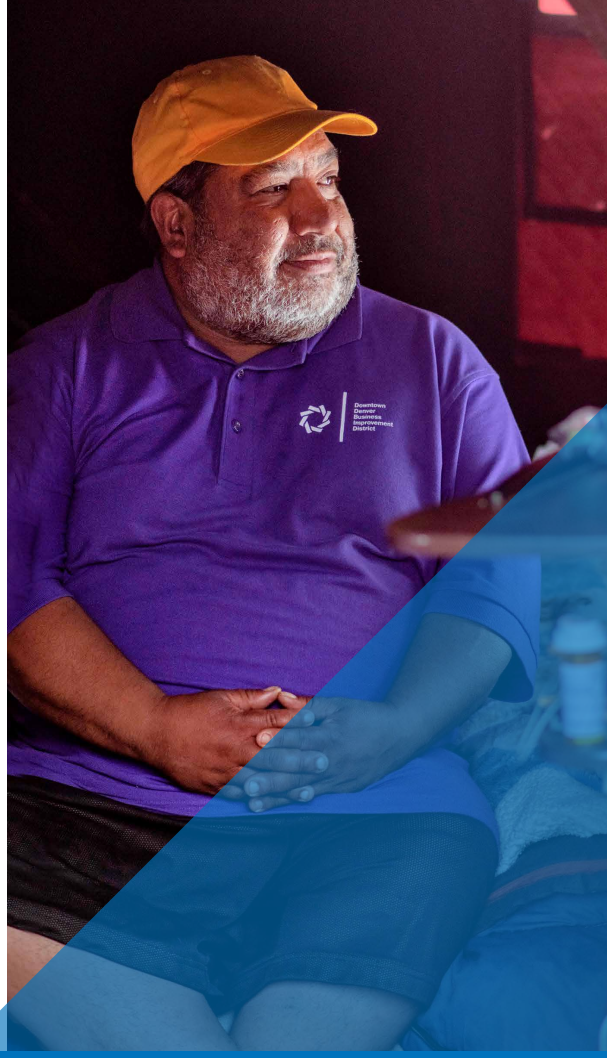
[8] The U.S. Department of Housing and Urban Development requires guests in Safe Outdoor Space programs to be counted as unsheltered. However, If we subtract those staying in SOSs in 2022, our increase in unsheltered homelessness would have been 1,191, a 19.6% increase, or 195 people during the pandemic.

[9] U.S. Department of Housing and Urban Development. (n.d.). "Glossary of Terms to Affordable Housing." https://archives.hud.gov/local/nv/goodstories/2006-04-06glos.cfm.

Vision

In the face of these challenges, HOST is doing more than ever to create a healthy, housed and connected Denver. We do that by investing resources, creating policy, and building partnerships to provide housing stability, resolve episodes of homelessness, and create and preserve affordable housing. Our work is guided by our overarching core value of equity. Our work is person centered, trauma informed, and data driven.

HOST invests funds into affordable housing development and preservation, supportive housing, and affordable rental programs. HOST invests resources and partners with other organizations to provide rent and utility assistance, affordable rental housing and homeownership opportunities, tenant and landlord counseling services, eviction and foreclosure assistance, down payment assistance, and other services. HOST contracts with nonprofits that operate shelters, rapid rehousing, diversion programs, and outreach teams who contact persons experiencing homelessness.



What is affordable housing?

Affordable housing is typically defined as housing that requires the occupant to pay no more than 30% of their gross income for housing costs (i.e., rent or mortgage payment plus the cost of utilities).[9] Whether a household's housing is affordable depends on two factors: (1) their income, and (2) how much they pay each month for their rent or mortgage and utilities. Because households' incomes vary, the same set of housing costs may be affordable to one household and not be affordable to another.

To ensure affordable homes go to those who need it, the City places legal requirements on the affordable housing it funds or that it requires through policy. These requirements specify how many units must be rented or sold to households at set income levels and that they must be rented or sold at affordable prices. Those income levels are expressed as a percentage of the area median income to accommodate changes in income over time. This is also called income-restricted affordable housing.

HOST has a priority for deeply affordable homes, which we define as those that are affordable (i.e., require no more than 30% of the household's income) for households earning at or below 30% of the area median income. There are two reasons for our focus on deep affordability. First, households at the lowest income levels are paying more than 30% of their income on housing at the highest rates. Second, the market does not naturally produce units affordable to those households without significant public subsidy as the cost of constructing housing is generally higher than what can be financed from rents collected at these affordable rates. For more information on this, see the Setting the Stage section and Appendix A1 of HOST's Five-Year Strategic Plan.

What We Hope to Achieve: Summary of Strategic Plan Goals and Targets

In order to achieve our vision of a healthy, housed, and connected Denver, HOST's Five-Year Strategic Plan established desired impact statements for the core overarching value of Equity, the three pillars of the work – Housing Opportunity, Housing Stability, and Homelessness Resolution, and the foundational support of Operations. Through the efforts outlined in the strategic plan and this annual action plan, HOST will help create a Denver where:

Advance Equity	Race no longer predicts outcomes for involuntary displacement, homelessness, homeownership, or cost burden.
Housing Opportunity	Residents have equitable access to housing options that meet their affordability needs and the opportunity to increase wealth through home ownership.
Housing Stability	Residents have the choice in when and under what circumstances they move or remain in their homes and neighborhoods.
Homelessness Resolution	Residents experience homelessness rarely and, if they do, it is brief and one-time.
Operations	Denver residents and partners will receive efficient, timely and transparent support, and have confidence that HOST is measuring what matters and effectively engaging the community.

HOST VISION

Healthy. Housed. Connected.

To this end, the Five-Year Strategic Plan established 14 important, measurable goals, each undergirded by measurable targets and strategies needed to achieve them:

To establish targets for success, HOST analyzed data on the services and housing we support. We examined how different investments drive different outcomes, and we estimated how much we could support these crucial activities with the resources we have available through our funding, continued partnerships, and other efforts. They are:

Housing Opportunity

By 2026, HOST and its partners will:

- Increase the portion of total homes in Denver that are income restricted from 7% to 8% through the creation and preservation of 7,000 ownership and rental homes, including the creation of 900 supportive housing apartments.
- Reduce the rate of housing cost-burden among low- and moderate-income households from 59% to 51%.
- Preserve at least 950 apartments in income-restricted rental properties and ownership homes
- 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%.

Housing Stability

By 2026, HOST and its partners will:

- 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.
- Benchmark other key measures such as foreclosures among income-restricted units and household mobility in 2022 to establish targets over the remaining plan period.

Homelessness Resolution

By 2026, HOST and its partners will:

- 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
- Measurably end veteran homelessness by achieving functional zero by 2026, i.e. placing at least as many veterans into permanent housing each month as there are veterans experiencing homelessness
- Increase the contract benchmark for the percentage of sheltered households who exit to housing from 30% to 40%
- Increase the number of family households who exit shelter and outreach programs to housing from 25% to 50%
- Reduce the average length of time residents experience homelessness to 90 days

Operations

By 2026, HOST and its partners will:

- Improve communications channels, align them with community need, measure their effectiveness, and increase positive response regarding communications and engagement based on a baseline survey in 2022.
- Reduce average length of time from conditional approval of credit or award letter under a procurement process to fully executed contract to under 60 days for program contracts under $500K, under 75 days for program contracts above $500K and under 90 days for development contracts.
- Reduce procurement decision time from average of 47 days to 30 days from date of submission.
- Reduce average invoice processing time from 21 days to 7 days.
- Increase percentage of respondents to community and stakeholder feedback survey reporting satisfaction with the usability and transparency of HOST reporting tools, including publicly available finance and performance dashboards, based on a baseline survey in 2022.

Community Engagement and Feedback

The development and refinement of this plan was informed by engagement with the community. This included gathering input and feedback from the Housing Stability Strategic Advisors, reviewing feedback received from citywide engagement efforts on recovery priorities, holding a public meeting on the draft 2023 Action Plan, and gathering feedback through a community-wide survey on the draft 2023 Action Plan for 30 days. The final plan, revised based on feedback, is submitted to the Housing Stability Strategic Advisors, who formally vote on whether to recommend the plan to the Executive Director of HOST for implementation.

Through those processes, we heard the importance of addressing housing and homelessness in our community. Through citywide community engagement on COVID-19 recovery priorities, nearly half of Denver residents said housing affordability and homelessness were their top priorities. Through HOST's additional engagement efforts on the 2023 Action Plan, we also heard calls for more housing, particularly deeply affordable and supportive housing.

We also heard feedback on the unauthorized camping ordinance, both from community members who dislike enforcement of that ordinance and from community members who wish to see further enforcement. While HOST engages partners and supports outreach to those living unsheltered on our streets in order to help connect them with housing, services, and shelter, HOST is not responsible for enforcement of the unauthorized camping ordinance. That feedback will be conveyed to other City agencies.

Additionally, some community members felt that this plan was missing information on critical services, including workforce, mental health services, substance use supports, and property tax relief. HOST recognizes the importance of these services, particularly as Denver faces high levels of methamphetamine and fentanyl use. Creating a healthy, housed and connected Denver takes collaboration across the entire array of City services. For example, access to benefits and employment programs provide critical income to help residents better afford their housing costs, and those programs are supported through Denver Human Services (DHS) and Denver Economic Development & Opportunity (DEDO). DHS also provides a property tax relief program to qualifying Denver residents. Access to behavioral health treatment can help support someone's overall stability and wellbeing, and Denver Department of Public Health and Environment (DDPHE) is leading this work.

Lastly, some respondents wanted to see more included in this plan about adaptive reuse of office and other spaces for housing. The proposed 2023 Budget includes funding for Denver Community Planning and Development (CPD) to study the feasibility of converting downtown office space to residential uses.

For more information on citywide coordination and how other City agencies support the goals of this plan, see appendix A5 of HOST's Five-year Strategic Plan.

ADVANCING EQUITY

RACE NO LONGER PREDICTS OUTCOMES FOR INVOLUNTARY DISPLACEMENT, HOMELESSNESS, HOMEOWNERSHIP, OR COST BURDEN.

Equity has been identified as a core value for the City and County of Denver, Mayor Michael Hancock's administration, and HOST. HOST assesses policy and spending decisions through a lens of equity for benefit, burden, and unintended consequences for historically marginalized communities. The department also uses data to inform our work so that race no longer predicts housing outcomes.

HOST is committed to leading with race, because every major system in the nation without exception (criminal justice, education, housing, workforce economics, etc.) generates racial disparities that influence experiences and outcomes. Further, disparities based on race persist even after accounting for other factors, like financial class. Racial segregation, redlining, housing discrimination, and other racist practices and systems perpetuate disparities in housing outcomes.

HOST approaches its work through an equity lens to dismantle systemic racism and create more equitable systems. We know that those experiencing homelessness and housing instability disproportionately represent Black, Indigenous and People of Color (BIPOC) and historically marginalized communities. Addressing housing, shelter, and service needs of these populations helps address historic discrimination and supports the city's equity goals.

In this work, HOST leads with race explicitly but not exclusively and understands the importance of intersectionality. It is essential to acknowledge the barriers faced by other historically disenfranchised groups on the basis of age, sexuality or gender identity, disability, income level, and neighborhood. HOST seeks to use data to identify disparities in access and outcomes across these identity characteristics and work with partners to address them.

EQUITY is when everyone, regardless of who they are or where they come from, has the opportunity to thrive, and acknowledges that treating every person or place exactly the same may not result in fair opportunities to succeed.[10]

[10] City and County of Denver. (2019, April 22). Comprehensive Plan 2040: Denver's Plan for the Future. https://www.denvergov.org/files/assets/public/community-planning-and-development/documents/planning-general/comprehensive-plan/ denver_comprehensive_plan_2040.pdf

How This Plan Advances Equity

HOST's Five-Year Strategic Plan seeks to advance equity through the goals it set and the strategies it outlines. For example, one of our key goals is to increase homeownership among Black and Indigenous People of Color (BIPOC) households. The plan also seeks to improve our response to family homelessness. Strategies throughout the plan call for investing in neighborhoods at risk of involuntary displacement, improving how we are engaging with and listening to community members.

Additionally, HOST is centering our efforts to advance equity through data and person-centered approaches. Throughout our work to develop HOST's Five-Year Strategic Plan, we heard stakeholders strongly state the importance of addressing the needs of various subpopulations within our work; for example, families, youth, and those who need help completing activities of daily living. HOST remains deeply committed to providing a person-centered, trauma-informed approach informed by data to meet the unique needs and situations of each person. HOST is examining this demographic data to identify disparate outcomes in these populations and uses this information to inform priorities.

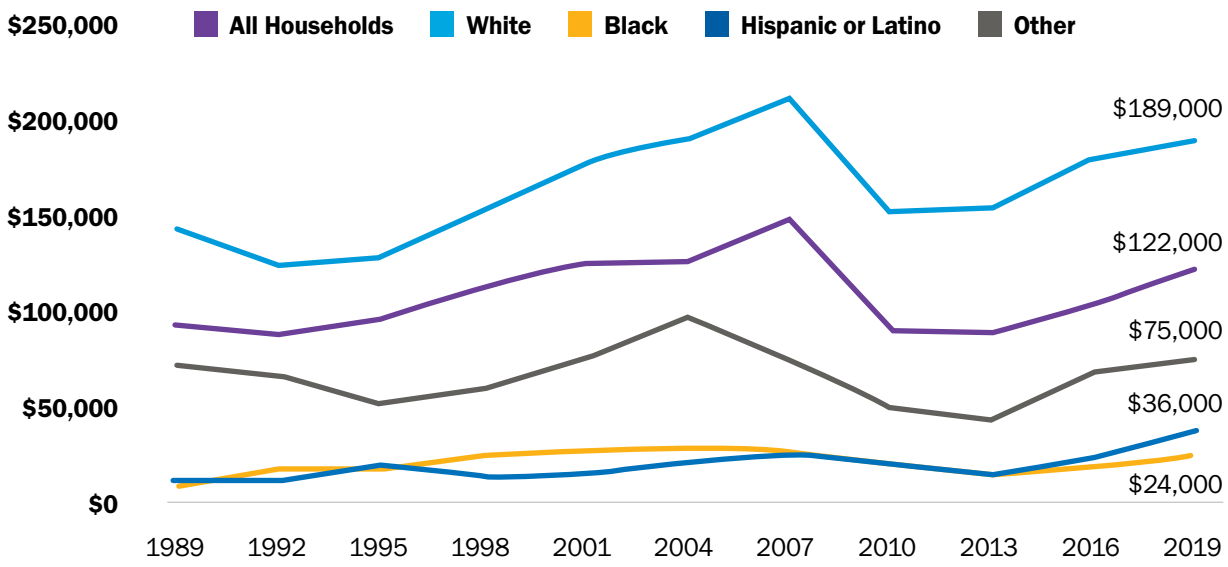
To provide a comprehensive picture of how HOST is doing this work, in the following strategy sections, you will see strategies that are central to our equity goals emphasized using purple type. Undergirding all of these efforts is our ongoing effort to ensure HOST has increased representation of lived expertise in housing instability and homelessness among our staff and in our community engagement efforts.

Analyzing Disparities: Homeownership and Wealth

One of HOST's priorities in 2023 is to expand homeownership opportunities, including increasing the homeownership rate among BIPOC households. Through this work, HOST aims to help increase homeownership in communities of color that were historically targeted by discriminatory lending practices like redlining.

Homeownership is a primary mechanism for wealth-building in the United States and particularly for Black households. Home equity makes up 60% of Black households' net worth compared to about 40% for white households.[11] However, Black households have less access to this critical wealth building tool. Research shows that the wealth gap between Black and white households has increased since 2010.[12] As shown in figure 1, in 2019, the median black family in the United States has just $24,000 in wealth—only 13% of the wealth of the median white family ($189,000) and 20% of the median family overall ($122,000).[13]

FIGURE 1 **Median Household Net Worth by Race and Ethnicity in the United States, 2019**



Source: Survey of Consumer Finances, U.S. Federal Reserve

In Denver overall, about 50% of households owned their homes in 2019 (see figure 2). The homeownership rate among white households has consistently been above the citywide average. The rate for Black households, Hispanic or Latino households, multiracial households, and households identifying as another race outside the categories established by the U.S. Census Bureau have consistently fallen below the citywide average. Homeownership rates for Asian households and American Indian and Alaska Native households have increased since 2000 to be above the citywide rate. However, because American Indian and Alaska Native households make up less than 1% of Denver households and Asian households make up about 3% of all Denver households, variation in homeownership rates for American Indian and Alaska Native households may be driven by small sample size.

[11] Urban Institute; Closing the Gaps: Building Black Wealth through Homeownership, November 2020

[12] Federal Reserve; Wealth Inequality and the Racial Wealth Gap, FEDS Notes, October 2021.

[13] https://www.brookings.edu/blog/up-front/2020/02/27/examining-the-black-white-wealth-gap/

FIGURE 2 **Denver Homeownership Rates by Race and Ethnicity Over Time**

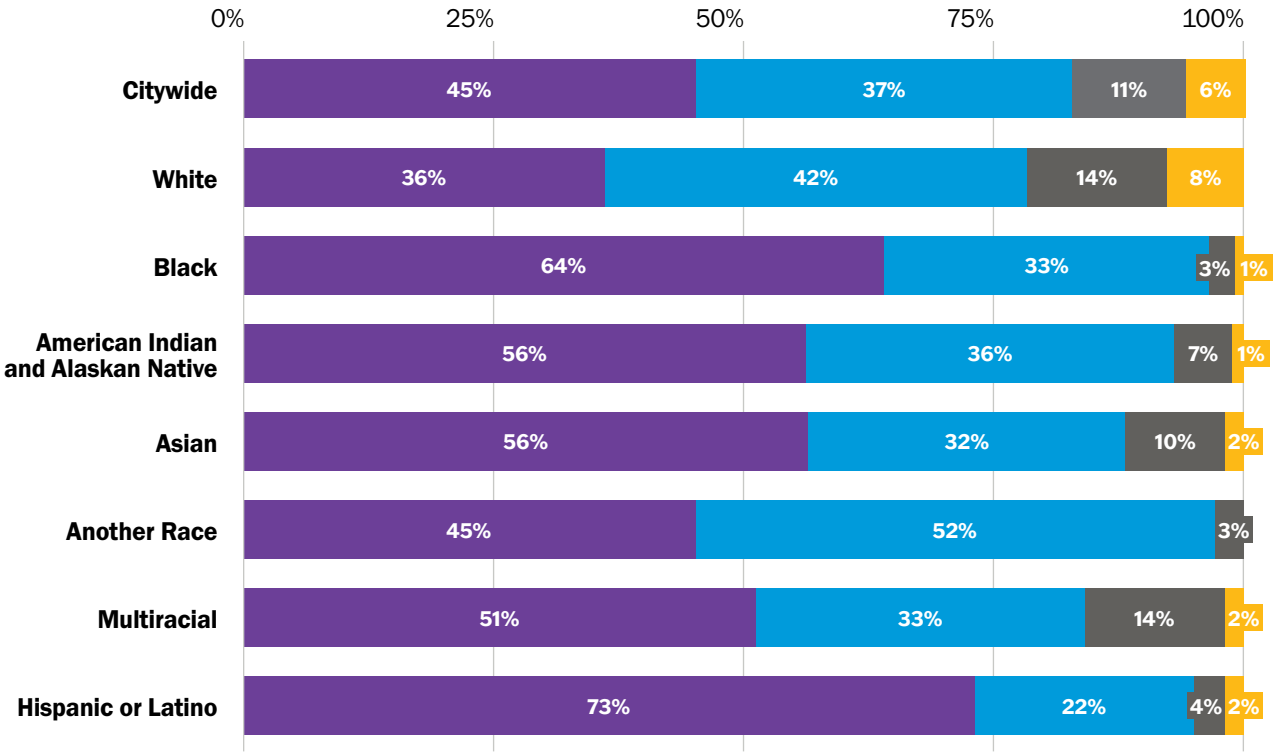
Year	2000	2010	2019
Citywide	53%	50%	50%
White	57%	56%	55%
Black, Indigenous and People of Color (BIPOC)*	44%	40%	41%
Black	45%	40%	40%
American Indian and Alaskan Native	35%	23%	52%
Asian	36%	41%	52%
Another Race	44%	38%	37%
Multiracial	39%	39%	34%
Hispanic or Latino	45%	43%	41%

Source: 2000 data comes from the 2000 Decennial Census; 2010 and 2019 data come from American Community Survey 1-Year Estimates. ACS data is based on a sample and is subject to a margin of error. Data for Native Hawaiian and Other Pacific Islanders is not displayed due to small sample size. BIPOC households include households where the head of household identifies as Black, American Indian and Alaska Native, Asian, Native Hawaiian or Other Pacific Islander, another race other than those listed by the U.S. Census Bureau, or as multiracial. It also includes households who identify as Hispanic or Latino.

Data also show racial disparities in the value of homes Denver households own. According to data from 2011-2015, 45% of Denver homeowners citywide owned homes valued under $250,000; 37% owned homes between $250,000 and $499,999; 11% owned homes valued at between $500,000 and $749,999, and 6% owned homes valued at $750,000 or more (see figure 3).[14] Among Black homeowners, 96% of homes were valued below $500,000 (compared to 83% overall), and only 1% of homes were valued at $750,000 or more. In contrast, a larger percentage of white households owned higher-value homes: among white homeowners, 14% of homes were valued between $500,000 and $749,999, and 8% of homes were valued at $750,000 or more.

[14] U.S. Census Bureau. American Community Survey Selected Population Detailed Tables, 2015 5-Year Estimates.

FIGURE 3 **Home Value by Race and Ethnicity, City and County of Denver**



Source: U.S. Census Bureau. American Community Survey, 5-Year Estimates Selected Population Detailed Tables, 2015. Data were not availale for Native Hawaiian or Other Pacific Islander households due to small sample size.

- Below $250,000
- Between $250,000 and $499,999
- Between $499,999 and $749,999
- $750,000 or more

HOUSING OPPORTUNITY

RESIDENTS HAVE EQUITABLE ACCESS TO HOUSING OPTIONS THAT MEET THEIR AFFORDABILITY NEEDS AND THE OPPORTUNITY TO INCREASE WEALTH THROUGH HOMEOWNERSHIP.

Housing Opportunity works to expand and maintain affordable rental and ownership options for Denver residents. In this pillar of work, HOST works alongside our partners to support the creation and preservation of affordable housing through funding and policy tools, ensures long-term compliance of those properties with affordability requirements and other terms, and oversees the implementation of homeownership and housing counseling programs. Staff in Housing Opportunity also support HOST's homelessness resolution goals by managing capital investments in supportive housing and shelter.

2023 Strategies to Achieve Goals

In the face of rapidly rising housing costs, HOST's work with our partners to expand affordable housing opportunities in Denver has never been more important. In 2023, HOST will continue to prioritize our funding to meet our community's most pressing needs, including for housing that is affordable to those at the lowest income levels. Additionally, HOST will make a significant investment in homeownership programs and for-sale housing development to increase homeownership rates among BIPOC and low- and moderate-income households.

Key 2023 Priorities

In 2023, HOST will prioritize strategies across all three Housing Opportunity goals with specific focus on Expanding Access to Affordable Housing Opportunities and Expanding Homeownership Opportunities. Specifically, HOST will:

Goal 1: Expand Access to Affordable Housing Opportunities

- Create and preserve more than 1,700 affordable homes through investment in the affordable housing pipeline, strategic acquisition and adaptive reuse of hotels, and effective implementation of Denver's new Mandatory Affordable Housing ordinance.[15]
- Increase the efficiency with which affordable housing projects move through the City's planning and development review processes by partnering with Community Planning and Development and other city agencies to implement the Affordable Housing Review Team (AHRT).

Goal 3: Expand Homeownership Opportunities

- Expand pathways to homeownership, including by leveraging American Rescue Plan Act (ARPA) funds to scale up down payment assistance programs for households impacted by historic practices like redlining.
- Increase the supply of affordable homeownership opportunities by investing $10 million in ARPA funding into affordable for-sale development projects.
- Commission a disparity study to document racial disparities and discrimination in housing in Denver and propose solutions that advance equity.

Annual Housing Unit Targets

To achieve the goals set out in HOST's Five-Year Strategic Plan, we will create and preserve 7,000 units by 2026. To continue to make progress toward this goal in 2023, HOST anticipates creating and preserving the following types of homes in 2023 based on the priorities established in the Five-Year Strategic Plan:

Rental homes created:	**861**
• Deeply affordable:	**173**
• 3 or more-bedroom:	**95**
Rental homes preserved:	**60**
For sale homes created:	**234**
For sale homes preserved:	**37**
Supportive housing:	**219**
Expanding Housing Affordability units recorded:	**150**
Additional opportunities:	**223**
Total:	**1,784**

[15] Denver Revised Municipal Code, Chapter 27, Article X.

To determine these targets for 2023, HOST reviewed the projected affordable housing pipeline. It is common for affordable housing developments to take years to come to fruition due to the need to assemble and secure multiple funding streams, finalize design, and complete the City's plan review process. Because of the length of time involved in this work, HOST anticipates further aligning the pipeline toward priorities for deep affordability, three-or more-bedroom units, and supportive housing in future years.

Because of these timelines, HOST generally counts those units when they are approved for funding, though they may not be ready for occupancy for two more years or more. For units HOST funds, HOST will count units when the City's loan is executed.[16] For units created through policy requirements (e.g., through agreements under Expanding Housing Affordability), HOST will count units when the affordable housing agreements are recorded.

We also continue to track and report on homes when they become available for occupancy. To see how many affordable homes are constructed and open, as well as other information on market conditions and affordable housing supply please review HOST's Affordable Housing dashboard.

HOST also categorizes units by whether they are "created" or "preserved" to show progress toward our goals. Units "created" refer to units developed through new construction projects. Units "preserved" refer to existing income-restricted or naturally occurring affordable housing when the City has facilitated the extension or maintenance of affordability requirements (e.g., by providing funding for rehabilitation of the property with the condition that the property remain affordable for a longer term). Because preservation generally happens much later in the useful life of a property, units cannot be created or preserved in the same year, and the unit targets above are distinct counts.

Strategies By Goal

The following table shows the Housing Opportunity goals and strategies from the Five-Year Strategic Plan and reflects if they are slated to be complete in Phase 1 (years 1 and 2) or Phase 2 (years 3 through 5).

✓ Checkmarks indicate those that will be in progress in 2023.

Highlights indicate those strategies that are the highest priorities in 2023.

★ Stars are used to indicate that a strategy has been completed.[17]

Purple indicates strategies focused on equity.

HOST's Affordable Housing Priorities

To achieve the goals of our Five-Year Strategic Plan and address community needs, HOST is focusing its efforts on **deeply affordable homes** (i.e., those affordable to households earning at or below 30% of the area median income), three-or-more bedroom units to create more **affordable housing options for families**, and **supportive housing** to help residents experiencing homelessness regain housing and access services that support their stability.

MetroDPA Social Equity Program

metroDPA Social Equity program is a down payment assistance program for residents and descendants of Denverites who lived in a Denver neighborhood that was historically redlined. The program provides applicants with up to $25,000 toward a down payment on a home. These funds are intended to help increase homeownership in communities of color that were historically targeted by discriminatory lending practices like redlining. To date, more than 95% of households approved for metroDPA Social Equity program have identified as BIPOC.

GOAL 1:

Expand Access to Affordable Housing Opportunities

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Implement locally-funded voucher program to supplement federal and state voucher resources (e.g., Housing Choice Voucher program and State Housing Voucher program) and expand rental subsidies for supportive housing in new development.
✓	Explore financial innovations to accelerate the pipeline of supportive housing and homes for households below 50% Area Median Income.
✓	Implement mandatory housing program to ensure that affordable units, both for-rent and for-sale, are created in every market-rate development across the City and especially in areas of opportunity.
✓	Ensure internal compliance monitoring systems are efficient and effective to accommodate a growing housing/loan portfolio, including underwriting and monitoring of federally funded loans.
✓	Coordinate with Department of Finance Division of Real Estate to complete land/property acquisitions in neighborhoods at risk of gentrification/involuntary displacement and in other areas of opportunity
✓	Pursue strategic acquisition of hotels, vacant parcels, and/or commercial properties for conversion/ redevelopment into shelter and/or affordable housing.
✓	Partner with CPD to implement a program to prioritize review of affordable housing projects through the City's planning and development review process (e.g., Large Development Review, site development plan review.)
✓	Partner with Community Planning and Development to promote middle-density (2-19 homes) development to create more pathways to homeownership for low- and moderate-income households.
✓	Strengthen data collection and reporting tools to effectively track outcomes by race and ethnicity.
★	Evaluate the effectiveness of programmatic support for accessory dwelling units for mitigating involuntary displacement, wealth-building, and other outcomes.
✓	Implement mandatory housing policies. Establish standards and systems to document and track activity, reporting, and compliance.

[16] More detailed information on the types of funding that HOST offers for affordable housing is available in HOST's published term sheets.

[17] Please note that many of the strategies articulated in HOST's Five-Year Strategic Plan are broad in scope and are expected to take multiple years to complete. Important progress is being made prior to starring an item as fully complete. Progress toward the Five-Year Strategic Plan will be provided through annual reports.

Phase 2 (years 3-5)	**Strategy and progress notes**
	Partner with agencies involved in the development review process to assess barriers to small-scale affordable housing and propose solutions that enable smaller projects (e.g., projects with a small number of units, accessory dwelling units, etc.).
	Maximize opportunities to partner with state or federal agencies (i.e., Regional Transportation District, Colorado Department of Transportation, State Land Board, etc.) regarding excess property disposition.
✓	Develop consistent guidelines and priorities for affordable housing and other community benefits in major redevelopment areas, where outcomes beyond those required by policy may be more appropriate. Coordinate with internal and external partners to apply these standards consistently in regulatory processes for high impact developments (e.g., Large Development Review, Urban Renewal/Tax Increment Financing).

GOAL 2:

Preserve Existing Affordable Homes

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Prioritize preservation of income restricted properties in neighborhoods that are at risk of gentrifying, vulnerable to involuntary displacement, investment impact neighborhoods, as well as high opportunity neighborhoods.
★	Specific to Rental: Evaluate participation in the Preservation Network's Naturally Occurring Affordable Housing Preservation Fund established by Colorado Housing and Finance Authority (CHFA) and the State of Colorado to leverage funding for preservation projects in Denver.
✓	Specific to Home Ownership: Support community land trust models and other innovative concepts that preserve long-term affordability for homeownership and initiate wealth-building practices for homeowners.
✓	Update the Preservation Ordinance to align with long-term affordability goals and priorities for use of preservation funds.
✓	Leverage HOST's affordable housing database to identify home ownership and rental properties with expiring covenants.
★	Leverage Colorado Futures Center's small properties database to identify naturally occurring affordable housing (NOAH) preservation priorities.
Phase 2 (years 3-5)	**Strategy and Progress Notes**
✓	Negotiate greater affordability when funding rental preservation opportunities.
✓	Develop a program that incentivizes property owners with expiring covenants to maintain long-term affordability. Leverage opportunities for preservation partners to proactively engage with landlords/ owners who wish to sell.
✓	Specific to Rental: Develop and implement a capacity-building program for small property landlords, connecting them to resources that preserve quality affordable housing. Develop an outreach plan.
	Explore rental licensing data to identify opportunities for preservation.

GOAL 3:

Expand Homeownership Opportunities

Phase 1 (years 1-2)	Strategy and Progress Notes
✓	Using a prioritized and targeted geographic approach, increase awareness of homeownership opportunities and resources through public engagement efforts such as Housing Resource Fairs and local community events.
✓	Expand down payment assistance programs to build pathways to homeownership for households impacted by past redlining district practices.
✓	Enhance partnerships with state and local agencies and partners to advance affordable housing and overcome barriers to secure project funding (e.g., joint underwriting, proactive problem solving, coordinating to maximize deployment of resources).
✓	Increase the supply of affordable homeownership opportunities by supporting new construction of for-sale homes as part of our commitment to creating and preserving at least 7,000 homes.
✓	Preserve affordable homeownership opportunities, including through the acquisition of naturally occurring affordable ownership homes as part of our commitment to creating and preserving at least 7,000 homes.
✓	Coordinate with Office of Financial Empowerment and Protection and other housing partners to provide financial counseling and literacy support.
★	Analyze resale pricing strategy for restricted for-sale homes in order to better ensure long-term affordability.
	Leverage Prioritization Policy and associated data systems to improve access to affordable housing citywide.

Phase 2 (years 3-5)	Strategy and Progress Notes
✓	Implement intentional outreach education plans to focus on BIPOC households for affordable housing, homeownership programs, and more opportunities.

HOUSING STABILITY

RESIDENTS HAVE THE CHOICE IN WHEN AND UNDER WHAT CIRCUMSTANCES THEY MOVE OR REMAIN IN THEIR HOMES AND NEIGHBORHOODS.

Housing Stability helps to keep people in the homes they are already in and prevent involuntary displacement. In this pillar of work, HOST supports a range of programs, including rent and utility assistance, foreclosure prevention, home improvements and access modifications, home sharing, community navigation, eviction legal defense, and advances policy tools that promote housing stability.

With eviction filings on the rise and on track to return nearer to pre-pandemic levels and steadily increasing housing costs, efforts to keep people in the homes they are already in, prevent eviction and foreclosure, and prevent involuntary displacement are crucial for residents and other parties, like landlords. By helping households catch up on missed rent payments and other costs, tenants are able to stay in their homes, and landlords are able to receive crucial income they need to operate. In 2023, HOST will work to continue to operate COVID-19 recovery-funded programming for rent assistance and eviction legal defense. We will also expand our work to prevent foreclosures.[18]

Key 2023 Priorities

In 2023, HOST will focus its housing stability efforts across all three goals. Throughout its programs, more than 8,000 households will be served in 2023, including more than 1,700 served in eviction legal defense programs. Key priorities include:

Goal 1: Help Households Remain in their Home and Neighborhood of Choice

- Continue to implement the Emergency Rental Assistance Program (ERAP) to help households behind on their rent are able to remain in their homes.

Goal 2: Reduce Evictions

- Continue to work with partners to provide eviction legal defense programs and target outreach about available resources to neighborhoods with the highest rates of eviction.

Goal 3: Reduce Foreclosures in Income-restricted Homes

- Launch new foreclosure prevention and legal assistance and Homeowners Association (HOA) fee assistance programming aimed at serving 250 households annually.
- Implement new resources and systems to ensure homeowners are notified and provided with information about resources in the event that their Homeowners Association (HOA) initiates a foreclosure.[19]

New Baselines and Targets

As anticipated in the Five-Year Strategic Plan, HOST has benchmarked additional measures of our success and has established targets for our progress by 2026. These include:

GOAL 3: REDUCE FORECLOSURES IN INCOME-RESTRICTED HOMES

Number of foreclosures in income-restricted homes

➤ Baseline: 10 annually

➤ Target: 0 annually

Mutually Reinforcing Goals

Because HOST works across the entire continuum of housing needs, work toward one goal supports progress in others. For example, as we work with our partners to help households remain in the homes they are already in and avoid eviction and foreclosure, fewer households will experience the hardship of homelessness. As we work to create and preserve more affordable housing citywide, more households can live in housing they can afford and not be one lost job, unexpected medical emergency, or large car repair away from being unable to pay their rent or mortgage.

[18] As described above, Denver Human Services operates many programs that are complementary to HOST's work, including a property tax relief program that provides a partial refund of property taxes paid, or the equivalent in rent, to qualifying Denver residents. More information on the program is available here.

[19] This is a new strategy for HOST as a result of City Council action.

Strategies By Goal

The following table shows the Housing Stability goals and strategies from the Five-Year Strategic Plan and reflects if they are slated to be complete in Phase 1 (years 1 and 2) or Phase 2 (years 3 through 5).

✓ Checkmarks indicate those that will be in progress in 2023.

Highlights indicate those strategies that are the highest priorities in 2023.

★ Stars are used to indicate that a strategy has been completed.[20]

Purple indicates strategies focused on equity.

GOAL 1:

Help Households Remain in Their Home and Neighborhood of Choice

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Expand community navigation partnerships in neighborhoods vulnerable to involuntary displacement in partnership with Denver Economic Development & Opportunity's (DEDO) Neighborhood Equity Stabilization Team (NEST).
✓	Support expansion, improvement, and targeted outreach of housing stability programs (home repair, rehab, and accessibility modifications; home sharing) to help homeowners stay in their homes.
✓	Explore and identify possible funding sources for housing stability to increase levels of support that can be provided beyond emergency and pandemic recovery.
✓	Partner with city agencies to conduct investment impact analyses on city capital investments and tailor strategies and budget requests to help mitigate involuntary displacement in areas where capital investments could contribute to involuntary displacement.
✓	Support implementation of rental licensing program to better inform residents about their rights and available resources.
★	Build a partnership with Denver Public Schools to help measure involuntary displacement of families with children.
✓	Implement long-term outcome tracking across housing stability programs.
✓	Evaluate demographics and geography for households served in alignment with impact framework and utilize equity lens to examine and improve access and performance.
✓	Support partners in developing data systems solutions to track applications in addition to households served to identify and remove barriers to service and improve targeting.

[20] Please note that many of the strategies articulated in HOST's Five-Year Strategic Plan are broad in scope and are expected to take multiple years to complete. Important progress is being made prior to starring an item as fully complete. Progress toward the Five-Year Strategic Plan will be provided through annual reports.

Phase 2 (years 3-5)	Strategy and Progress Notes
	If suitable and feasible funding exists and is pursued, explore programs for households that are voluntarily "doubled up," staying with family or friends in order to prevent an experience of homelessness. These programs might include first month's rent and deposit assistance as well as longer-term rental assistance known as a "shallow subsidy."
	Work with Denver Public Schools and Denver Office of Children's Affairs to develop communications strategies and referral systems for programs that support housing stabilization of families with children.
	Partner with Denver Human Services to better target outreach and explore additional expansion of the property tax rebate program.
	Explore an analysis of assessor's office records regarding the sale of rental properties.

GOAL 2:

Reduce Evictions

Phase 1 (years 1-2)	Strategy and Progress Notes
✓	Provide legal counsel in eviction proceedings for at least 2,000 households annually; and increase proportion of low- and moderate-income households facing eviction who have legal representation.
✓	Support expansion, improvement, and targeted outreach of housing stability programs (rent and utility assistance, legal assistance, tenant/landlord counseling) to keep renters in their homes.
✓	Target rental assistance and housing navigation resources to households who do not receive a judgment after their eviction filing but who need assistance relocating to a new home.
✓	Identify and develop policies to prevent evictions and provide comprehensive tenant protections where state and federal law allow (e.g., eviction diversion; just cause/no fault eviction policies).
★	Partner with Office of Financial Empowerment and Protection to help residents with strategies and services to increase income and provide financial counseling.
★	Continue to coordinate with the Office of Immigrants and Refugees to share information on available programs and ensure policies and programs are accessible to immigrant and refugee communities.
✓	Utilize data on evictions from Denver County Court to evaluate what neighborhoods have the highest rates of evictions and use resulting analysis to target outreach and resources.

GOAL 3:

Reduce Foreclosures in Income-Restricted Homes

Phase 1 (years 1-2)	Strategy and Progress Notes
✓	Collaborate across HOST and other city agencies to develop and implement a coordinated and evidence-based outreach strategy to homeowners of income-restricted for-sale units to inform them of available resources (e.g., financial coaching, property tax rebate program, state financial assistance programs, etc.).
★	Partner with Denver Clerk and Recorder's Office to benchmark the foreclosure rate among income-restricted units and establish target for reduction.
✓	Partner with Denver Clerk and Recorder's Office to analyze foreclosure trends (e.g., by neighborhood, among affordable and non-affordable homeownership units) to inform future planning.
✓	Use lessons learned from COVID-related mortgage assistance program and statewide efforts to provide mortgage assistance to design, fund, and implement a foreclosure prevention program targeting income-restricted for-sale units.
✓	Explore partnerships with utility providers or energy relief programs to identify and track indicators of housing instability.
✓	Implement new resources and systems to ensure homeowners are notified and provided with information about resources in the event that their Homeowners Association (HOA) initiates a foreclosure.[21]

[21] This is a new strategy for HOST as a result of City Council action.

HOMELESSNESS RESOLUTION

RESIDENTS EXPERIENCE HOMELESSNESS RARELY AND, IF THEY DO, IT IS BRIEF AND ONE-TIME.

Homelessness Resolution helps residents experiencing homelessness regain housing and supports them while they experience housing crisis. In this pillar of work, HOST supports varied low-barrier, housing-focused shelter options (e.g., congregate shelter, non-congregate shelter, tiny homes, Safe Outdoor Spaces and Safe Parking sites), outreach to help residents staying unsheltered connect to housing and services, as well as a range of housing programs (e.g., supportive housing, rapid rehousing) and income-based homelessness resolution strategies (e.g., supported employment and the Denver Basic Income Project pilot program).

In the City and County of Denver, we believe that everyone in our community deserves to be healthy, housed and connected. We know that when someone is housed stably, they are better able to connect to resources, find and keep a job, get and stay healthy, address behavioral and mental health issues, feel safe and secure, and live fuller lives.

In 2023, HOST will focus primarily on addressing unsheltered homelessness and improving our community's homelessness resolution system for families. HOST is pursuing best practices from other cities to ensure residents living in encampments have a path out of that circumstance that ends in housing and will continue to invest in alternatives to congregate shelter, including Safe Outdoor Spaces and Safe Parking. Through this work, HOST seeks to prevent enforcement actions related to encampments from being necessary.[22] In 2023, HOST will also work to improve Denver's homelessness resolution system for families by investing in hotel options for families in need of shelter alongside expanded housing-focused case management and supportive housing.

[22] HOST is not responsible for enforcement of City ordinances, such as the unauthorized camping ordinance.

ENCAMPMENT DECOMMISSIONING

Encampment decommissioning is a model that other cities, most notably Houston, have used to close encampments through housing. In Houston, housing resources were identified and matched to people within an encampment. Entire encampments were able to move to bridge beds in a housing navigation center and be moved into long-term housing from there. That allows the encampment to be fully closed and cleaned and to preserve community while people were matched to the housing.

The model includes four core components: (1) **housing-focused case management** by skilled outreach teams to connect encampment residents with services and ensure every encampment resident has a permanent housing strategy; (2) **a housing surge** effort to match all encampment residents with either an interim housing placement and pathway to permanent housing or an immediate permanent housing placement; (3) **clearance** of structures and removal belongings from the encampment; and (4) **closure** of the encampment.

HOST's proposed budget identifies $23.25 million in ARPA funds to acquire and rehab two properties or hotels to offer stability, housing navigation, and other services to individuals and to neighbors who are currently living in the encampments we have all seen grow in our community. The proposed budget also includes $20M in ARPA funds to acquire and rehab two properties or hotels to be used as a housing resource for this effort. This would help the housing navigation centers have more housing resources available. In addition, the proposed HOST budget also includes $7 million from the Homelessness Resolution Fund to provide staffing, including outreach and operational support, for hotels purchased through ARPA for encampment decommissioning and housing navigation.

Key 2023 Priorities

In 2023, HOST will serve nearly 2,500 households experiencing homelessness in rehousing and supportive housing programs, and house more than 1,700 households through all of HOST's Homelessness Resolution investments. Key priorities for the year include:

Goal 1: Address Unsheltered Homelessness

- Invest in an encampment decommissioning model, which connects residents experiencing unsheltered homelessness with permanent housing as an alternative to staying unsheltered.
- Continue Safe Outdoor Space and Safe Parking programming and pursue policy changes to retain the ability to provide these programs as an alternative to unsanctioned camping by pursuing longer-term solutions to allow for expansion of Safe Outdoor Space beyond the COVID-19 emergency.
- Pilot dedicated behavioral health and case management support to help people experiencing homelessness (both who are using shelter and who are unsheltered) with complex needs navigate other systems (e.g., medical care, behavioral health, assisted living and skilled nursing care, legal issues) and regain housing.

Goal 2: Expand Pathways to Successful Rehousing

- Implement innovative solutions, including implementing the Social Impact Partnerships to Pay for Results Act (SIPPRA) program to use social impact bond financing to expand supportive housing to high utilizers of the justice and healthcare systems and partnering with the Denver Basic Income Project to provide $12,000 per year in basic income to more than 140 women and families.

Goal 3: Complete Shelter System Transformation Toward Rehousing

- Pilot dedicated behavioral health and case management support to help people experiencing homelessness (both who are using shelter and who are unsheltered) with complex needs navigate other systems (e.g., medical care, behavioral health, assisted living and skilled nursing care, legal issues) and regain housing.
- Improve accessibility of shelters by expanding support for guests with complex needs (e.g., those who need support with activities of daily living) and creating spaces that are gender inclusive and designed for all gender identities.

Goal 4: Improve Homelessness Resolution System for Families

- Better meet the needs of families experiencing homelessness by providing safe temporary shelter options when needed alongside housing-focused case management and complemented by additional supportive housing for families.

New Baselines and Targets

As anticipated in the Five-Year Strategic Plan, HOST has benchmarked additional measures of our success and has established targets for our progress by 2026. These include:

GOAL 1: ADDRESS UNSHELTERED HOMELESSNESS

Exits to housing for outreach, tiny homes, and Safe Outdoor Space programs

➤ Baseline: 22%[23] ➤ Target: 40%

Partnership with Denver Basic Income Project

HOST is partnering to provide $2 million in American Rescue Plan Act (ARPA) funds to support the **Denver Basic Income Project**, a demonstration project that provides direct cash payments to quickly and cost-effectively move people out of homelessness and back into housing in Denver. Denver Basic Income Project is driven by a culture of inclusiveness, equity, diversity, and justice. Denver Basic Income Project will use $1.8 million in ARPA funds to provide women, transgender and gender non-conforming persons, and families currently using the shelter system with a monthly stipend for one year, for a total of $12,000 each. The remainder of the contract will be used for administrative costs.

Social Impact Investing for Health Care Outcomes

Providing homes and wraparound supportive services to individuals experiencing chronic homelessness has had a lasting impact in Denver. Lives are changed, stability is achieved, and taxpayer expenses for costly emergency services are significantly reduced. These are the results seen through Denver's recent Supportive Housing Social Impact Bond (SIB) initiative. And now, a new innovative partnership including the federal, state, and local governments, nonprofit organizations, healthcare systems, impact investment, and philanthropic partners is taking this model to the next level.

In June 2022, the City and its partners announced the launch of the Denver Housing to Health (H2H) program, a new pay-for-success initiative. The H2H program leverages local housing resources, $11.75 million from seven private funders, and up to $5.5 million in the form of a Social Impact Partnership to Pay for Results Act (SIPPRA) grant from the U.S. Department of the Treasury to deliver permanent supportive housing to at least 125 people experiencing chronic homelessness and suffering from frequent mental and behavioral health crises requiring emergency care. Project goals include housing stability, a reduction in the number of jail days, and reduction in emergency federal health care expenditures. The project will use pay for success financing which connects payment with successful outcomes.

Strategies By Goal

The following table shows the Homelessness Resolution goals and strategies from the Five-Year Strategic Plan and reflects if they are slated to be complete in Phase 1 (years 1 and 2) or Phase 2 (years 3 through 5).

✓ Checkmarks indicate those that will be in progress in 2023.

Highlights indicate those strategies that are the highest priorities in 2023.

★ Stars are used to indicate that a strategy has been completed.[24]

Purple indicates strategies focused on equity.

[23] Based on Calendar Year 2021 HMIS data on HOST funded or provided programs.

[24] Please note that many of the strategies articulated in HOST's Five-Year Strategic Plan are broad in scope and are expected to take multiple years to complete. Important progress is being made prior to starring an item as fully complete. Progress toward the Five-Year Strategic Plan will be provided through annual reports.

GOAL 1:

Address Unsheltered Homelessness

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Better meet the diverse needs of residents experiencing homelessness through a range of safe, temporary options, including tiny homes, safe outdoor spaces and parking, and non-congregate shelter in addition to congregate shelter options.
✓	Administer the Early Intervention Team outreach program to support residents in encampments with help regaining housing, connection to safe, temporary places to stay, and connection to behavioral health and crisis stabilization resources when needed to reduce harm.
✓	Support housing outcomes for residents sleeping unsheltered by increasing rehousing support within outreach teams (e.g., case management, benefits and vital document acquisition, peer support) and coordinating access to expanded rehousing resources (e.g., through connection to OneHome)
✓	Improve transparency of encampment related activities by coordinating with Mayor's Office and partner city agencies to implement a standardized process by which the City will assess encampment risk and prioritization for clean-up and/or enforcement actions based on a set of consistent, publicly available criteria.
✓	Retain the ability to provide Safe Outdoor Space as an alternative to unsanctioned camping by pursuing longer-term solutions to allow for expansion of Safe Outdoor Space beyond the COVID-19 emergency
	Improve efficiency of housing connections by conducting process improvement project for connecting persons experiencing homelessness with housing.
✓	Develop and maintain real time, quality data (by name list) in HMIS of people staying unsheltered
✓	Develop common outcome framework for all outreach teams and establish goals
✓	Help connect residents to behavioral health resources and housing by coordinating with Denver Department of Public Health and Environment to expand medically assisted treatment and same day or on-demand treatment options and coordinate with the Solutions Center to integrate housing planning into discharge planning, and coordinate access to stabilization services and other care with homelessness service providers.

GOAL 2:

Expand Pathways to Successful Rehousing

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Meet diverse resident needs and use resources efficiently by expanding a range of rehousing strategies, including rapid resolution, bridge housing, and rapid rehousing.
✓	Explore innovative opportunities and financing models to bring on additional housing, including hotel acquisition and rehabilitation and social impact bond financing based on health savings created by supportive housing
✓	Support income-based strategies for homelessness resolution, including intentional targeting of HOST programs and support for innovation (e.g., Universal Basic Income Pilot)
✓	Demonstrate what works to resolve homelessness through regional participation in the Built for Zero effort to end veteran homelessness and use these learnings to improve supports for all Denver residents experiencing homelessness.
✓	Partner with Denver Housing Authority (DHA) to effectively use existing housing choice vouchers to support homelessness resolution goals.
✓	Help residents experiencing homelessness increase their income by partnering with Denver Economic Development & Opportunity (DEDO) and Denver Human Services (DHS) to expand access to benefits, job training, and apprenticeships.
✓	Work with partners to gather real time, quality data in Homelessness Management Information System (HMIS) for all populations.
✓	Evaluate needs for landlord engagement to support rehousing outcomes.
✓	Assess lessons learned from University of Denver evaluation of basic income pilot and other income-based strategies to identify promising practices.
Phase 2 (years 3-5)	**Strategy and Progress Notes**
✓	Support long-term housing stability for residents experiencing homelessness by partnering with Denver Housing Authority and Colorado Division of Housing to leverage federal and state resources, like the Emergency Housing Voucher program, to expand tenant-based long-term vouchers with the ability to layer on supportive services when needed.
	Expand support for the permanent supportive housing pipeline through continued partnership with Denver Housing Authority and Colorado Division of Housing, local services funding, and creation of locally funded voucher program.
	Explore opportunities for shared housing and other more affordable housing options.

GOAL 3:

Complete Shelter System Transformation Toward Rehousing

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Better meet resident needs and make the shelter system more accessible and impactful by establishing clear, well-known access points for shelter that offer universal screening for rapid resolution resources and increasing case management within shelters targeted toward helping guests regain housing.
✓	Provide consistent levels of service throughout the shelter system that reduce barriers to entry and improve guest experience by continuing to offer 24/7 models of service, including non-congregate options that can accommodate couples; support targeted, accessible transportation solutions; provide storage and support personal space and privacy, particularly in large shelters; and offer at least one shelter for each subpopulation that can accommodate pets. Establish shelter standards of service.
✓	Increase shelter options that are gender-inclusive and designed for all gender identities.
✓	Improve access to supports by seeking partnerships with existing agencies to provide critical services to shelter guests. This includes coordinating with behavioral health providers to offer clinical staff within shelters to support de-escalation and behavioral health support, working with transportation providers to create accessible transportation options for residents experiencing homelessness, and forging connections with long-term care systems to increase access to needed services among guests who need support with activities of daily living.
✓	Improve shelter system functioning to meet the needs of all guests by providing training, process improvement, and support for partners to minimize turn-aways and do-not-returns, support for translation and other support to ensure policies are culturally and language-level appropriate and implementing inclusive policies for LGBTQ+ guests and support Americans with Disabilities Act (ADA) accommodations.
✓	Standardize emergency and continuity of operations planning for shelter options for persons experiencing homelessness.
✓	Develop plan, including contract reporting requirements, for tracking instances of temporary or permanent bans from a shelter location in HMIS and analysis to track demographics of clients who receive bans to identify any disparate impact.
	Assess current data and create new data collection processes where needed to track inflow.
✓	Identify and overcome barriers to access by creating forum for systems collaboration to better serve guests with complex needs, including those with activities of daily living (ADL) needs, collecting data to determine the impact of these issues, and use that data to inform strategy.
Phase 2 (years 3-5)	**Strategy and Progress Notes**
✓	Require real time, quality data in HMIS for all populations.

GOAL 4:

Improve Homelessness Resolution System for Families

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Better meet the needs of families experiencing homelessness by establishing clear, well-known access points that offer universal screening for rapid resolution and connection with safe temporary places to stay when needed.
✓	Support families in crisis by expanding capacity in congregate and non-congregate shelter options for families as well as other time-limited options such as transitional or bridge housing alongside additional case management support.
✓	Ensure connections across the homeless service system by coordinating with MDHI and OneHome on work to establish clear access points for homelessness services and housing.
✓	Help meet the needs of all guests by providing training and support for partners to implement inclusive policies for LGBTQ+ guests and support ADA accommodations.
✓	Help families increase income by collaborating with Denver Economic Development and Opportunity and Denver Human Services for benefits, job training, and apprenticeship opportunities.
✓	Require real time, quality data in HMIS for all populations.
✓	Improve data on family members in HMIS.
Phase 2 (years 3-5)	**Strategy and Progress Notes**
	Maximize effectiveness of use of housing choice vouchers by partnering with Denver Housing Authority on strategic use of homelessness preference.
	Explore housing stability of families after leaving rehousing strategies to identify returns to homelessness and explore need for shallow subsidies.

OPERATIONS

DENVER RESIDENTS AND PARTNERS WILL RECEIVE EFFICIENT, TIMELY AND TRANSPARENT SUPPORT, AND HAVE CONFIDENCE THAT HOST IS MEASURING WHAT MATTERS AND EFFECTIVELY ENGAGING THE COMMUNITY.

Operations is foundational in its support of all the department's work. The Operations Division provides the services needed to achieve HOST's goals of providing housing opportunity, housing stability and homelessness resolution by:

- ensuring HOST services and projects are informed by and equitably serve those in need in our community;
- utilizing data, evaluation, and engagement to drive decision-making, public policy an accountability;
- providing strong stewardship of public and private resources to achieve long-term outcomes;
- proactively communicating and engaging with residents and stakeholders to ensure they are informed and empowered as partners; and
- fostering a collaborative and connected work environment.

Key 2023 Priorities

To better support and communicate our work across the department, in 2023 HOST will prioritize efforts across all four Operations goals. Key priorities include:

Goal 1: Expanding Communications and Community Engagement

- Develop and implement an engagement strategy that includes everyday people (beyond City Council and Registered Neighborhood Organizations) and focuses on two-way communication with more intentional listening.

Goal 2: Expand and Support Partnerships through Transparent, Efficient, and Effective Procurement, Contracting, and Financial Processes

- Pilot performance-based contracting to determine benefits, implementation challenges, and alignment with requirements of other funding sources.
- Expand functionality and use of HOST data systems to support more efficient electronic contracting and invoicing processes and tracking.

Goal 3: Deepen Data Infrastructure to Provide Transparency and Accountability, Inform Decision-making, and Support Continuous Improvement

- Release public facing financial dashboard to complement reporting on strategic plan progress.
- Fund and implement data system to improve access to affordable housing citywide and support implementation of prioritization policy and help match residents with available affordable housing options.

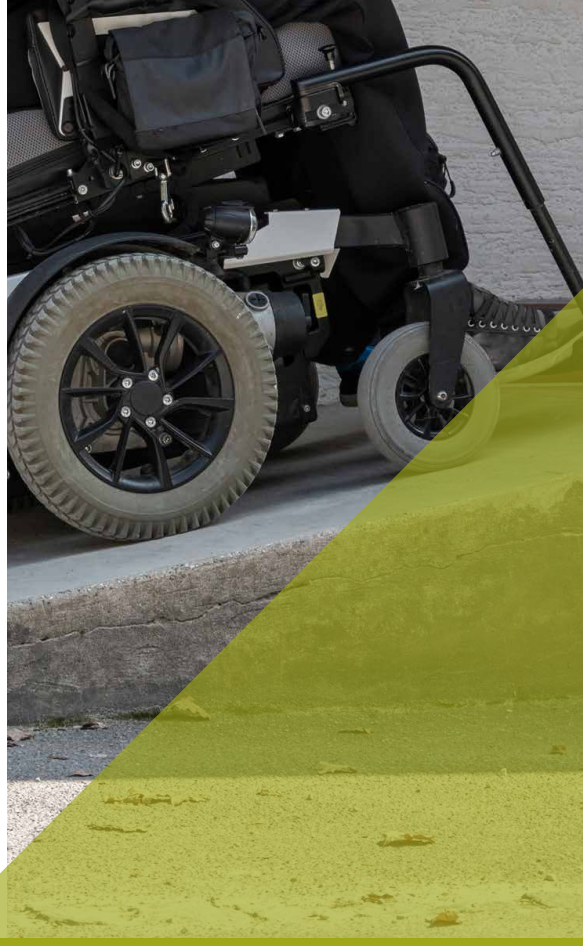
Goal 4: Advance Citywide and Regional Approaches, including Policy and Legislative Agenda

- Prepare to implement the Prioritization Policy (e.g., development of rules and regulations, policies and procedures, etc.).

Strategies By Goal

The following table shows the Homelessness Resolution goals and strategies from the Five-Year Strategic Plan and reflects if they are slated to be complete in Phase 1 (years 1 and 2) or Phase 2 (years 3 through 5).

✓ Checkmarks indicate those that will be in progress in 2023.
Highlights indicate those strategies that are the highest priorities in 2023.
★ Stars are used to indicate that a strategy has been completed.[25]
Purple indicates strategies focused on equity.



New Baselines and Targets

As anticipated in the Five-Year Strategic Plan, HOST has benchmarked additional measures of our success and has established targets for our progress by 2026. These include:

GOAL 3: DEEPEN DATA INFRASTRUCTURE TO PROVIDE TRANSPARENCY AND ACCOUNTABILITY, INFORM DECISION-MAKING, AND SUPPORT CONTINUOUS IMPROVEMENT

Percentage of partners trained on reporting systems:

- ➤ Baseline: 83%
- ➤ Target: 95%

Satisfaction with HOST reporting training, measured as the percentage of respondents identifying the training as appropriate or helpful:

- ➤ Baseline: 74%
- ➤ Target: 90%

[25] Please note that many of the strategies articulated in HOST's Five-Year Strategic Plan are broad in scope and are expected to take multiple years to complete. Important progress is being made prior to starring an item as fully complete. Progress toward the Five-Year Strategic Plan will be provided through annual reports.

PERFORMANCE-BASED CONTRACTING

Performance-based contracts, also called pay for performance contracts, focus on whether the funder's desired performance outcomes have been achieved and less about the specific means undertaken to achieve them. Under a performance-based contract, contractors have greater flexibility to determine how to meet those outcomes, and funders issue payments based on the degree to which the program met those outcomes.

GOAL 1:

Expanding Communications and Community Engagement

Phase 1 (years 1-2)	Strategy and Progress Notes
✓	Establish a departmental standard operating procedure to ensure timely response to community concerns and inquiries.
✓	Better utilize existing communications channels (media relations, newsletter, website) and create new ones as needed (social media, videography, blog, etc.).
★	Redesign HOST website with various audiences' information needs in mind, including answers to frequently asked questions and contact information, integrate translation tools, and ensure accessibility.
★	Develop internal trainings on communications and engagement, including City Council processes, media relations, public meetings, and open records requests.
✓	Develop process for getting regular feedback from community members with lived expertise of housing instability, affordable housing, and homelessness to inform HOST annual planning, procurement, etc.
✓	Develop and implement intentional communications and community engagement plans for each of our priority areas of work informed by best practices and a proactive, strategic approach.
✓	Expand outreach to neighborhood groups and earn media opportunities on the impact of housing for Denver residents, including the use of storytelling.
✓	Work with the homelessness resolution outreach teams to develop more effective shelter and services referral tools.
✓	Develop framework for community engagement around new development or service locations with attention to including voices of those who need and benefit from affordable housing, as well as community residents.
✓	Develop outreach strategy for HOST and other city housing programs targeted to residents/ neighborhoods most in need (leveraging findings from TRUA outreach randomized control trial) and that removes barriers to access (e.g., language, lack of internet access, etc.).
✓	Ensure materials are co-created and translated to reach Denver residents who do not speak English; prioritize language access and culturally appropriate messaging.
✓	Develop and implement an engagement strategy that includes everyday people (beyond City Council and Registered Neighborhood Organizations) and focuses on two-way communication with more intentional listening.

✓	Lead citywide effort to coordinate communications about how the City works to address homelessness across agencies, including, in particular, the unauthorized camping ordinance and encampment clean ups.
★	Create audience-segmented contact lists to ensure we are reaching the right people with the right information.
✓	Produce a broad array of materials and presentations and establish a HOST speakers bureau to help educate and inform city employees and the community about housing stability, affordable housing, and homelessness.
Phase 2 (years 3-5)	**Strategy and Progress Notes**
	Develop system for compensating community members with lived expertise for their time contributing as a means by which to create equity with those providing professional expertise.
	Develop trainings and tools to help ensure HOST's communications and community engagement standards are extended and operationalized through our partners' work.

GOAL 2:

Expand and Support Partnerships through Transparent, Efficient, and Effective Procurement, Contracting, and Financial Processes

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Procurement: Improve transparency in the procurement process by: • Providing notice of expected procurements on the HOST website ahead of formal posting; • Notifying the community and applicants of proposals HOST intends to award by posting this information to HOST's website; • Partnering with the City Attorney's Office and General Services to clarify allowable communication between City and prospective applicants during procurement process, including posting information on frequently asked questions to the HOST website
✓	Procurement: Further integrate commitment to advancing equity into the procurement process.
✓	Improve efficiency and transparency on how to work with HOST by: • Clarifying processes and procedures; • Developing resources to provide clarity on program components and frequently used expenditure types; • Publicly posting relevant forms, instructions, and other resources on the HOST website related to contracting, budget and invoice documentation requirements.
✓	Contracting and Financial: Provide greater stability in funding by executing multi-year contracts whenever appropriate to better support partner agency planning and program implementation.
✓	Contracting and Financial: Improve efficiency and transparency on how to work with HOST by: • Assessing barriers to working with HOST and prioritizing improvements within legal parameters; • Implementing trainings and onboarding processes to help partners meet contracting, budget, and invoice documentation requirements.
✓	Contracting and Financial: Implement timely, clear, and consistent process for contract monitoring.
✓	Expand functionality and use of HOST data systems to support more efficient electronic contracting and invoicing processes and tracking.

Phase 2 (years 3-5)	**Strategy and Progress Notes**
✓	Pilot performance-based contracting with a sample of HOST contracts to determine benefits, implementation challenges, and alignment with requirements of other funding sources.

GOAL 3:

Deepen Data Infrastructure to Provide Transparency and Accountability, Inform Decision making, and Support Continuous Improvement

Phase 1 (years 1-2)	**Strategy and Progress Notes**
✓	Develop and launch publicly available dashboard to report out on strategic plan outcomes and measures to track progress and provide transparency and accountability
✓	Clarify partner reporting expectations by refining and implementing training plans for HOST partners on required reporting platforms and by providing technical assistance as needed to ensure data completeness and quality.
✓	Fund and implement data system to improve access to affordable housing citywide and support implementation of prioritization policy and help match residents with available affordable housing options.
✓	Increase capacity to use data to advance equity (e.g., tracking households served by race/ethnicity, comparing demographics of households served to households in need, using data to identify strategies to improve access, etc.).
★	Report on income-restricted units by detailed AMI ranges and tenure (e.g., at or below 30% of AMI, 31-40% of AMI, etc.).
✓	Develop and provide a publicly available finance dashboard showing available budget and expenditures.

Phase 2 (years 3-5)	**Strategy and Progress Notes**
	Develop, fund, and implement a survey of residents in HOST-supported affordable housing programs at least bi-annually to assess resident characteristics, long-term stability, and other outcomes, as well as to identify service needs to better support long-term stability.
	Complete housing needs analysis to inform HOST investments to assess housing needs, identify neighborhood-level factors, track trends in households moves and homelessness, integrating data from related agencies and systems where available (e.g., utility shut off data, voucher utilization data, etc.).
	Align output and outcome measures across HOST program types and integrate outcome measures more consistently across HOST contracts for programs starting in 2024.

GOAL 4:

Advance Citywide and Regional Approaches, including Policy and Legislative Approaches

Phase 1 (years 1-2)	**Strategy and Progress Notes**
	Work with partner organizations to reimagine the annual housing forum as a regional housing and homelessness conference.
✓	Lead coordination of citywide strategy to make homelessness rare, brief, and one-time for Denver residents and ensure responses to homelessness and community needs are aligned with this impact.
✓	Work with partners to ensure regional organizations are using HMIS (Homeless Management Information System).
✓	Explore and identify possible funding sources for housing stability to increase levels of support that can be provided beyond emergency and pandemic recovery.
✓	Advance prioritization policy to allow residents at risk of or who have been displaced priority access to newly developed affordable units, exploring integration with homelessness resolution goals.
✓	Explore policies to reduce discrimination in housing (e.g., criminal backgrounds, income/work requirements).
✓	Support efforts to reduce barriers to affordable housing created through the zoning code and continue to implement land use strategies for affordability outlined in Blueprint Denver, such as: • Streamlining and facilitating the development of accessory dwelling units as a tool to stabilize residents at risk of involuntary displacement; • Strategies to promote a diversity of residential development types throughout Denver, including density as a tool to increase housing supply and introduce affordability; and • Development incentives that support affordable housing projects and promote the development of more mixed-income projects citywide.
✓	Partner with Community Planning and Development and community partners on the Neighborhood Planning Initiative and use area plans to inform HOST Annual Action Plans.
Phase 2 (years 3-5)	**Strategy and Progress Notes**
	Work with regional system partners to address and reduce substance use disorder, overdose and deaths, and deaths from weather exposure.
	Explore with regional partners and appropriate legislative bodies the feasibility of regional taxing measures to address affordable housing and homelessness.
✓	Advocate for efforts to expand federal and state supports for affordable housing (e.g., voucher programs).

2023

FINANCIAL LANDSCAPE

In 2023, HOST will continue to prioritize investments consistent with its Five-Year Strategic Plan. HOST will continue to have the opportunity to invest additional resources that are available to Denver to aid the city's recovery from the COVID-19 pandemic, primarily the second tranche of American Rescue Plan Act (ARPA) funding. HOST intends to use recovery funds to advance four key goals of the Five-Year Strategic Plan:

- **Expand Access to Affordable Housing Opportunities:** HOST will leverage $20M in ARPA funding to acquire two hotels and convert them to supportive housing. This will leverage additional funding to quickly create more than 200 units of housing with services for households experiencing homelessness and advance HOST's goal to create 900 new units of supportive housing by 2026.
- **Expanding Homeownership Opportunities:** HOST will leverage $20M in ARPA funding to make a substantial investment into strategies that expand homeownership for low- and moderate-income households and BIPOC households. This work will include allocating $10M toward the development of new affordable for sale housing to increase the supply of affordable homes available to potential buyers, the expansion of down payment assistance programs, including the metroDPA Social Equity Program, and the commissioning of a disparity study to document racial disparities and discrimination in housing in Denver and propose solutions that advance equity.
- **Addressing Unsheltered Homelessness:** HOST will use ARPA funding to support those experiencing unsheltered homelessness, including leveraging $23.25M in ARPA funding to acquire hotels to support encampment decommissioning and connect at least 100 households per year to housing navigation and other services; and to help at least 300 households per year through Safe Outdoor Space and Safe Parking.
- **Expand Pathways to Successful Rehousing:** In addition to our work to acquire and convert hotels to supportive housing for households experiencing homelessness, HOST will use ARPA funding to continue the Rehousing Collaborative, a rapid rehousing program aimed at housing approximately 150 households experiencing homelessness directly from shelter settings annually.

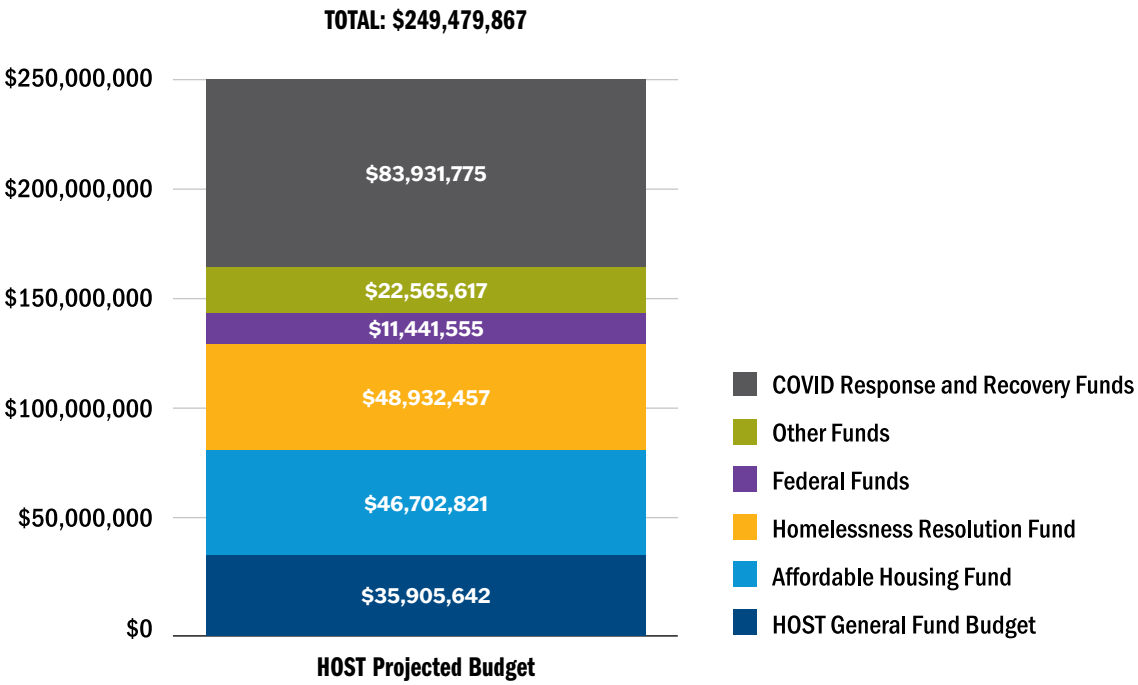
In addition to this strategic use of one-time recovery funding, HOST plans to use its other resources to advance HOST's goal to improve the homelessness resolution system for families by bolstering hotel vouchering capacity for families in need of shelter and complementing that investment with housing-focused case management.

2023 Projected Revenue

The 2023 Projected Budget in this 2023 Action Plan includes resources available to HOST in 2023 that can be assigned to programs and projects in the upcoming year. Consistent with the approach used in the City Budget Book, this plan does not include resources that HOST received in a prior year and assigned to a planned use, but that has not been expended. Because some of HOST's work can stretch over multiple years, particularly affordable housing development, project funding that is budgeted and committed in a given year may not be paid out until a future year.

Overall, HOST's projected budget for 2023 is around $249.5 million. The primary types of revenue HOST will receive in 2023 are the City's General Fund, the Council-approved Affordable Housing Fund (AHF), the voter-approved Homelessness Resolution Fund (HRF), federal grants, and time-limited COVID response and recovery funds, which is primarily through federal funding from the American Rescue Plan Act. COVID response and recovery funding, which is time-limited, makes up 34% of HOST's total projected budget.[26] A summary of amounts provided by each revenue category is provided in Figure 4, and a detailed accounting of all revenue sources is provided in Figure 5. Appendix B of this plan includes additional information on revenue categories and complementary funding sources.

FIGURE 4 **2023 Projected Budget for the Department of Housing Stability – Summary**



Notes: COVID Response and Recovery Funds – In Process includes funds where HOST has an award letter from the U.S. Department of Housing and Urban Development but not an executed grant agreement. COVID Response and Recovery Funds – Known include resources passed by Denver voters and Denver City Council in November 2021.

[26] The Homelessness Resolution Fund was originally approved with strong support from Denver voters in the fall of 2020. Since Denver collected more revenue than projected in the original measure for 2021, City Council referred a question to the November 2022 ballot to retain the total collection and reauthorize the tax at its full amount based on requirements under the Colorado's Taxpayer's Bill of Rights (TABOR). Sales tax revenue under the HRF is expected to generate about $49M in 2023.

FIGURE 5 **2023 Projected Budget for the Department of Housing Stability – Detail**

Funding Source	Amount	Percentage
HOST General Fund Budget	**$35,905,642**	**14.4%**
Affordable Housing Fund	**$46,702,821**	**18.7%**
Property Tax	$8,937,000	3.6%
General Fund/Interest Income	$854,534	0.3%
Recreational Marijuana Use Tax	$8,715,025	3.5%
General Fund Transfer	$800,000	0.3%
Linkage Fee Projected Revenue	$27,396,262	11.0%
Homelessness Resolution Fund	**$48,932,457**	**19.6%**
Federal Funds	**$11,441,555**	**4.6%**
Community Development Block Grant (CDBG)	$0	0.0%
HOME Investment Partnerships Program	$3,743,934	1.5%
Housing Opportunities for People with AIDS	$3,686,258	1.5%
Neighborhood Stabilization Program II	$253,110	0.1%
Emergency Solutions Grant (ESG)	$566,588	0.2%
Continuum of Care (COC)	$2,300,936	0.9%
Edward Byrne Memorial Justice Assistance Grant	$89,229	0.0%
Anschutz Foundation Grant	$539,000	0.2%
Homeless Shelter Utility Support	$262,500	0.1%
Other Funds	**$22,565,617**	**9.0%**
Affordable Housing Fund	$43,356	0.0%
Affordable Housing Incentive Fee Fund	$1,190,627	0.5%
Community Development – Donation	$198,485	0.1%
Denver Public Schools Motel Grant	$0	0.0%
Skyline Housing	$1,872,603	0.8%
Rental Rehabilitation	$572,167	0.2%
HMLS Donations	$231,583	0.1%
Homeless Services Fund	$0	0.0%
Inclusionary Housing Ordinance	$4,378,671	1.8%
Mandatory Affordable Housing Fee-In-Lieu Fund	$0	0.0%
Metro Mortgage Assistance	$6,150,000	2.5%
Performance Contracts (SIB) (GF Transfer)	$3,377,000	1.4%
SIPPRA (GF Transfer)	$1,100,000	0.4%
Revolving Affordable Housing Loan Fund	$3,451,125	1.4%
COVID Response and Recovery Funds	**$83,931,775**	**33.6%**
ARPA	$77,795,000	31.2%
ERAP Tranche 2	$6,136,775	2.5%
Total	**$249,479,867**	**100.0%**

Notes: The Affordable Housing Fund listed under the Other Funds category is a legacy fund that is separate from the Affordable Housing Fund Section of this table (i.e., the section that totals $46,702,821). To be consistent with the City Budget Book HOST's allocation of Community Development Block Grant (CDBG) funding is not included here. Typically, HOST receives approximately $2M to allocate toward Housing Opportunity and Housing Stability investments.

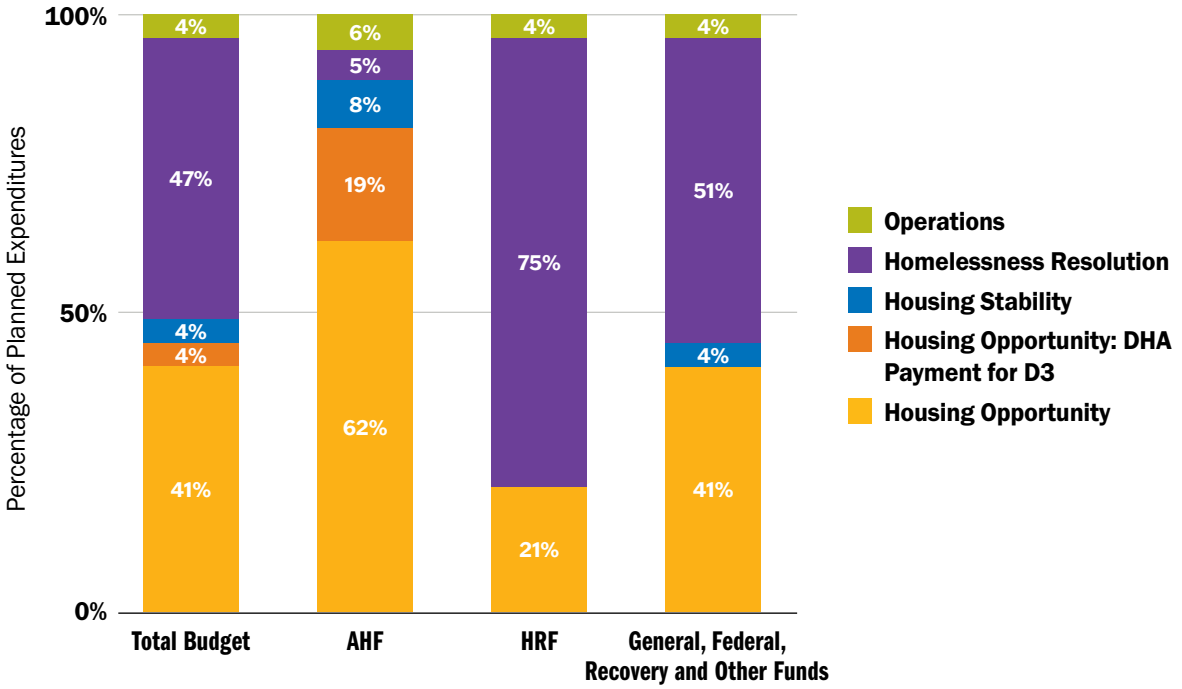
2023 Planned Expenditure of Funds by Pillar

Overall, HOST plans to expend its resource across its pillars of work, with the most funding spent on Homelessness Resolution and Housing Opportunity. In 2023, HOST estimates that 47% of expenditures will go toward Homelessness Resolution and 41% will go toward Housing Opportunity. About 4% of expenditures will support Housing Stability, while 4% will support Operations. Within the Affordable Housing Fund, resources will primarily support direct investment projects and programs in Housing Opportunity (62% of expenditures). An additional19% of that resource will go to Denver Housing Authority(DHA) for the DHA Delivers for Denver initiative (D3), which supports the creation and preservation of affordable housing in Denver. The majority of Homelessness Resolution Fund expenditures will go toward Homelessness Resolution (75%) including support for housing assistance, shelter and services, while 21% will go toward Housing Opportunity's efforts to create new affordable housing for residents experiencing homelessness. These distributions are based on community needs and funding requirements. To review planned expenditures as dollar amounts, see Appendix B.

Denver Housing Authority (DHA) Delivers for Denver

In 2018, the City worked with DHA to establish the DHA Delivers for Denver (D3) intergovernmental agreement. To help bolster Denver's affordable and supportive housing stock, the agreement committed the property tax portion of the Affordable Housing Fund to DHA. Under the agreement, DHA agreed to develop 2,500 affordable housing units. Of those, 1,300 units are to be developed under DHA's pipeline, and 1,200 are to be created with funding support from DHA for acquisition but developed and operated by other community partners. For more information, see HOST's review of the Affordable Housing Fund, here.

FIGURE 6 **Planned Expenditures by Pillar and Revenue Source, 2023**



Notes: Similar to HOST's planned expenditures in Housing Opportunity, HOST's payment to DHA for the D3 Initiative supports the development of affordable housing units in Denver. Because dollars paid to DHA for the D3 Initiative are not available to be directly invested by HOST, it is categorized separately. Operations is a division of HOST that includes staff for communications and engagement, finance, contracting and procurement, data systems administration and reporting, policy and strategic planning, and executive support.

2023 Planned Expenditure of Funds by Investment Area

HOST plans to expend resources across all of its investment types in order to meet community needs with most resources focused on housing. More than half of HOST's planned expenditures are expected to go toward housing programs and affordable housing development and preservation efforts. Due to continued step down from COVID-19 response sheltering, a substantial portion will continue to support shelter and services for residents experiencing homelessness.

Of HOST's total budget:

53% will fund housing programs and affordable housing development and preservation efforts, either through HOST's direct investment or in partnership with DHA.

- Of the total budget, 17% will support housing assistance programs across all of HOST's pillars of work; 32% will go to HOST's direct investments in development and preservation efforts; and 4% will go to DHA for the D3 initiative, which also supports affordable housing development.

41% will fund shelter and services for people experiencing homelessness.

7% will support administration which includes personnel expenses, professional services, data systems investments, training, etc.

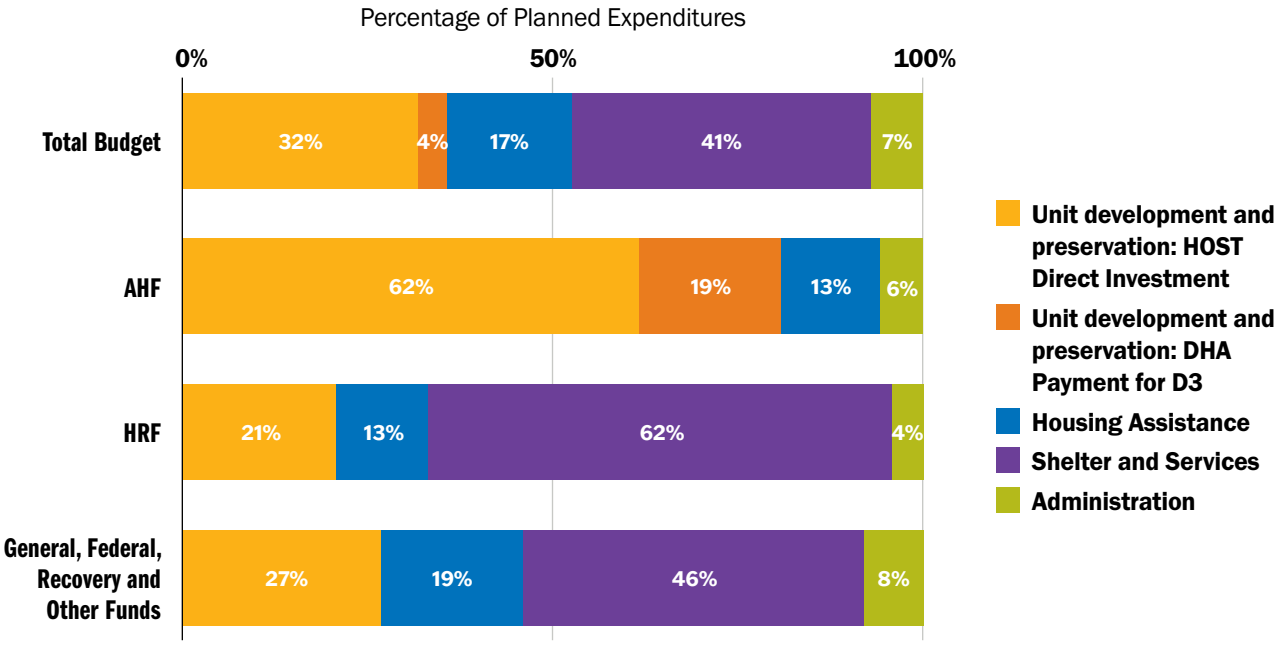
The AHF is primarily being used to support the development and preservation of affordable units (62%) and the D3 initiative (19%), while about two-thirds (62%) of the HRF is planned to support shelter and services for residents experiencing homelessness and about one-third (34%) is planned to support housing programs and development.

To review planned expenditures as dollar amounts, see Appendix B.

Shelter and Services: Acquisitions for Non-Congregate Shelter

Investments in shelter and services support a range of different program models, including street outreach programs, congregate shelter, non-congregate shelter, and other programs supporting residents experiencing homelessness. In 2023, this category includes a $23.25M investment of ARPA funding to acquire two properties or hotels for housing navigation and non-congregate shelter to help implement encampment decommissioning.

FIGURE 7 **Planned Expenditures by Investment Type and Revenue Source, 2023**



Notes: Similar to HOST's planned expenditures in unit development and preservation, HOST's payment to DHA for the D3 Initiative supports the development of affordable housing units in Denver. Because dollars paid to DHA for the D3 Initiative are not available to be directly invested by HOST, it is categorized separately. Administration includes planned expenditures on staffing across HOST as well as planned spending on professional services, data systems investments, staff training, etc.

CONCLUSION

THIS 2023 ACTION PLAN PROVIDES A ROADMAP FOR HOW HOST AND OUR PARTNERS WILL CONTINUE OUR WORK TO ACHIEVE OUR AMBITIOUS FIVE-YEAR STRATEGIC PLAN. AS WE CONTINUE TO RECOVER FROM THE COVID-19 PANDEMIC, RECOVERY FUNDING WILL HELP HOST SCALE SOLUTIONS TO MEET COMMUNITY NEEDS.

We are doing more than ever to address Denver's housing affordability challenges and resolve episodes of homelessness. In the upcoming year, we will use our $249.5 million projected budget to continue to scale this work.

Specifically, in 2023, HOST will:

- Create and preserve more than 1,700 affordable homes through HOST's investment in the affordable housing pipeline, strategic acquisition of hotels, and successful implementation of the new Mandatory Affordable Housing ordinance;
- Expand pathways to homeownership, including by leveraging American Rescue Plan Act (ARPA) funds to scale up down payment assistance programs for households impacted by historic practices like redlining and support more development of affordable for sale homes.
- Serve more than 8,000 households with housing stability programs, including more than 1,700 in eviction legal defense programs and 250 in a new foreclosure prevention and legal assistance program;
- Serve more than 2,500 households experiencing homelessness in rehousing and supportive housing programs, and house more than 1,700 households through all of HOST's Homelessness Resolution investments;
- Address unsheltered homelessness by implementing encampment decommissioning strategies to help at least 100 households per year experiencing unsheltered homelessness connect to stability through housing navigation and other services, and by continuing to support safe outdoor space and safe parking programs;
- Improve the homelessness resolution system for families through investment in hotel options for families in need of shelter, expanding housing-focused case management for those families, and expanding supportive housing for families;
- Commission a disparity study to document racial disparities and discrimination in housing in Denver and propose solutions that advance equity;
- Release a new publicly available financial dashboard providing transparency to how HOST uses its resources;
- Expand functionality and use of HOST data systems to support more efficient electronic contracting and invoicing processes and tracking; and
- Prepare to implement the Affordable Housing Prioritization Policy, including the development of a data system to improve access to affordable housing citywide and help match residents with available affordable housing options.

We are confident that the strategies we have selected will move the needle toward our desired outcomes, and we know we will face obstacles that will require us to chart a new path or require tools we have yet to identify. We will be nimble and adjust to the circumstances with which we are faced, and act with urgency on behalf of the many people in our city who need our help.

This requires that we ask for help. We know we cannot achieve these ambitious goals alone.

So much of HOST's work is dependent on market and economic conditions and our partnerships with other organizations: funders, developers, nonprofit providers, policymakers, taxpayers, and so many others. As we work to invest resources, create policy, and build partnerships to provide housing stability, resolve episodes of homelessness, and create and preserve affordable housing in alignment with this plan, we invite you to join us. Whatever your role, we hope you see a wealth of exciting opportunities for you to contribute to this coming year's action plan, and that you'll start today.

We believe that, together, we can build a healthy, housed, and connected Denver. We look forward to ongoing collaboration and partnership, to feedback and innovation, to big dreams and accomplishments together. Thank you for being on this important journey with us.

To learn more and stay up to date, visit denvergov.org/housing

Acknowledgements

The work of HOST would not be possible without our many partners inside the City and County of Denver and the greater Denver community. The engagement and contributions of our partners to this annual action planning process was vital.

DENVER MAYOR

Michael B. Hancock

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Kevin Flynn, District 2
Jamie Torres, District 3, Council President
Kendra Black, District 4
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Appendix A. Glossary of Terms

Affordable Housing is typically defined as housing that requires the occupant to pay no more than 30% of their gross income for housing costs (i.e., rent or mortgage payment plus the cost of utilities).

Affordable housing created refers to units developed through new construction projects.

Affordable housing preserved refers to existing income-restricted or naturally occurring affordable housing when the City has facilitated the extension or maintenance of affordability requirements (e.g., by providing funding for rehabilitation of the property with the condition that the property remain affordable for a longer term).

Accessory Dwelling Unit (ADU) is an acronym used to refer to a smaller, independent residential dwelling unit located on the same lot as a stand-alone (i.e., detached) single-family home. ADUs go by many different names throughout the U.S., including accessory apartments, secondary suites, and granny flats.

Area median income (AMI) is commonly used to generate data about geographic areas and divides households into two equal segments with the first half of households earning less than the median household income and the other half earning more.

Black, Indigenous, and People of Color (BIPOC) is a person-first language term that enables a shift away from terms like "marginalized" and "minority."

Chronic Homelessness has been defined as a single individual (or head of household) with a disabling condition who has either experienced homelessness for longer than a year, during which time the individual may have lived in a shelter, Safe Haven, or a place not meant for human habitation, or experienced homelessness four or more times in the last three years.

The U.S. Department of Housing and Urban Development (HUD) administers the Community Development Block Grant entitlement program and allocates annual grants to larger cities (and urban counties) like Denver to develop viable communities by providing decent housing, a suitable living environment, and opportunities to expand economic opportunities, principally for low- and moderate-income persons.

Congregate Shelters are shared shelter facilities that house persons experiencing homelessness in common spaces, such as traditional day and overnight shelters. In contrast, non-congregate shelters house persons experiencing homelessness in single or roommate accommodations, such as hotel rooms.

Equity is when everyone, regardless of who they are or where they come from, has the opportunity to thrive and acknowledges that treating every person or place exactly the same may not result in fair opportunities to succeed.

Functional zero for veteran homelessness is a milestone that means a community has fewer veterans experiencing homelessness than it can routinely house in permanent housing in a month. For example, if a community is placing four veterans per month on average in permanent housing, it must have four or fewer veterans experiencing homelessness. This reality must be sustained.

Housing Choice Vouchers (HCV) are the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants can

find their own housing, including single-family homes, townhouses, and apartments. Housing choice vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program.

Housing Cost-Burden is defined by HUD as families who pay more than 30% of their income on housing, and may have difficulty affording necessities, such as food, clothing, transportation, and medical care.

Housing First is an approach that offers permanent, affordable housing as quickly as possible for individuals and families experiencing homelessness, and then provides the supportive services and connections to the community-based supports people need to keep their housing and avoid returning to homelessness.

Homeless Management Information System (HMIS) is a HUD-required integrated data system for homeless service providers. Any program that receives HUD funds is required to use HMIS. HOST also requires programs it funds to use HMIS, and, starting in 2020, is getting contract reporting from the HMIS system. Colorado has a statewide HMIS. Metro Denver Homeless Initiative (MDHI) oversees the HMIS system for Metro Denver. MDHI's role includes setting up new programs, site monitoring to ensure standards are met (e.g., data quality, timeliness of entry, compliance with privacy notices and release of information practices), and reporting.

Department of Housing Stability (HOST) is abbreviated as HOST taken from the letters HO in the word housing and ST in the word stability.

Low-Income Housing Tax Credits (LIHTC) is a program for which state and local agencies allocate approximately $8 billion in tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.

OneHome is the Metro Denver Coordinated Entry System. Coordinated Entry is a national best practice to match households experiencing homelessness with housing in a coordinated way across the community. Communities across the country use this type of coordinated approach to end homelessness. In Denver alone, over 2,000 households are assessed and entered into OneHome annually. OneHome uses the database, Homeless Management Information System (HMIS), to collect data needed for coordinated entry.

Permanent Supportive Housing (PSH) is an intervention that combines affordable housing assistance with voluntary support services to address the needs of chronically homeless people. The services are designed to build independent living and tenancy skills and connect people with community-based health care, treatment, and employment services.

Persons or People Experiencing Homelessness (PEH) is the preferred term for individuals who are unhoused.

Point-in-Time (PIT) Count is a one night count of those experiencing homelessness in the Metro Denver area, administered through the Metro Denver Homeless Initiative.

Redlining is the systematic denial of various services to residents of specific, often racially associated, neighborhoods or communities, either explicitly or through the selective raising of prices.

Registered Neighborhood Organizations (RNO) are groups formed by residents and property owners

within a neighborhood who meet regularly and whose organizational and contact information is kept on file with the City's Community Planning and Development Department.

Section 8 is the previous name for the Housing Choice Voucher program. See HCV reference above.

Social Impact Bond programs are a unique type of performance-based contract where private and/or philanthropic lenders loan funds to accomplish a specific objective and are repaid based on whether the program achieves its goals.

Safe Outdoor Spaces (SOS) refers to a new approach for the City and County of Denver creating temporary, sanctioned camp sites with supportive services.

Supportive Housing is an intervention that combines affordable housing assistance with voluntary support services on an as-needed basis. The services are designed to build independent living and tenancy skills and connect people with community-based health care, treatment, and employment services.

Temporary Rental and Utility Assistance (TRUA) programs offer resources to Denver residents who are facing financial hardship to help prevent eviction.

Appendix B. Additional Financial Information

This appendix provides additional information on funding sources available to the Department of Housing Stability (HOST) and funding streams outside of HOST that support housing and homelessness.

Description of Revenue Sources for HOST

This section describes the major revenue sources HOST uses on an ongoing basis to achieve our goals.

City General Fund: The City's General Fund is the largest of the City's operating funds. It includes all resources not restricted legally to a specific use. The major source of revenue for the General Fund is sales and use tax, which accounts for approximately 55% of the fund revenue. The General Fund is allocated to City agencies on an annual basis through the budget process. HOST is one of about 35 agencies receive funding from the General Fund.

Affordable Housing Fund: The Affordable Housing Fund (AHF) is one of HOST's Special Revenue Funds, which is restricted to specific uses and allocated annually. Created in 2016 and doubled in 2018, the Affordable Housing Fund is resourced through property tax, a per square foot fee on new development called a "linkage fee," sales tax on recreational marijuana, and the General Fund. The linkage fee structure was updated through the Expanding Housing Affordability project in 2022. The Affordable Housing Fund is administered by HOST and provides approximately $30 million annually to help address Denver's affordable housing needs. Specific uses of the Affordable Housing Fund are articulated in the Denver Revised Municipal Code and include the production and preservation of rental, homeownership and supportive housing as well as programmatic supports such as homebuyer assistance and other services.

Homelessness Resolution Fund: The Homelessness Resolution Fund (HRF) is HOST's second major Special Revenue Fund and is also allocated annually. Passed by voters in 2020, the Homelessness Resolution Fund is funded by a 0.25% sales tax to support residents experiencing and exiting homelessness. The fund is expected to generate approximately $49 million in 2023, though actual sales

tax collection depends on economic factors. As outlined in the Denver Revised Municipal Code, eligible uses of the Homelessness Resolution Fund include capital, operations and as well as programmatic support for housing, shelter and other services for persons experience or exiting homelessness.

Federal grants and other sources: A portion of HOST's budget comes from ongoing federal grants and other funding sources. Federal grants are primarily from the U.S. Department of Housing and Urban Development (HUD) and are allocated annually to Denver based on the HUD budget. Federal funds make up about 5% of HOST's 2023 Projected Budget. Revenue sources in the Other Funds category include one-time donations and smaller funding sources that are replenished when loans are paid back.

Description of COVID Response and Recovery Funding for HOST

Denver has the opportunity to invest a substantial infusion of additional resources to help the City recover from the COVID-19 pandemic. Through RISE Together Denver, the City solicited community input on investment priorities for recovery funding, and housing and homelessness have been consistently named as top priorities.

Federal Emergency Management Agency (FEMA): To support its response to the pandemic, the City has been able to submit emergency response expenses for reimbursement from Federal Emergency Management Agency (FEMA). In the first year of the emergency, the City spent roughly $56.3 million on sheltering support for residents experiencing homelessness and that may be reimbursed by FEMA. These funds helped Denver expand 24/7 sheltering and launch new non-congregate shelter models of service. However, these funds are time and use limited and cannot be fully replaced by HOST's ongoing revenue sources.

American Rescue Plan Act (ARPA) State and Local Funding: ARPA provides state, local, territorial, and Tribal governments with funding to support COVID-19 response efforts, replace lost revenue and strengthen support for public services and jobs, support economic stabilization for households and businesses, and address public health and economic disparities that created inequitable impacts of the pandemic.[27] State and Local ARPA funding must be obligated by December 31, 2024 and spent by December 31, 2026. These funds are being awarded to projects in two tranches. In the first tranche of funding, HOST received $50,270,000. The Mayor's 2023 Budget Book proposes to allocate $78 million to HOST in the second tranche. Uses for these funds support several goals of HOST's Five-Year Strategic Plan, including expanding affordable housing opportunities and addressing unsheltered homelessness.

HOME Investment Partnerships Program (HOME) ARPA grant: ARPA also expanded funding for HUD's HOME program. HOST anticipates receiving a $10.8 million grant from HUD for HOME ARPA. Funds must be spent by September 30, 2030 and can be used for the production and preservation of affordable housing, tenant-based rental assistance, supportive services, homelessness prevention services, and housing counseling, and the purchase and development of non-congregate shelter.[28] HOST has submitted its allocation plan describing how it proposes to use these funds to HUD. Through input during the Five-Year Strategic Planning process, HOST has heard the need for long-term, deeply affordable units and is considering options to help subsidize planned affordable units to serve households at deeper income levels or acquire properties to create more units that are affordable to households earning at or below 30% of the area median income. This supports the five-year goal to expand affordable housing opportunities.

[27] U.S. Department of the Treasury. (n.d.). Coronavirus State and Local Fiscal Recovery Funds. https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds.

[28] U.S. Department of Housing and Urban Development. (n.d.). HOME-ARP Program. https://www.hudexchange.info/programs/home-arp/.

Emergency Rental Assistance Program (ERAP) Tranches 1 and 2: ERAP provides funding to help households who are unable to pay rent or utilities. Funding was awarded in two tranches. The first tranche was enacted in December 2020. Denver's ERAP tranche one funding was contracted to community partners in 2021. The remaining tranche one amount is the portion HOST has retained for administration. The second tranche was enacted in March 2021 and must be spent by September 30, 2025. As a result of the pandemic, more than 175,000 households are behind on rent in Colorado. As Denver recovers from the pandemic and eviction moratoria sunset, the most effective use of ERAP funds is rent and utility assistance to keep people in their homes. HOST has used ERAP primarily for this purpose and advance goals to support household choice and reduce evictions.

General Obligation (GO) Bond: In November 2021, Denver residents voted on a set of ballot measures to allow the City to borrow $450 million through a GO bond to provide additional funding for recovery. Ballot measure 2B was passed and has provided HOST with $38.6 million for housing and sheltering. Those funds must be spent within 10 years of bond issuance. This resource provides $7.4 million for the purchase of the 4600 48th Avenue shelter to support the five-year goal to further shelter system transformation and $30 million in funding for shelter facility acquisition, conversion, construction for non-congregate sheltering to support HOST's sheltering goal and its goal to address unsheltered homelessness. HOST awarded this funding to Urban Peak and Volunteers of America.

Complementary Funding Streams Outside of HOST

While HOST manages a large amount of revenue, many other funders support housing development and programs to bolster housing stability and resolve homelessness. To ensure that these efforts maximize the use of available resources, HOST works with a range of supportive partners. To achieve the goals articulated in this plan, it will be critical for these partnerships to continue and align efforts.

City Partners: HOST coordinates with its partner city agencies in the use of these resources. It works with Denver Economic Development and Opportunity (DEDO) on the use of Community Development Block Grants (CDBG) and HUD grant monitoring and reporting, Denver Human Services (DHS) on supports for families experiencing homelessness and property tax rebate approaches, and the Department of Finance (DOF) on the Social Impact Bond project.

Statewide Partners: HOST also works closely with the Colorado Division of Housing (CDOH) within the Department of Local Affairs (DOLA) and the Colorado Housing and Finance Authority(CHFA). CDOH supports affordable housing development through the allocation of rental assistance vouchers and gap financing, and funds housing stability and homelessness resolution programming. CHFA awards low-income housing tax credits and Private Activity Bonds that are a critical component of an affordable development's capital stack.

Supportive Partners: HOST partners with Denver Housing Authority (DHA) and the development community to create new affordable housing. HOST works with DHA to create innovative solutions for land acquisition to support a strong pipeline of affordable and supportive housing units, including the DHA Delivers for Denver (D3) bond initiative. HOST also works with developers to provide gap financing after the developer has already raised other funds for the majority of their project costs.

Philanthropic Partners: Private funders, foundations, and businesses are also investing in interventions that support HOST's work. A collection of private funders came together in April 2019 to partner with the City and HOST to expand services available in Denver's shelters and bridge housing opportunities to provide more safe, stable places for people to stay while connecting to permanent housing. This also included capital investments in safety and accessibility improvements. In addition, the Caring for Denver Foundation provides an important new resource for mental health and substance misuse services.

Planned Expenditures: Exact Dollar Amounts

This section provides the supporting data for Figures 6 and 7 in the Action Plan's Financial Landscape section.

FIGURE B1 **Planned Expenditures by Pillar and Revenue Source, 2023 (Dollar Amounts)**

	Total Budget	AHF	HRF	General, Federal, Recovery, and Other Funds
Total Budget	**$249,479,867**	**$46,702,821**	**$48,932,457**	**$153,844,589**
Housing Opportunity	$102,060,660	$28,848,411	$10,050,000	$63,162,249
DHA payment for D3	$8,937,000	$8,937,000	$0	$0
Housing Stability	$10,047,493	$3,800,000	$0	$6,247,493
Homelessness Resolution	$117,371,898	$2,200,000	$36,682,457	$78,489,441
Operations	$11,062,816	$2,917,410	$2,200,000	$5,945,406

Notes: AHF stands for Affordable Housing Fund; HRF stands for Homelessness Resolution Fund. These funds are broken out separately from other funds in order to provide greater transparency into how HOST plans to expend locally-generated, dedicated funding sources for housing and homelessness. Similar to HOST's planned expenditures in Housing Opportunity, HOST's payment to DHA for the D3 Initiative supports the development of affordable housing units in Denver. Because dollars paid to DHA for the D3 Initiative are not available to be directly invested by HOST, it is categorized separately. Operations is a division of HOST that includes staff for communications and engagement, finance, contracting and procurement, data systems administration and reporting, policy and strategic planning, and executive support.

FIGURE B2 **Planned Expenditures by Investment Type and Revenue Source, 2023 (Dollar Amounts)**

	Total Budget	AHF	HRF	General, Federal, Recovery, and Other Funds
Total Budget	**$249,479,867**	**$46,702,821**	**$48,932,457**	**$153,844,589**
Housing	$131,063,517	$43,785,411	$16,250,000	$71,028,106
Housing Assistance	$42,143,789	$6,000,000	$6,200,000	$29,943,789
Unit Development and Preservation	$79,982,728	$28,848,411	$10,050,000	$41,084,317
Unit development and preservation: DHA Payment for D3	$8,937,000	$8,937,000	$0	$0
Shelter and Services	$101,068,382	$0	$30,482,457	$70,585,925
Administration	$17,347,968	$2,917,410	$2,200,000	$12,230,558

Notes: AHF stands for Affordable Housing Fund; HRF stands for Homelessness Resolution Fund. These funds are broken out separately from other funds in order to provide greater transparency into how HOST plans to expend locally-generated, dedicated funding sources for housing and homelessness. Similar to HOST's planned expenditures in unit development and preservation, HOST's payment to DHA for the D3 Initiative supports the development of affordable housing units in Denver. Because dollars paid to DHA for the D3 Initiative are not available to be directly invested by HOST, it is categorized separately. Administration includes planned expenditures on staffing across HOST as well as planned spending on professional services, data systems investments, staff training, etc.