



ANNUAL

BOARD MEETING

December 15, 2021



Location:
Zoom Link: <https://us06web.zoom.us/j/81658481505>
December 15, 2021 ▪ 9:00 a.m. - 11:30 a.m.

AGENDA

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9:00-9:30	Standing Agenda and Meeting Items	
	1. Call to Order and Determination of a Quorum	
	2. Public Participation	
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	4. Finance and Operations Update	13
	5. Meet the Department: Property Management Part II	
9:30-11:10	Meeting Agenda	
	1. Lee Hill Good Neighbor Statement of Operations	23
	2. Lee Hill Annual Report/Permanent Supportive Housing (PSH)	
	3. 2022 BHP Budget – Final Review	37
	4. Housing Choice Voucher Administrative Plan – Final Approval	62
11:10-11:30	Board Matters	
	1. Resident Representative Council Update	
	2. BHP Foundation Board Update	
	3. Announcements and Other Items from the Board	
	4. Upcoming Conference Opportunities	66
	5. Future Board Items and Board Calendar	67
	6. Officer Elections	
	7. Nominating, Personnel, and Governing (NPG) Committee Membership	
11:30	Adjournment	



Reunión Anual de la Junta de los Comisionados

Ubicación:

Enlace de Zoom: <https://us06web.zoom.us/j/81658481505>

15 de diciembre de 2021 ▪ 9:00 a.m. - 11:30 a.m.

AGENDA

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9:00-9:30	Agenda Permanente y Puntos de la Reunión	
	1. Llamado al Orden y Determinación de Quórum	
	2. Participación del Público	
	3. Aprobación del Acta del 10 de noviembre de 2021	
	4. Actualización de Finanzas y Operaciones	
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9:30-11:10	Agenda de la Reunión	
	1. Declaración de Operaciones de Buen Vecino de Lee Hill	
	2. Informe Anual de Lee Hill/Vivienda de Apoyo Permanente (PSH por sus siglas en inglés)	23
	3. Presupuesto de BHP del 2022 – Revisión Final	
	4. Plan Administrativo de Vales de Elección de Vivienda – Aprobación Final	37
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11:10-11:30	Asuntos de la Junta de Comisionados	
	1. Actualización del Consejo de Representantes de Residentes	
	2. Actualización de la Junta de Comisionados de la Fundación de BHP	
	3. Anuncios y Otros Elementos de la Junta de Comisionados	
	4. Próximas Oportunidades de Conferencias	66
	5. Elementos Futuros de La Junta y Calendario de la Junta	67
	6. Elecciones de Oficiales	
	7. Membresía del Comité de Nominaciones, Personal y Gobierno (NPG por sus siglas en inglés)	
11:30	Aplazamiento	

Strategic Framework

BOULDER HOUSING PARTNERS



VISION To help create a **diverse, inclusive, & sustainable** Boulder.

MISSION To provide quality, affordable homes and foster thriving Boulder communities.

CORE BELIEFS

- We believe in the **power of having a home**.
- We believe in **opportunity for all**.
- We celebrate our **diversity**.
- We believe our work is **one part of a broader solution** to a thriving community.
- We believe in keeping our **impact on the environment small**.
- We believe in working as **one team**.

STRATEGIES

Support Residents & Strengthen Communities

We provide high-quality customer service, treating all people with kindness, respect, and dignity. We foster partnerships with residents, participants, and local organizations to increase opportunities and strengthen the broader community.

Increase Affordable Housing Opportunities

We seek to meet the changing housing needs of our community. Our expertise is affordable and attainable rental housing. We work in collaboration with the City of Boulder to address community housing goals and provide opportunities that would not otherwise be available in the local market. We are agile and responsive to opportunities, providing permanently affordable homes through development, acquisition, and vouchers.

Steward our Resources Effectively

We are diligent stewards of public resources and champions for those who need them. We manage our resources through effective business practices, strategic asset management, community collaborations, environmental stewardship, and innovative systems that bring clarity and focus to our work.

Cultivate an Outstanding Workplace

We create a positive workplace culture, striving to attract and retain the best employees. We support wellness and balance in employees' lives and we cultivate the creativity, passions, and unique skills of our team members.

FRAMEWORK FOR DECISION MAKING

When evaluating decisions or determining what matters BHP should spend time on, in accordance with our fiduciary duties to always act in the best interest of the organization, we consider the following questions:

1. Does this idea/action item further the goals of the organization?
2. Is this relevant and helpful for our constituents/customers?
3. What is the impact on staff?
4. What is the impact on budgets?
5. Is it strategic or operational?
6. Is this within our span of control?

BOULDER HOUSING PARTNERS
Meeting of the Board of Commissioners
November 10, 2021 | 9:00 a.m.
4800 N. Broadway, Boulder, CO 80304

Commissioner Harris	Jeremy Durham	Others Present:
Commissioner Bissonette	Angela Urrego	Kim Smith
Commissioner Block	Cat Ordoñez	Shelly Bobbins
Commissioner Cooper	Daniel Nuñez	
Commissioner Griffin	Edgar Mendoza	
Commissioner Joseph (ABSENT)	Elisa Torrez	
Commissioner Lord	Jason Acuña	
Commissioner Schoenfeld	Jodi Bogen	
Commissioner Walker	Julia Arencibia	
	Karen Kreutzberg	
	Karin Stayton	
	Laura Sheinbaum	
	Noemi Mondragon	
	Stacy Santos	
	Tad Amore	
	Tim Beal	
	Tory Livingston	

I. Call to order and Determination of a Quorum

Commissioner Griffin called the meeting of the Board of Commissioners to order at 9:05 a.m. A quorum was declared.

II. Public Participation

The Zoom Board Meeting information was posted on the main BHP website (boulderhousing.org).

There was no Public Participation.

III. Approval of the Meeting Minutes

Consent agenda items approved:

1. Minutes from October 13, 2021

COMMISSIONER BISSONETTE MOVED TO APPROVE THE MINUTES FROM OCTOBER 13, 2021. COMMISSIONER WALKER SECONDED THE MOTION. The motion to approve the minutes passed unanimously.

Jeremy Durham mentioned that going forward the Board minutes and Agenda will be translated into Spanish on a monthly basis. In addition, we will look into hiring an interpreter to join the Board meetings if needed to make the meetings more accessible.

IV. Financial Dashboard

Jodi Bogen went over the financial dashboard for September 2021 and answered questions from the Board.

V. Meeting Agenda

Meet the Department: Property Management Department | Part I

Daniel Nuñez, the Director of Property Management (PM) introduced himself and his department and gave a brief description of what the PM Team accomplishes. Daniel introduced Elisa Torrez, one of BHP's Regional Property Managers, along with her team:

- Edgar Mendoza, Community Manager
- Tara Chastain, Assistant Community Manager (*Unable to Attend*)
- Noemi Mondragon, Operations Specialist
- Cat Ordoñez, Lease Up and Customer Service Specialist
- Evelyn Carter, Community Manager (*Unable to Attend*)
- Stacy Santos, Assistant Community Manager
- Angela Urrego, Operations Specialist

2022 Boulder Housing Partners Budget – First Review

Jodi Bogen presented on the 2022 Boulder Housing Partners Budget and answered questions from the Board. The Board will be asked for approval of the 2022 budget during the December Board meeting through a resolution.

Questions for the Board to Consider:

1. Are the general budget assumptions appropriate?
2. Do you support the Operating Reserve target of \$2,750,000 and Replacement Reserve target of \$3,500 per unit consistent with prior years?
3. Do you support continuing the separate Insurance Reserve, that currently exceeds \$945,000, to mitigate risk due to higher insurance deductibles?

The Commissioners and Jeremy thanked Jodi and Tory Livingston for all of the hard work and dedication in putting together the proposed budget.

Annual Meeting - Change to December

Jeremy Durham discussed the idea from the Nominating, Personnel, and Governance Committee of changing the BHP Annual Board Meeting to December, including Officer Elections, and having elected officials assume their positions the following meeting.

The Commissioners approved the change in the Bylaws.

Resident Demographics: “Who We Serve”

Jeremy Durham presented on “City of Boulder Demographic and BHP Resident Analysis” and answered questions from the Board.

VI. Board Matters

Resident Representative Council Update

Commissioner Griffin reported for the Resident Representative Council. Daniel Nuñez and Dean Rohr continue to join the beginning of the meetings and answer questions. The RRC discussed the following topics:

- There isn't enough bicycle storage at some of the communities and theft happens every so often.
- The washers and dryers are worn out at Broadway East. Dean said that BHP will examine whether we can replace some.
- A resident at Broadway East started their own Resident Council in English and Spanish.
- New members at the RRC want to get more involved and would like to attend conferences and network with others; however, this has been difficult with the pandemic.

Jeremy mentioned that the Foundation might have some funds for conferences. In addition, some conferences have scholarships or grants that could assist.

Laura Sheinbaum mentioned that after we complete the Tantra Lake Apartments redevelopment, we will start pursuing the next acquisition project which is at Broadway East. We are in need of capital investment at that property, including washers and dryers, and we will begin engagement with residents.

Commissioner Schoenfeld mentioned that the translation of the minutes into Spanish could be shared with the RRC members. Also, resources could be shared with Commissioner Griffin for distribution, including the Housing Equity Symposium happening on November 10 at 6:00 p.m. online.

Board Foundation Update

Commissioner Schoenfeld reported for the Board Foundation. The Foundation met at the end of September and are meeting next week. They will focus on the end of year fundraising campaign through Colorado Gives in hopes to fund staff salaries and programming for 2022. These programs seek to provide housing stability, education support and a sense of community to 18 of BHP's family sites.

The Foundation also created three internal committees: 1) Membership Committee, 2) DEI Committee, and 3) Fundraising Committee. They will welcome two new members who are residents at BHP.

Announcements and Other Items from the Board

Commissioner Harris mentioned that Governor Polis will visit 30PRL today, November 10, 2021.

Conference Opportunities

Commissioner Harris and Jeremy said that Commissioners can email Jason Acuña if they are interested in attending any conference opportunities.

Future Board Items

There were no future board items added.

VII. Adjourn

COMMISSIONER GRIFFIN MADE A MOTION TO ADJOURN THE MEETING OF THE BOARD OF COMMISSIONERS. COMMISSIONER COOPER SECONDED THE MOTION. The motion passed unanimously.

The meeting of the Board of Commissioners adjourned at 11:36 a.m.

Seal
DATE: 11/10/2021

R.E. Harris
Chairperson, Board of Commissioners
Housing Authority of the City of Boulder

Jeremy Durham
Executive Director

Jason Acuña
Recording Secretary

BOULDER HOUSING PARTNERS
Reunión de la Junta de Comisionados
10 de noviembre de 2021 | 9:00 a.m.
4800 N. Broadway, Boulder, CO 80304

Comisionado Harris	Jeremy Durham	Otros Presente:
Comisionado Bissonette	Angela Urrego	Kim Smith
Comisionado Block	Cat Ordoñez	Shelly Bobbins
Comisionada Cooper	Daniel Nuñez	
Comisionada Griffin	Edgar Mendoza	
Comisionada Joseph (AUSENTE)	Elisa Torrez	
Comisionada Lord	Jason Acuña	
Comisionada Schoenfeld	Jodi Bogen	
Comisionado Walker	Julia Arencibia	
	Karen Kreutzberg	
	Karin Stayton	
	Laura Sheinbaum	
	Noemi Mondragon	
	Stacy Santos	
	Tad Amore	
	Tim Beal	
	Tory Livingston	

I. Llamado al Orden y Determinación de un Quórum

El Comisionado Harris dio inicio a la reunión de la Junta de Comisionados a las 9:05 a.m. Se declaró un quórum.

II. Participación Pública

La información de la reunión de la Junta de Zoom se publicó en el sitio web principal de BHP (boulderhousing.org).

No hubo participación pública.

III. Aprobación del Acta de la Reunión

Puntos de la agenda de consentimiento aprobados:

1. Acta del 13 de octubre de 2021

LA COMISIONADA BISSONETTE SE MOVIÓ PARA APROBAR EL ACTA DEL 13 DE OCTUBRE DE 2021. EL COMISIONADO WALKER APOYÓ LA MOCIÓN. La moción para aprobar el acta pasó por unanimidad.

Jeremy Durham mencionó que, en el futuro, los puntos de la Junta de Comisionados y la Agenda se traducirán al español mensualmente. Además, estudiaremos la posibilidad de contratar a un intérprete para que se una a las reuniones de la Junta si es necesario para que las reuniones sean más accesibles.

IV. Tablero Financiero

Jodi Bogen revisó el tablero financiero de septiembre de 2021 y respondió preguntas de la Junta.

V. Agenda de la Reunión

Conozca al Departamento: El Departamento de Administración de Propiedades | Parte I

Daniel Nuñez, el Director de Administración de Propiedades (PM por sus siglas en inglés) se presentó a sí mismo y a su departamento y dio una breve descripción de lo que logra el Equipo de PM. Daniel presentó a Elisa Torrez, una de las Administradoras Regionales de propiedades de BHP, junto con su equipo:

- Edgar Mendoza, Administrador de Comunidades
- Tara Chastain, Asistente de Administración de Comunidades (*No Pudo Asistir*)
- Noemi Mondragon, Especialista de Operaciones
- Cat Ordoñez, Especialista de Servicios al Cliente y Arrendamiento
- Evelyn Carter, Administrador de Comunidad (*No Pudo Asistir*)
- Stacy Santos, Asistente de Administración de Comunidades
- Angela Urrego, Especialista de Operaciones

Presupuesto 2022 Boulder Housing Partners - Primera Revisión

Jodi Bogen presentó el Presupuesto de Boulder Housing Partners de 2022 y respondió preguntas de la Junta. Se le pedirá a la Junta que apruebe el presupuesto de 2022 durante la reunión de la Junta de diciembre a través de una resolución.

Preguntas para que la Junta Directiva considere:

1. ¿Son adecuados los supuestos del presupuesto general?
2. ¿Apoya el objetivo de Reserva Operativa de \$2,750,000 y el objetivo de Reserva de Reemplazo de \$3,500 por unidad consistente con años anteriores?
3. ¿Apoya continuar con la reserva de seguro separada, que actualmente supera los \$945,000, para mitigar el riesgo debido a deducibles de seguro más altos?

Los Comisionados y Jeremy agradecieron a Jodi y Tory Livingston por todo el arduo trabajo y la dedicación para preparar el presupuesto propuesto.

Reunión Anual - Cambio a Diciembre

Jeremy Durham habló sobre la idea del Comité de Nominaciones, Personal y Gobierno (NPG por sus siglas en inglés) de cambiar la Reunión Anual de la Junta de BHP a diciembre, incluidas las Elecciones de Oficiales, y que los funcionarios electos asuman sus cargos en la siguiente reunión.

Los Comisionados aprobaron el cambio en los Estatutos.

Datos Demográficos de los Residentes: "A Quién Servimos"

Jeremy Durham presentó el "Análisis Demográfico y de Residentes de BHP de la Ciudad de Boulder" y respondió preguntas de la Junta.

VI. Asuntos de la Junta

Novedades del Consejo de Representantes de Residentes

La Comisionada Griffin presentó por el Consejo de Representantes Residentes. Daniel Nuñez y Dean Rohr continúan uniéndose al comienzo de las reuniones y respondiendo preguntas. El RRC habló sobre los siguientes temas:

- No hay suficiente espacio para guardar bicicletas en algunas de las comunidades y hay

- robos de vez en cuando.
- Las lavadoras y secadoras están gastadas en Broadway East. Dean dijo que BHP examinará si podemos reemplazar algunas.
 - Un residente de Broadway East inició su propio Consejo de Residentes en inglés y español.
 - Los nuevos miembros de RRC quieren involucrarse más y les gustaría asistir a conferencias y establecer contactos con otros; sin embargo, esto ha sido difícil con la pandemia.

Jeremy mencionó que la Fundación podría tener algunos fondos para conferencias. Además, algunas conferencias tienen becas o subvenciones que podrían ayudar.

Laura Sheinbaum mencionó que después de completar la remodelación de Tantra Lake Apartments, comenzaremos a perseguir el próximo proyecto de adquisición que se encuentra en Broadway East. Necesitamos una inversión de capital en esa propiedad, incluidas lavadoras y secadoras, y comenzaremos a hablar con los residentes sobre estos asuntos.

La Comisionada Schoenfeld mencionó que la traducción de las actas al español podría compartirse con los miembros del RRC. Además, los recursos podrían compartirse con la Comisionada Griffin para su distribución, incluido el Simposio sobre Equidad en la Vivienda que se llevará a cabo el 10 de noviembre a las 6:00 p.m. en línea.

Novedades de la Fundación de la Junta

La Comisionada Schoenfeld informó sobre la Fundación de BHP. La Fundación se reunió a finales de septiembre y se reunirá la semana que viene. Se centrarán en la campaña de recaudación de fondos de fin de año a través de Colorado Gives con la esperanza de financiar los salarios del personal y la programación para 2022. Estos programas buscan brindar estabilidad en la vivienda, apoyo educativo y un sentido de comunidad a 18 de los sitios familiares de BHP.

La Fundación también creó tres comités internos: 1) Comité de Membresía, 2) Comité DEI y 3) Comité de Recaudación de Fondos. Darán la bienvenida a dos nuevos miembros que son residentes de BHP.

Anuncios y Otros Elementos de la Junta

El Comisionado Harris mencionó que el Gobernador Polis visitará 30PRL hoy, 10 de noviembre de 2021.

Oportunidades de Conferencias

La Comisionada Griffin y Jeremy dijeron que los Comisionados pueden enviar un correo electrónico a Jason Acuña si están interesados en asistir a alguna conferencia.

Elementos Futuros de la Junta

No se agregaron elementos de tablero futuros.

VIII. Aplazar

LA COMISIONADA GRIFFIN HIZO UNA PROPUESTA PARA ADJUDICAR LA REUNIÓN DE LA JUNTA DE COMISIONADOS. LA COMISIONADA COOPER APOYÓ LA MOCIÓN. La moción fue aprobada por unanimidad.

La reunión de la Junta de Comisionados terminó a las 11:36 a.m.

Sello
FECHA: 10 de noviembre de 2021

R.E. Harris
Presidente de la Junta de Comisionados
Autoridad de Vivienda de la Ciudad de Boulder

Jeremy Durham
Director Ejecutivo

Jason Acuña
Secretario de Actas



FINANCE SUMMARY

October 2021

BHP
Statement of Activities
Year to date - October 31, 2021

Note: Blue type reflects new or updated information from prior reports

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
PROPERTY & VOUCHER MANAGEMENT OPERATIONS						
REVENUE (Excludes HAP)						
Operations Revenue						
Tenant Dwelling Rental	\$ 8,559,815	\$ 8,539,000	\$ 20,815	0%		
HUD-Operating Subsidy	83,506	6,000	77,506	1292%	A	Additional subsidy from HUD: for Public Housing awarded
Total Operations Revenue	8,643,321	8,545,000	98,321	1%		
Fee Revenue						
Property Mgmt & Asset Mgmt Fees	577,232	563,034	14,197	3%		
Mgmt Fees - Tax Credits & S8	1,094,794	853,392	241,401	28%	B	COVID Mgmt Fee income not budgeted at \$53K actual, (offset by unbudgeted expense) plus \$164K catch up of Tax Credit Partnership Fees for Palo, Lee Hill and WestView (paper transaction)
Res Svc Income	365,611	350,637	14,975	4%		
Total Fee Revenue	2,037,637	1,767,063	270,573	15%		
Grants and Subsidies						
HCV - Admin Fees	1,158,363	769,248	389,115	51%	C	COVID Admin income from HUD not budgeted \$176K, plus \$168K higher admin income than budgeted for MTW / NED / Mainstream programs, due to increased funding rates per voucher leased
Non Federal Grants and Donations	121,393	100,933	20,460	20%		
Federal Operating Grants	11,925	39,578	(27,653)	-70%	D	Reduced need to draw CFP grant funds to supplement Public Housing cash needs, due to higher Public Housing Operating Subsidy funding received year to date than anticipated (refer to A above)
Total Grants and Subsidies	1,291,681	909,758	381,923	42%		
Other Revenue						
Tenant Fees and Utility Reimbursements	359,908	364,392	(4,484)	-1%		
Maint Charges to Prop	1,630,059	1,671,085	(41,026)	-2%		
Miscellaneous Revenue	286,864	36,100	250,764	695%	E	Cost Share of BHP staff with COB; \$72K YTD, Madison Woods, one time Partnership Investment \$40K, Health Ins rebate; \$10K, Voucher Fraud Recovery \$50K, COB; COVID use of Mt Calvary church; \$9K and FSS Forfeiture of \$8K YTD, all only nominally budgeted
Total Other Revenue	2,276,831	2,071,577	205,253	10%		
Total Operating Revenue Excluding HAP	14,249,469	13,293,399	956,070	7%		
EXPENSES (Excludes HAP)						
Salaries and Benefits						
Salaries and Benefits	5,628,335	5,573,819	(54,516)	-1%		
Total Salaries and Benefits	5,628,335	5,573,819	(54,516)	-1%		

BHP
Statement of Activities
Year to date - October 31, 2021

Note: Blue type reflects new or updated information from prior reports

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
PROPERTY & VOUCHER MANAGEMENT OPERATIONS						
Property Costs						
Management Fees	346,299	277,301	(68,999)	-25%	F	Increase of Mgmt Fees applied to COVID Admin funding \$34K; partially offset by increase revenue; Ref B; Voucher management fees \$30K higher than budget
Maintenance Materials	161,718	255,754	94,036	37%	G	Laundry equipment spending \$23K lower than budget, electrical \$10K lower than budget, plumbing \$13K lower than budget; note Tantra expenditures minimized due to 2022 LITHC conversion; \$62K
Contract Labor & Repairs	975,259	897,796	(77,463)	-9%	H	Higher unit turn costs due to COVID, additional moveouts; painting, flooring, cleaning
BHP Contract Labor	790,211	803,864	13,653	2%		
Extraordinary Expense	169,113	140,507	(28,606)	0%		
Trash and Recycling	134,893	130,745	(4,148)	-3%		
Utilities	562,612	521,424	(41,188)	-8%	I	Mt Calvary usage higher; COB using site Jan-Oct; \$23K, plus vacant units BHP paying cost approx \$12K, higher usage than normal
PILOT & HOA Fees	290,678	301,806	11,128	4%		
Total Property Costs	3,430,784	3,329,196	(101,588)	-3%		
Other Operating Expenses						
Consultants & Contract Labor	60,806	123,146	62,340	51%	J	Changed Compliance consultant; \$15K savings YTD, Voucher related inspections backlogged due to COVID; \$26K, plus lower overall activity due to COVID
Dues and Fees	46,916	64,074	17,158	27%		
Software & Expendable Equipment	335,257	312,582	(22,675)	-7%		
Insurance Expense	389,719	404,119	14,401	4%		
Legal & Predevelopment Expense	104,596	122,914	18,318	15%		
Mileage & Vehicle Expense	77,058	60,579	(16,480)	-27%		
Miscellaneous - Expense	216,869	223,320	6,451	3%		
Office Supplies & Other Administrative Expens	43,490	57,477	13,987	24%		
Phone, Printing & Postage Expense	133,472	139,260	5,788	4%		
Property Mgmt & Asset Mgmt Fees	537,932	538,006	74	0%		
Resident Services Fees	28,162	28,200	38	0%		
Staff Training	33,788	102,367	68,579	67%	K	Reduced activity due to COVID
Total Other Operating Costs	2,008,064	2,176,044	167,980	8%		
Total Operating Expenses Excluding HAP	11,067,183	11,079,059	11,875	0%		
Net Operating Income; Property & Voucher	3,182,286	2,214,340	967,946	44%		
HOUSING ASSISTANCE PROGRAMS (HAP):						
Federal and Local Voucher Revenue						
HCV - HAP Revenue	11,325,251	10,246,990	1,078,261	11%	L	Actuals include \$367K for 2020 underfunded catch up received in 2021; budget low due to additional vouchers awarded post budget. \$120K Emergency Housing Voucher prefunding of new program, plus \$213K additional HAP funding from HUD is different than HAP spending due to timing.
Federal Service Grants & Local Voucher Fund	1,325,569	1,241,742	83,827	7%	M	COB PSH program revenue higher than budgeted; \$85K
Total Voucher Revenue	12,650,820	11,488,732	1,162,088	10%		
Voucher Funding Expenses						
HCV-HAP Expense	10,623,189	10,246,990	(376,199)	-4%		
Federal Service Grant Expense & Local Vouch	1,338,108	1,226,742	(111,366)	-9%	N	COB PSH grant \$88K more than budget; Supportive services \$8K more than budget, plus new Emergency Housing Vouchers expenses of \$14K not budgeted
Total Voucher expense	11,961,297	11,473,732	(487,565)	-4%		
Net Operating Income; HAP programs	689,523	15,000	674,523			

BHP
Statement of Activities
Year to date - October 31, 2021

Note: Blue type reflects new or updated information from prior reports

	YTD Actual	YTD Budget	Variance \$	% Var	Ref	Variance Explanation
Net Operating Income Including HAP	3,871,809	2,229,340	1,642,469	74%		
Non-Operating Income (Expense)						
Development Fees	4,401,781	3,856,032	545,749	14%	O	Development fee:30Pearl, \$4.3MM earned at construction completion in October, exceeds amount budgeted
Interest Income	2,473,241	2,432,753	40,488	2%		
Non-Federal Capital Grants & Donations	3,485,000	2,750,000	735,000	27%	P	Timing; COB Inclusionary Housing Grant Funding budgeted Q4 2020, received Q1 2021; \$735K for Trout Farms
Federal Capital Grants	17556.9	18,000	(443)	-2%		
Depreciation & Amortization	(3,430,145)	(3,523,288)	93,143	3%		
Non-Capital Reserve Spending	(127,236)	(140,667)	13,431	10%		
Mortgage and Other Interest Expense	(2,146,110)	(2,175,332)	29,222	1%		
Financing Costs; refi mortgages	(130,976)	-	(130,976)	0%	Q	Refi costs not budgeted; 5 property loan; \$103K, Holiday refi; \$27K
HCV - HAP Revenue for Capital Acquisitions	-	-	-	0%		
Total Non-Operating Income (Expense)	4,543,111	3,217,498	1,325,613	41%		
Net Income before Gain (loss) Acq./Disp. of	8,414,920	5,446,838	2,968,081	54%		
Gain (Loss) on Acq./Disp. of Assets	(16,209)	-	(16,209)	100%		
TOTAL NET INCOME (LOSS)	8,398,711	5,446,838	2,951,873	54%		

Note: Explanations provided for positive variances >\$50,000 and 5% and for negative variances >\$25,000 and 5%

BHP
Balance Sheet
October 31, 2021 and December 31, 2020

	Actual October-21	Actual December-20	Net Change YTD	Ref	Comments
ASSETS					
Current Assets					
Unrestricted Cash and Cash Equivalents	\$ 7,931,275	\$ 5,303,968	\$ 2,627,307	R	Increase of Dev Equity Cash; \$1.6M - \$1M residual increase in Cash from LIHTC cashflow to BHP earlier in year.
Reserved Cash - Replacements and Other	7,750,891	3,595,606	4,155,285	S	Refinance of Workforce loan provided cash out proceeds of \$4.1M, less uses for Capital improvements
Accounts Receivable	929,806	408,856	520,950	T	Tenant AR; \$147K Increase due to COVID-19, \$200K escrow to purchase GSA property; \$92K escrow to lock interest rate for Tantra LIHTC conversion; \$42K due from 30Pearl infrastructure project
Accounts Receivable-Tax Credits	3,167,088	3,947,309	(780,221)	U	Received Developer Fees; Canopy \$388K-Q1, and \$400K-Q2. West End \$1.3M-Q2, plus \$550K received from LIHTC entities annual cash flow toward Deferred Developer Fees offset by 30Pearl Developer fee earned in Oct; \$1.9M
Notes Receivable – Current	150,000	1,352,038	(1,202,038)	V	Payment from Tax Credits, 2020 cash flow to BHP during Q2 2021; \$1.2M
Prepaid Expenses	172,874	158,096	14,778		
Total Current Assets	20,101,934	14,765,873	5,336,060		
Restricted Cash					
Restricted Cash - Other	1,343,502	3,056,675	(1,713,172)	W	COB prefunded 30Pearl Construction project; use of funds \$1.6M plus use of \$91K increase in COB PSH program funding
Restricted Cash - Section 8	72,774	73,997	(1,223)		
Restricted Cash - Tenant Security Deposits	565,170	538,594	26,576		
Total Restricted Cash	1,981,446	3,669,265	(1,687,820)		
Capital Assets					
Construction in Progress	2,671,198	1,366,370	1,304,828	X	PreDevelopment costs during year; 1.1M plus Foothills roof project \$204K and Home Office renovations; \$50K
Furniture Fixtures and Equipment	1,098,948	1,038,440	60,507		
Real Estate Assets-Land and Buildings	149,086,348	144,653,622	4,432,726	Y	Purchased Odell / Gunbarrel property; Q1 2021 \$979K, conversion of Holiday property to BHP owned; \$3.1M, plus multiple capitalized improvement projects \$386K during year
Less: Accum Depreciation Real Estate Assets	(38,304,184)	(34,883,559)	(3,420,626)	Z	Normal depreciation
Total Capital Assets	114,552,309	112,174,874	2,377,435		
Other Assets					
Notes Receivable	95,511,251	93,861,251	1,650,000	AA	Final tranche COB Inclusionary Housing Grant; \$2M transfered to 30Pearl as a Note offset by forgiveness of \$350K Holiday note due from Tax credit as part of conversion to BHP Owned
Development Fees Receivable	7,384,760	4,898,992	2,485,768	AB	\$2.5K Developer Fees earned at 30Pearl upon construction completion
Partnership Management Fees	146,416	-	146,416	AC	Catch up receivable to match Tax Credit Payable; will not become cash flow / paper tranx
Interest Receivable Notes	9,738,685	8,191,883	1,546,801	AD	Normal accrual on soft debt tax credit notes, offset by forgiveness of \$864K Holiday interest accrued as part of conversion to BHP owned.
Partnership Investments	1,332,459	1,671,898	(339,439)	AE	Reduction of Partnership Investment; \$400K upon Holiday conversion to BHP owned
Net Amortized Costs	1,142,988	1,151,919	(8,931)		
Escrow Deposits Receivable	3,700	3,700	0		
Total Other Assets	115,260,259	109,779,643	5,480,616		

BHP
Balance Sheet
October 31, 2021 and December 31, 2020

	Actual October-21	Actual December-20	Net Change YTD	Ref	Comments
TOTAL ASSETS	251,895,947	240,389,655	\$ 11,506,292		
LIABILITIES & EQUITY					
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 679,732	\$ 1,041,999	\$ (362,267)	AF	Decrease due to higher outstanding payables accrued typical at December year end
Accrued Payroll	124,741	223,344	\$ (98,603)		
Accrued Payroll Taxes and Benefits	8,877	(79)	\$ 8,956		
Accrued Compensated Absences	509,261	481,962	\$ 27,298		
AP Tax Credits	0	9,581	\$ (9,581)		
Other Accrued Expenses	172,891	2,352,354	\$ (2,179,463)	AG	Reclass of \$2.05M to Deferred Revenue year end adjustment; offset by Ref AH below
Deferred Revenue	1,162,978	825,256	\$ 337,723	AH	Reclass of \$2.05M to Deferred Revenue year end adjustment; offset by Ref AG above, offset by use of funds during year; 30 Pearl Infrastructure project; \$1.6M and use of COVID Cares act funds; \$193K
Current Portion of Long Term Debt	1,334,053	4,614,119	\$ (3,280,066)	AI	Paid off \$2.5M balloon balance of workforce loan with refi proceeds, plus paid off LOC \$775K Q1 2021
Current Port Bonds Payable	60,000	60,000	\$ -		
Prepaid Rent	111,212	63,796	\$ 47,416		
Security Deposits	566,645	532,911	\$ 33,734		
Total Current Liabilities	4,730,388	10,205,243	-5,474,854		
Long-Term Liabilities					
Notes Payable	3,000,000	3,000,000	\$ -		
Mortgages Payable	71,962,617	63,218,715	\$ 8,743,902	AJ	Refinance of 4 property loan to a 5 property loan; \$7.2M and addition of Holiday loan; \$2.7M, offset by normal principal payments
Bonds Payable	1,645,410	1,748,754	\$ (103,344)		
Net Pension Liability	8,418,395	8,418,395	\$ -		
Total Long-Term Liabilities	85,026,422	76,385,865	8,640,557		
TOTAL LIABILITIES	89,756,811	86,591,108	3,165,703		
EQUITY					
Total Equity	162,139,137	153,798,547	8,340,589.24		
TOTAL LIABILITIES AND EQUITY	\$ 251,895,947	\$ 240,389,655	\$ 11,506,292		

Note (1) : Explanations provided for balance sheet changes > \$100,000.

Note (2): BHP has a Line of Credit available for borrowing of up to \$10 Million. In July, utilized \$6.3MM of available LOC to acquire Rally property

BHP
Statement of Cash Flows
Year to date - October 31, 2021

Note: Blue type reflects new or updated information from prior reports

	For the month of October 31, 2021	Year to Date	Ref from Balance Sheet page	Current Month Comments
Reconciliation of Net Income to Net Cash Provided (Used) by Operating Activities				
Net Income (Deficit)	\$ 4,299,630	\$ 8,398,711		Per Statement of Activities
Adjustments to Reconcile Net Income to Net Cash Provided (Used) by Operating Activities				
Increase (Decrease) in Accum. Depreciation	335,480	3,429,556	Z	Normal depreciation
				Tenant AR; \$147K Increase due to COVID-19, \$200K escrow to purchase GSA property; \$92K escrow to lock interest rate for Tantra LIHTC conversion; \$42K due from 30Pearl infrastructure project
(Increase) Decrease in Accounts Receivable	(1,842,722)	399,946	T,U	Received Developer Fees; Canopy \$388K-Q1, and \$400K-Q2. West End \$1.3M-Q2, plus \$550K received from LIHTC entities annual cash flow toward Deferred Developer Fees offset by 30Pearl Developer fee earned in Oct; \$1.9M
(Increase) Decrease in Prepaid Expenses	51,419	(14,778)		
Increase (Decrease) in Prepaid Rent and Security Deposits	38,687	81,150		
(Increase) Decrease in Reserved Cash	485,851	(4,155,285)	S	Refinance of Workforce loan provided cash out proceeds of \$4.1M
(Increase) Decrease in Restricted Cash	102,774	1,687,820	W	COB prefunded 30Pearl Construction project; use of funds \$1.6M plus use of \$91K increase in COB PSH program funding Decrease due to higher outstanding payables accrued typical at December year end
Increase (Decrease) in Payables and Accrued Expenses	(210,180)	(2,754,335)	AF, AG	Reclass of \$2.05M to Deferred Revenue year end adjustment; offset by Ref AH below Reclass of \$2.05M to Deferred Revenue year end adjustment; offset by Ref AG above, offset by use of funds during year; 30 Pearl Infrastructure project; \$1.6M and use of COVID Cares act funds; \$193K
Increase (Decrease) in Deferred Revenue	(92,563)	337,723	AH	
Total Adjustments	(1,131,253)	(988,203)		
Net Cash Provided (Used) by Operating Activities	3,168,377	7,410,509		
Cash Flows from Investing Activities				
(Increase) Decrease in Construction in Process	(548,805)	(1,304,828)	X	PreDevelopment costs during year; 1.1M plus Foothills roof project \$204K and Home Office renovations; \$50K
(Increase) Decrease in Furniture Fixtures and Equipment	(4,968)	(60,507)		
(Increase) Decrease in Real Estate Assets	(131,408)	(4,432,726)	Y	Purchased Odell / Gunbarrel property; Q1 2021 \$979K, conversion of Holiday property to BHP owned; \$2.8M
(Increase) Decrease in Notes and Interest Receivable	(2,736,834)	(4,345,632)	V, AA > AE	Final tranche COB Inclusionary Housing Grant; \$2M transferred to 30Pearl as a Note offset by forgiveness of \$350K Holiday note due from Tax credit as part of conversion to BHP Owned \$2.5K Developer Fees earned at 30Pearl upon construction completion Payment from Tax Credits, 2020 cash flow to BHP during Q2 2021; \$1.2M offset by normal increase in accrued soft debt interest receivable
Net Cash Provided (Used) by Investing Activities	(3,422,015)	(10,143,692)		
Increase (Decrease) in Mortgages and Bonds Payable	(114,610)	6,136,124	AI, AJ	Paid off \$2.5M balloon balance of workforce loan, offset by new workforce refinanced loans of \$7.1M and \$2.7M and normal paydown of monthly mortgage principal
Increase (Decrease) in Line of Credit	0	(775,633)	AI	Paid off LOC \$775K Q1 2021
Net Cash Provided (Used) by Financing Activities	(114,610)	5,360,491		
GP contributions to LLLP	0	0		

BHP CASH Report

June-21 July-21 August-21 September-21 October-21

Unrestricted Cash Available for Operations	Balance	Balance	Balance	Balance	Balance	Board Target	Surplus (Deficit)
BHP Operating Reserves	3,134,742	3,821,473	3,738,122	3,407,483	3,465,799	3,000,000	465,799
Insurance Reserve	750,000	1,000,000	960,985	949,347	949,347	500,000	449,347
BHP Replacement Reserves	6,120,817	7,200,263	7,291,484	7,187,394	6,801,543	2,338,000	4,463,543
	-	-	-	-	-		
Total Unrestricted BHP Cash	10,005,559	12,021,736	11,990,592	11,544,225	11,216,689	5,838,000	5,378,689

Notes
2 Months of operating expenses (including HAP)
\$3,500 per Workforce Unit
Reserves; increase due to Refi proceeds totalling; \$3.5M, plus \$550K one time excess cash flow from West End LIHTC.

Development Resources, Including LOC	Balance	Balance	Balance	Balance	Balance
Development Equity Fund	4,104,415	3,996,492	3,847,409	3,512,777	2,993,928
City of Boulder; 30Pearl Entitlement Project Funds	19,752	19,752	19,752	19,752	19,752
Line of Credit - Available	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000

Unrestricted Cash - Restricted by Property/Program	Balance	Balance	Balance	Balance	Balance
COVID reserves	101,572	66,187	52,374	45,209	31,017
EHV Reserves			141,965	175,321	200,574
MTW Reserves ⁽¹⁾	1,184,565	1,211,463	1,238,314	1,303,550	1,270,927
Total Unrestricted Cash Restricted by Program	1,286,137	1,277,650	1,432,653	1,524,080	1,502,518

⁽¹⁾ Note MTW target changed to \$0 in 2017 budget due to change in HUD Cash Management which requires excess funds to be held at

Other Restricted Funds	Balance	Balance	Balance	Balance	Balance
Tantra Rehab Funds ⁽²⁾	125,000	125,000	125,000	125,000	125,000
Habitat Funds	52,414	52,414	52,414	48,903	48,903
Broadway East Bond Restricted Funds	48,087	48,043	52,997	48,044	52,969
COB PSH Program Funds	851,747	760,500	674,589	594,151	507,727
Palo HOA Restricted Funds	7,860	7,860	7,860	7,983	7,983
30 Pearl Garage construction restricted funds	459,123	454,124	453,971	458,142	458,145
S8/FSS Escrow	95,023	110,161	88,847	94,112	92,005
Section 8 NED NRA(HAP)	86,563	84,967	77,993	77,755	72,773
Total Restricted Cash Other	1,725,817	1,643,070	1,533,671	1,454,090	1,365,507

⁽²⁾ Amount held for specific capital items at Tantra as required by bank.

Restricted Cash Tenant Security Deposits	527,965	567,687	567,689	565,169	565,170
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BHP Property Analysis

12 Months Ending October 31, 2021

Property	Address	Units	Effective Gross Income	Operating Expense & Reserves	Net Operating Income	Annual Debt Payments	Debt Service Coverage Ratio
							BHP Target 1.15
Arapahoe Court	951,953 Arapahoe	14	\$ 61,270	\$ (117,558)	\$ (56,289)	\$ -	-
Public Housing I Sub Total:		14					-
Arapahoe East	4610 Arapahoe	11	\$ 160,252	\$ (101,640)	\$ 70,293	\$ 29,103	2.42
Dakota Ridge	4900 10th St.	13	\$ 262,646	\$ (125,936)	\$ 167,143	\$ 98,504	1.70
Midtown	837 20th St.	13	\$ 170,716	\$ (120,538)	\$ 6,070	\$ 27,895	0.22
Sanitas Place	3640 Broadway	12	\$ 154,532	\$ (89,605)	\$ 79,068	\$ 41,972	1.88
Twin Pines	1700 22nd St.	22	\$ 328,696	\$ (137,859)	\$ 222,396	\$ 88,259	2.52
Combine Loan One Subtotal		71					1.91
Hayden Place	34th & Hayden Place	24	\$ 310,598	\$ (163,697)	\$ 146,900	\$ 61,924	2.37
Whittier	1946 Walnut St.	10	\$ 125,035	\$ (87,630)	\$ 37,405	\$ 20,646	1.81
Combine Loan Two Subtotal		34					2.23
Twenty37 Walnut (2)	2037 Walnut	26	\$ 364,599	\$ (146,612)	\$ 217,988	\$ -	-
Bridgewalk	602-698 Walden Circle	123	\$ 2,509,295	\$ (914,847)	\$ 1,594,448	\$ 1,221,278	1.31
Broadway East	3160 Broadway	44	\$ 543,392	\$ (421,056)	\$ 122,336	\$ 87,888	1.39
Casey	2453 Broadway	6	\$ 91,683	\$ (35,286)	\$ 56,398	\$ 51,726	1.09
Cedar	1240 Cedar	13	\$ 209,954	\$ (65,387)	\$ 144,567	\$ 65,834	2.20
Foothills	4500 block of 7th/8th	74	\$ 1,143,339	\$ (607,962)	\$ 535,376	\$ 366,321	1.46
Hayden Place 2 (3)	3480 Hayden Place	6	\$ 81,177	\$ (19,455)	\$ 61,722	\$ 35,415	1.74
Tantra Lakes	807-999 Moorhead	185	\$ 2,958,908	\$ (1,301,332)	\$ 1,657,576	\$ 1,463,997	1.13
Trout Farms	2727 Folsom	31	\$ 464,358	\$ (254,344)	\$ 210,014	\$ 152,844	1.37
Holiday	1500 Lee Hill	49	\$ 196,774	\$ (177,410)	\$ 54,078	\$ 43,358	1.25
Vistoso	4500 Baseline	15	\$ 181,021	\$ (133,867)	\$ 47,154	\$ 38,347	1.23
Workforce Sub Total:		677					1.39
Portfolio Totals:		691	\$ 10,318,245	\$ (5,022,021)	\$ 5,374,643	\$ 3,895,313	1.38

NOTES:

DSCR is calculated after required reserve contributions. Portfolio totals include NOI from properties with no debt,
 2037 Walnut is pledged as collateral for BHP Line of Credit
 Hayden Place 2 does not have DSC requirement given the small number of units. One vacant unit can have substantial affect on ratio
 Public Housing and Twenty37 Walnut do not have mortgages
 This report excludes grant income

Boulder Housing Partners Benchmark Report as of October-2021

Net Income

	YTD	YTD	%
	Actual	Budget	Diff
Income	37,277,867	33,838,916	10%
Expense	(28,862,948)	(28,392,077)	-2%
Net Income	8,414,920	5,446,838	

Developer Fee earned & Local Grant Income exceeds budget by \$1.3M

Debt Service Coverage Ratio

1.38

BHP Target 1.15

Balance Sheet Summary

	Actual	Actual	Net Change
	Oct-21	Dec-20	YTD
Assets	251,895,947	240,389,655	11,506,292
Liabilities	(89,756,811)	(86,591,108)	(3,165,703)
Equity	162,139,137	153,798,547	8,340,589

BHP Quick Ratio

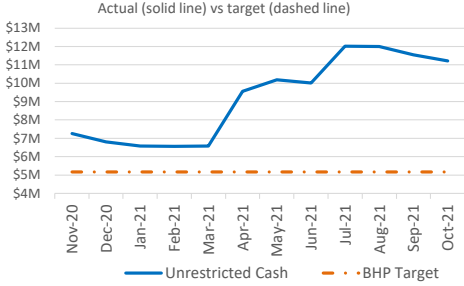


BHP Target: > 2.0
Unrestricted cash / current liabilities

Maintenance

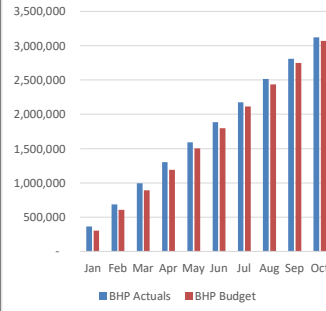
Unit Turns: 8.3 Average days to complete **182** turns YTD **Work Orders: 4.0** Average days to complete **10569** work orders YTD

BHP Unrestricted Cash, Last 12 Month



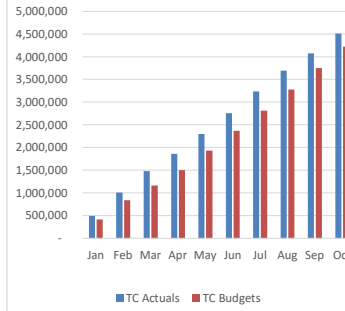
Apr 2021 - refi cash out proceeds \$3M
Jul 2021 - refi cash out proceeds and TC Waterfall \$1.3M

BHP NOI - YTD 2021

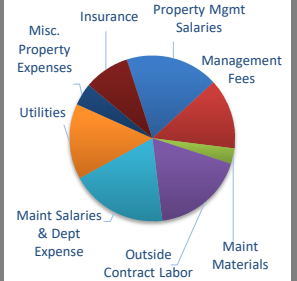


Aug 2021 - back out Tantra Lake from BHP NOI

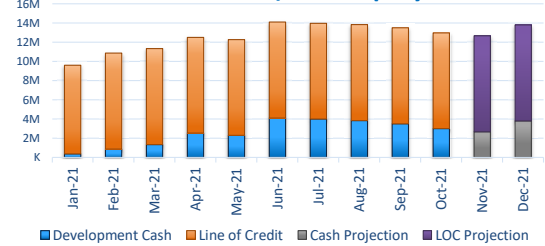
Tax Credit NOI - YTD 2021



PUPA \$6693



BHP Development Equity



Jan'21 - \$975K acquisition of Gunbarrel property
Apr '21 - \$1.325M Dev Fee West End, plus \$1.2M refi proceeds.

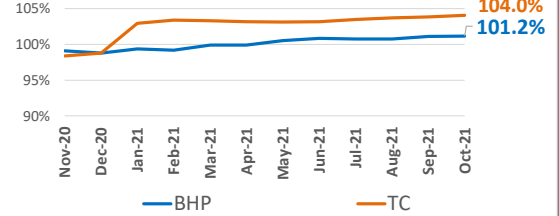
Operating Reserves

Current Operating Reserves
4,415,146

2021 Annualized Expenses
15,801,916

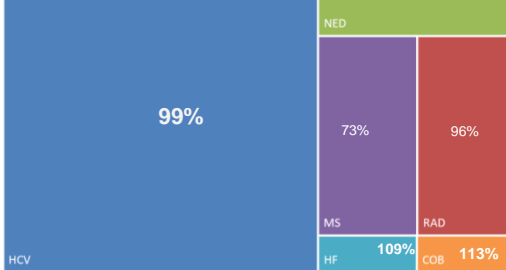
3.4 Months
of annual operating expenses
are covered by the current
operating reserves.
BHP Target is 2 Months

% of Budgeted Net Tenant Rental Income



Jan'21 & Feb'21 - TC \$49K favorable vacancy

Housing Choice Voucher Occupancy by Program



Housing Choice Voucher Notes

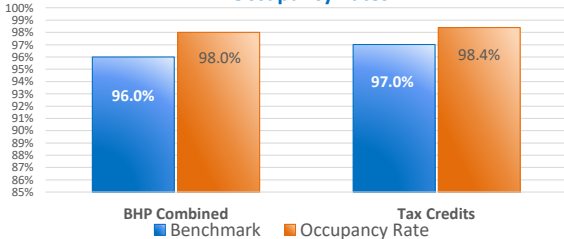
HCV - 788 Housing Choice Vouchers
RAD - 135 Rental Assistance Demonstration Vouchers
NED - 181 Non-Elderly Disabled Vouchers
MS - 138 Mainstream + 40 (April 2021)
HFP - 22 Housing First Vouchers
COB - 48 COB PSH Vouchers

Unit Mix

	AMI	BHP	LIHTC
Public Housing		14	
Vouchers*			493
30%		12	50
40%		67	53
45%		-	16
50%		153	167
60%		206	127
Market		239	-
Total		691	906
All Units		1597	

* project based vouchers and project based contracts
30Pearl; 40 Units added in April; 80 units added in Oct.

BHP Occupancy Rates



MEMO

To: Board of Commissioners
From: Lyndall Ellingson
Date: December 15, 2021
Re: **Lee Hill Annual Report**

1175 Lee Hill Annual Public Hearing

Per the Good Neighbor Statement of Operations (GNSO) for 1175 Lee Hill, BHP's Board of Commissioners holds an annual public hearing regarding 1175 Lee Hill. During the public hearing, the Board reviews the annual report, and considers any proposed changes to the GNSO. The public hearing will be held during the December Board of Commissioners' meeting this year. The meeting date and proposed changes to the GNSO have been publicly announced in accordance with GNSO guidelines.

Annual Report

We are pleased to present the 2021 annual report for the Board of Commissioners and the community regarding the operations and outcomes related to 1175 Lee Hill. This report protects the privacy of our residents and will be shared with neighbors and the public after the Board has reviewed and commented on the annual report following the public hearing.

As defined in the GNSO, the report includes an annual summary and progress report of the following:

- (1) The operations at the site for the prior year;
- (2) The number and types of complaints and responses, community outreach, relationships and activities;
- (3) The residents' successes based on the following metrics, when feasible providing comparable statistics from other Housing First programs:
 - Number of clients moved into housing;
 - Number of clients still housed;
 - Changes in clients' income;
 - Changes in clients' skills;
 - Number and nature of 911 calls to the property;
 - Number of lease violations.

Amendments to the Good Neighbor Statement of Operations for 1175 Lee Hill

Amendments to the GNSO are preceded by a public notice on BHP's website and to any interested person on the mailing list, a public comment period prior to the board meeting, and discussion and a decision by the Board at an open public meeting. The public notice includes information on which sections are proposed to be amended. The Lee Hill Neighborhood Advisory Committee also reviews the changes to the GNSO.

The following are recommended amendments to sections 4.3, 6.1, 6.2(a), 6.2(c), 8.1, and 8.2. Additionally, there are edits to improve word choice and grammar throughout the document that do not functionally alter the content.

Approving the requested amendments would result in the following:

Section 4.3 – The advisory committee will meet once per year, or as needed.

Section 6.1 – Clarification that the primary goal of the Housing First program is for clients to have safe, permanent, and affordable housing, and to become more stable and retain housing.

Section 6.2(a) – Clarification that the entry point for potential applicants is with the Metro Denver Homeless Initiatives (MDHI) OneHome Coordinated Entry system in partnership with the Boulder Shelter for the Homeless OneHome is designed to identify and prioritize the community’s most vulnerable residents by using evidence-based assessment criteria.

Section 6.2(c) – Clarification that applicants could be denied for assistance due to civil and/or criminal activities or due to an eviction within the past three years.

Section 8.1 and 8.2 – The Boulder Shelter for the homeless and BHP will determine and fulfill the on-site staffing needs for the building. Currently the building is staffed 24 hours per day.

Good Neighbor Statement of Operations

1175 Lee Hill

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1. Preamble

1175 Lee Hill is a 31-unit permanent supportive housing building that uses the Housing Firstⁱ model to provide permanent housing and supportive services that enables chronically homeless individuals and families as defined by the HEARTH Act regulations (24 CFR Part 91.5)ⁱⁱ, in Boulder County to successfully move from life on the streets to independent living in a residential setting. The Good Neighbor Statement of Operations for 1175 Lee Hill provides information to the community on the operation of 1175 Lee Hill and the Housing First program, including how to engage in ongoing development and operation of the property and communicate and resolve issues. Overall, this document provides a framework for open communication channels and good neighbor operations.

An Advisory Group developed the Good Neighbor Statement of Operations using a consensus-based processⁱⁱⁱ with substantive input from Boulder Housing Partners (BHP)^{iv} and Boulder Shelter for the Homeless (BSH) staff. The Advisory Group reviewed examples of operating and neighborhood agreements from similar Housing First developments, as well as relevant BHP policies. Topic experts from BHP, BSH and the City's Department of Housing and Human Services were available at each meeting to answer questions and provide clarification.

The Advisory Group consisted of nine community members (five North Boulder residents, two human service providers, and two individuals who have been homeless). Also contributing to the discussion were 44 community members who participated in focus group sessions and many other individuals who met independently with BHP staff since September 2011.

From here, the word *community* in this document refers to the residents at 1175 Lee Hill, neighboring North Boulder residents and businesses, as well as other stakeholders in the city and County of Boulder. The word *neighbor* in the document title refers to North Boulder neighbors and reflects BHP's commitment to good neighbor engagement. The term "good neighbor" as used in this Statement of Operations has no relation to any similar references in the Boulder Revised Code or elsewhere and any use of similar terms in the Boulder Revised Code or elsewhere should have no inference to the use of similar terms in this Statement of Operations.

The Good Neighbor Statement of Operations for 1175 Lee Hill was completed and delivered by the Advisory Group on December 10, 2012. It was reviewed at a public meeting on January 14, 2013 and adopted by the Boulder Housing Partners Board of Commissioners on February 11, 2013. BHP is committed to conscientious and thorough implementation of the provisions herein, and will notify the community of proposed future amendments to this document prior to the Board's review.

2. Purpose

The purpose of the Good Neighbor Statement of Operations is to:

- Engage the community in decisions about the ongoing development and operation of 1175 Lee Hill;
- Communicate with the community about the management and problem resolution systems for the building;
- Inform the community about the Housing First program objectives to provide residents with permanent, affordable housing and case management support; and

- Create a management framework consistent with the Housing First program that meets or exceeds the requirements of the investor and lender, aspires to become a best practices model in the industry, and is fully responsive and accountable to the community, so that 1175 Lee Hill will be a good neighbor and an asset to the North Boulder neighborhood.

3. Guiding Principles

1175 Lee Hill will be operated with consideration for the following guiding principles:

- *Neighborhood* – To maintain the health, safety, attractiveness, and livability of this residential building and the surrounding neighborhood and proactively address good neighbor practices;
- *Building* – To design and construct an attractive energy efficient, healthy, and cost effective residential building;
- *Residents* – To create a housing environment that fosters a sense of home and self-determination for those who are chronically homeless by using the Housing First program best practices; and
- *Property Management* – To ensure the ongoing safety and well-being of residents and the physical maintenance of the building and grounds.

4. Community Engagement & Communication

Communication between BHP, as the owner and property manager of 1175 Lee Hill, and the community is important in order to develop and maintain positive relationships. Methods to ensure good communication, feedback, and monitoring of this Good Neighbor Statement of Operations includes easily accessible contact information for the property manager and BHP Executive Director on the BHP website, proactive outreach by BHP to the community, and an ongoing Advisory Committee.

4.1 ~~4.1~~– Complaint Process

In the event of a problem, neighbors and residents of 1175 Lee Hill will be asked to call or email the property manager. BHP responds to, or acknowledges, complaints within 24 hours or the next business day. The property manager will work with the individual to address the issue in as timely a manner as possible, and the property manager is expected to resolve the majority of issues. If the property manager cannot resolve the problem, the complaint will be elevated, in a timely manner, through supervisory levels, on up to and including the Executive Director.

If the problem remains unresolved, BHP will suggest that both parties consent to work with a mediator (e.g. the City of Boulder Community Mediation Service) to bring a neutral, third party to help the complainant and BHP staff resolve the dispute. If the individual is not satisfied after working with BHP staff, that person may contact BHP’s Board of Commissioners during a regularly scheduled meeting for further consideration.

In the unlikely case that a complainant is not satisfied with the BHP process, City Council meetings provide an open comment period for citizens at the start of each meeting in order to hear from the public about important issues facing Boulder and its citizens.

4.2 ~~4.2~~– Opportunities for Community Engagement

The BHP Board meets monthly in public session and begins each meeting with public participation. The Board encourages all members of the community to participate in these meetings. Any person can address the Board on any topic, consistent with the public participation guidelines.

BHP has assigned staff that dedicates time to actively engage in outreach in the North Boulder neighborhood, including meeting with business owners and attending HOA or other community meetings, in order to provide a continual pulse on how BHP, and 1175 Lee Hill specifically, is performing in the neighborhood. In general, 1175 Lee Hill and/or other BHP staff familiar with the property and its operations will be available and residents will be encouraged to participate in neighborhood activities, events, and meetings as appropriate to help build good relations with the community. Individuals and organizations are also encouraged to share information about events with BHP staff and 1175 Lee Hill residents.

4.3 ~~4.3~~ Advisory Committee

During the first year of operations, BHP formed an Advisory Committee that was composed of representatives selected from neighborhood groups (e.g., HOAs), BHP staff, and BSH case managers. The purpose of this committee is to provide a forum for ongoing communication and integration, and furthering community relationships. Meetings are held ~~twice~~once a year, or as needed, and agendas are created by the members of the group based on community concerns. Meeting notes are made available to the BHP Board of Commissioners and the community.

5. Project Design

1175 Lee Hill is a 31-unit affordable, residential building that uses the Housing First model as a foundation to provide permanent housing and supportive services that will enable those who are chronically homeless in Boulder County to successfully move from life on the streets to independent living in a residential setting. Approximately 30,000 square feet in size, the building includes case management offices, maintenance and property management storage facilities, covered bicycle parking, a community room, and laundry facilities. In addition, the property includes an outdoor courtyard, exterior landscaping, and a parking lot. BHP is the owner, leasing agent, and property manager. BSH will provide the case management support for the residents.

BHP sought neighborhood input regarding the building design. The goal was to fully explore neighborhood ideas and develop a creative and positive visual image unique to North Boulder.

6. Housing First Program

6.1 ~~6.1~~ Goals & Outcomes

The residents at 1175 Lee Hill ~~are~~will be part of the Boulder County Housing First program. As a national model, the Housing First program is an approach in which housing is offered to people experiencing homelessness without preconditions (such as sobriety, mental health treatment, or a minimum income threshold) or service participation requirement. Once the individual or family is housed, case management is offered through access to resources which could assist the Housing First client to define and develop personal goals. The primary goal of the Housing First program is for clients to have safe, permanent, and affordable housing, ~~which could lead to greater stability within the community and to become more stable and retain housing.~~

Program success is measured by monitoring the following desired outcomes:

- Clients move into housing;

- Clients increase skills and income;
- Clients garner greater self-determination;
- Clients stay in housing is measured; and
- Clients maintain progress made.

6.2 ~~6.2~~ Resident Eligibility and Selection Process

Resident eligibility and screening criteria are primarily determined by rules associated with the funding agencies involved in this project as well as relevant BHP policies. The funding sources may include: the U.S. Department of Housing and Urban Development (HUD) (McKinney-Vento Act funding as amended by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act and Section 8 Housing Choice Voucher funds), the U.S. Department of Veterans Affairs’ (VA) Veterans Affairs Supportive Housing (VASH) Program, and the Low Income Housing Tax Credit (LIHTC) Program.

Resident selection is a two-step process, as described below. First, the BSH case managers identify potential residents in cooperation with ~~HUD’s~~ HUD’s coordinated assessment and assess their suitability and ability to benefit from Housing First. Then BHP screens candidates recommended by BSH for eligibility and conducts background checks. Some candidates may be disqualified from Housing First based on the findings of BHP’s screening.

6.2(a) - Screening for Suitability as a Tenant – Boulder Shelter for the Homeless

The selection process begins with identification of potential residents by BSH, who is responsible for the primary assessment of suitability for the Housing First program at 1175 Lee Hill. The intention is to prioritize applicants who are living, working or accessing services in the City of Boulder who, first and foremost, want to be housed and, second, can and want to be successful in the Housing First program, which includes evaluating an applicants willingness to be lease compliant and engage with case managers to receive support services.

~~Potential residents will be referred to the program from Boulder County service agencies including, but not limited to:~~

- | | | |
|---|--|---|
| — Boulder Shelter for the Homeless | — Center for People with Disabilities | — Law enforcement |
| — Bridge House | — Attention Homes | — Hospitals |
| — Boulder Community Hospital | — Mental Health Partners | — Faith based groups |
| — People’s Clinic | — Addiction Recovery Center | — Safehouse Progressive Alliance for Nonviolence |

Potential applicants will be identified by BSH in partnership with the Metro Denver Homeless Initiative’s OneHome Coordinated Entry system. Coordinated Entry is a system that conforms to HUD requirements for selecting tenants for Permanent Supportive Housing programs that receive HUD funding. Coordinated Entry is designed to identify and prioritize the community’s most vulnerable residents by using evidence-based assessment criteria.

Potential residents identified by OneHome will meet with a ~~Housing First~~ BSH case manager to determine if they qualify as chronically homeless as defined by the HEARTH Act regulations (24 CFR Part 91.5), including collecting records from local agencies that may have worked with the candidate. Potential residents who have lived in the City of Boulder will be prioritized.

Case managers then assess the ~~applicants~~ applicant’s potential for success in the program. This assessment varies based on the individual applicants but can include:

- Desire to be housed;
- Desire to make a change;
- Demonstrated behaviors necessary to be successful in the program;
- Information from other agencies who know the potential applicants;
- Length of homelessness; and
- Vulnerability.

6.2(b) - Screening for Eligibility – Boulder Housing Partners

Once BSH has identified potential candidates, BHP will begin its screening process. The baseline for eligibility will be defined by the Section 8 Housing Choice Voucher (HCV) program, which requires that the applicant documents citizenship or legal resident status, have an income at or below 30% of the area median income, and consent to collection of personal background information.

BHP will conduct background checks using a third-party nationwide screening company and will check the National Sex Offender Registry. This review of criminal background will assist BHP in complying with HUD requirements to deny assistance to applicants who are engaging in or have engaged in certain criminal activities^v. If the results of the criminal background check indicate that there may be past criminal activity, but the results are inconclusive, BHP may request a fingerprint card and will request information from the National Crime Information Center (NCIC).

6.2(c) - Reasons for Denial of Assistance

In some circumstances, BHP will be required to deny admission and assistance to potential Housing First residents.

Based on the U.S. Department of Housing and Urban Development guidelines, BHP must exclude from Housing First any individual who:

- Is subject to a lifetime registration requirement under a sex offender registration program;
- Is currently engaged in the use of illegal drugs;
- Has current use or pattern of use of illegal drugs, or current abuse or pattern of abuse of alcohol, that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents;

or,

- Has ever been convicted of drug-related criminal activity for the production or manufacture of methamphetamine; ~~or~~
- ~~Has been evicted from federally assisted housing in the last five years for drug-related criminal activity.~~

In addition to the above mandatory exclusions, current engagement in, or engagement in any of the following civil and/or criminal activities within the past ~~five~~three years, will be the basis for denial of housing assistance, which can be appealed based on consideration of circumstances (see 6.2(d)):

- *Drug-related criminal activity*, including the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use of the drug;
- *Violent criminal activity*, including the use, attempted use, or threatened use of physical force

substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage;

- Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or
- Criminal activity that may threaten the health or safety of property owners and staff or contractors;
or
- Has been evicted from housing in the last three years.

6.2(d) - Consideration of Circumstances

BHP considers all relevant circumstances when deciding whether to deny admission based on applicants past history except in the situations for which denial of admission is mandated by HUD. Any potential resident who is denied based on eligibility has the opportunity to appeal to BHP staff and bring evidence to illustrate his or her commitment to change past behavior. Any approved appeal requires confirmation by the BHP Executive Director.

~~6.3~~ **6.3– Case Management and Supportive Services**

Once a client is selected for the program, he/she will be assigned a case manager. All case managers are trained at the BSH to assist residents in securing and retaining housing, and procuring the necessary resources to achieve long-term stability and self-reliance. Case managers meet with residents on a regular basis, often in the resident’s apartment.

The case manager’s primary role is to connect residents with resources. This could include connecting residents to health, mental health, and/or substance abuse services, helping with applications for benefits, helping a resident navigate the bus system, or linking a resident to the local food bank. Case managers also work closely with BHP and representatives from social service agencies to advocate for their clients.

This work is all done from a strength-based approach and residents are evaluated annually to assess their progress towards stability. The strength-based approach strives to understand a client’s strengths then works with the client to help him or her understand how to use those strengths to work towards stability. Case managers work with the client to create individual plans that include stated personal goals and strategies the client can use to reach those goals.

The case managers meet regularly as a team to discuss residents or clinical approaches to their work and for continuing education. Two full-time equivalent case manager positions will be assigned to work with the 31 residents of 1175 Lee Hill; these staff will be employed and trained by BSH. Each case manager will carry a case load of 10 to 20 clients.

7. Lease Agreement

Each resident of 1175 Lee Hill is required to sign a twelve-month lease that may be renewed for successive twelve-month periods depending on continued tenant eligibility. Violations of this lease agreement will result in corrective action up to, and including, eviction. Residents pay rent according to their income. Residents must agree to abide by house rules, guest policies, and any other building policies, which are all incorporated into the lease as addenda. Several issues identified by the public and addressed in the lease are summarized below. Additional details on the provisions of this standard lease are available from BHP.

~~7.1~~ **7.1– House Rules**

House rules are created through resident involvement. Meetings are held with the residents in order to discuss which rules are important to them. House rules will then be revised as needed, but at least every five years. BHP makes the new Housing First residents aware of the good neighbor issues identified by the

public and the Advisory Group, so that they may address them in their house rules.

7.2 ~~7.2~~– Overnight Guest Policy

An overnight *guest* is a person temporarily staying in the unit with the consent of the resident. Overnight guests are further defined as any visitor whose stay extends after midnight (12 AM). The resident will be responsible for the conduct of visitors and guests, inside the unit as well as anywhere on or near the property.

The overnight guest policy includes the following:

- ~~— All guests will provide a photo I.D. before being allowed to enter the building~~
- A resident must notify BHP or case management staff before 5 PM when an overnight guest will be staying in the unit. An overnight guest may remain in the unit no longer than 14 consecutive days or a total of 28 cumulative calendar days during any 12-month period. The annual limit of 28 days applies to all overnight guests a resident may have;
- All visitors will provide a photo I.D. before being allowed to enter the building
- ~~— The annual limit of 28 days applies to all overnight guests a resident may have;~~
- All visitors must leave the property before 12 AM unless registered as an overnight guest with staff;
- A resident may request an exception to this policy for valid reasons (e.g., care of a relative recovering from a medical procedure expected to last 20 consecutive days);
- Former residents who have been evicted will not be permitted as overnight guests; and
- BHP and case management staff reserve the right to ask guests to leave if they are behaving inappropriately or have a known criminal history, including but not limited to a felony charge, sex offense charge, no trespass order, restraining order, etc.

It will be the resident’s responsibility to see that visitors and guests abide by all the terms of the lease. This includes clauses about noise, behavior, pets, damages and use of the common areas.

7.3 ~~7.3~~– Smoking Policy

Smoking is not ~~be~~ permitted anywhere inside the building, including residents’ apartments, common areas, laundry rooms, and BHP offices. Smoking is only permitted in the designated outdoor smoking area. Residents will be encouraged to smoke within the designated smoking area, and not in the public areas around the property (e.g., sidewalks, bus stops, parking lot, etc.). Smoking refers to the smoking of any legal substance by any means (e.g., cigarette, pipe, etc.).

7.4 ~~7.4~~– Alcohol

Consumption of alcohol is not permitted in indoor and outdoor common areas, parking lot, laundry room, or in any staff offices. In line with the Housing First model, residents may drink in their apartments, providing their behavior conforms to lease requirements regarding noise, etc. Case managers will work with residents when consumption becomes a threat to retaining housing or clearly impedes resident progress, as defined in 6.1 above, and provide referral and/or case conference assistance regarding alcohol and substance abuse services or treatment options where appropriate.

7.5 ~~7.5~~– Illegal Activities

Criminal or illegal activities by a resident, guest or visitor will not be tolerated and are grounds for initiating eviction, depending on the severity of the crime and/or illegal activity.

7.6 ~~7.6~~– Weapons

Weapons^{vi} are not allowed at any BHP property.

7.7 ~~7.7~~ - Pet Policy

Pets (including dogs, cats, birds, fish, and reptiles that meet the conditions set forth in the BHP pet policy) will be permitted at 1175 Lee Hill. Visiting pets will not be allowed. Unless BHP has a signed pet agreement ~~and pet fee/deposit for the pet~~, no pets may enter a resident's unit. Additional details, including the resident's responsibilities for ensuring that pets do not disturb neighbors, damage property, or leave uncollected excrement in the area, are available from BHP, as are copies of the pet policy and pet agreement.

7.8 ~~7.8~~ - Lease Violations and Eviction

Lease violations are grounds for eviction. Lease violations (including 7.1 – 7.6 above) will be discussed with the property manager, case manager, and the resident. The problem-solving model described in Section 4.1 will be followed, to the maximum extent feasible. Repercussions will be determined on a case-by-case basis advised by BHP's existing policy. If a lease violation ultimately results in eviction, state eviction regulations will be followed.

8. Property Management

The property manager is responsible for maintaining the property in good repair and enforcing the lease, house rules and addenda, as described above in Section 7.

8.1 ~~8.1~~ - Safety and Security

In order to assure the residents' safety and well-being, the property will incorporate the following features:

- All guests and overnight guests must provide a photo I.D. before being allowed entry
- One main entrance for clients and guests;
- 24-hour locked exterior doors with restricted access;
- Surveillance cameras;
- ~~24-hour on~~ On-site trained staff as needed;
- Random security patrols of the building's exterior and interior; and
- A screened, private outside courtyard.

The rigorous resident selection process and background checks are additional security measures, as is the prohibition of weapons on the property. In addition, BHP will provide residents with contact information to use if they have any security concerns, as well as instruction regarding emergencies.

8.2 ~~8.2~~ - ~~24-hour~~ On-site Staffing

The building is staffed ~~twenty-four hours a day~~ as needed (determined by Boulder Housing Partners and the Boulder Shelter for the Homeless) by staff that are trained and have the authority to identify emergency situations, intervene in disputes, identify lease violations, recognize potential problems, and connect residents with the appropriate resources.

8.3 ~~8.3~~ - Building and Site Maintenance

The building and grounds at 1175 Lee Hill is maintained by BHP. BHP is responsible for landscape upkeep, snow removal, response to maintenance requests (emergency response when needed) and both exterior and interior repairs and preservation. Damage, such as graffiti, will be addressed, and if possible, removed within the next business day.

8.4 ~~8.4~~ - Resident Participation in Maintenance of Property

Residents have the opportunity, and are encouraged, to participate in property maintenance by promoting clean common areas, pickup of litter, proper trash disposal, and other activities the 1175 Lee Hill residents may identify in the development of the House Rules. In addition, BHP staff establish and enforce rules against littering and ensure the issues related to livability and safety are covered in each resident's orientation. BHP ~~will also~~ establish/establishes rules that promote clean common areas.

9. Monitoring Plan

BHP staff will prepare an annual report to the BHP Board of Commissioners and the community regarding the operations and outcomes related to 1175 Lee Hill. This report will protect the privacy of our residents and will be shared via current email lists and on the website. The report will include an annual summary and progress report of the following:

- (1) the operations at the site for the prior year;
- (2) the number and types of complaints and responses, community outreach, relationships and activities;
- (3) the residents' successes based on the following metrics, when feasible providing comparable statistics from other Housing First programs:
 - Number of clients moved into housing;
 - Number of clients still housed;
 - Changes in clients' income;
 - Changes in clients' skills;
 - Number and nature of 911 calls to the property; and
 - Number of lease violations.

When feasible, BHP will arrange to have an independent third-party entity audit the data related to outcomes from the program. In addition, the agencies funding the project, such as HUD, will conduct periodic audits of the program.

10. Amendments to the Good Neighbor Statement of Operations

BHP's Board of Commissioners will hold an annual public hearing regarding 1175 Lee Hill. At that time, the Board will review the report noted in Section 9 above and consider any proposed changes, generated by BHP or proposed by the community, to the Good Neighbor Statement of Operations. Any amendment will be preceded by a public notice on BHP's website and to any interested person on the mailing list, a public comment period prior to the Board meeting, and discussion and a decision by the Board at an open public meeting. The public notice will include information on which sections are proposed to be amended.

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Approved on the 11th day of February, 2013 by Resolution No. 5.
First amendment made on 8th day of December 2014 by Resolution No. 14

ⁱHousing First is an approach that centers on providing homeless people with housing as a first response and then providing services as needed. What differentiates a Housing First approach is that there is an immediate and primary focus on helping individuals quickly access and sustain permanent housing.

ii A chronically homeless person (24 CFR Part 91.5) –

(1) An individual who:

(i) Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
(ii) Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years, where each homeless occasion was at least 15 days; and

(iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;

(2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or

(3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

iii The Advisory Group consisted of a diverse group of neighbors, stakeholders and human services professionals who agreed to draft a Statement of Operations for the BHP Board to consider. The BHP Board requested a draft document that reflected a simple majority of opinions among the Advisory Group. At its first meeting, the Advisory Group, with the consent of BHP, adopted an operating goal that group members would strive for consensus.

iv Boulder Housing Partners is the housing authority serving the city of Boulder.

v Criminal Activity [24 CFR 982.553]

If any household member is currently engaged in, or has engaged in any of the following criminal activities, within the past five years, the family will be denied assistance.

Drug-related criminal activity, defined by HUD as the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug [24 CFR 5.100]. (Because federal funds have been used for this property and its programs, "drug-related criminal activity" includes marijuana so long as marijuana is illegal under federal law.)

Violent criminal activity, defined by HUD as any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonably likely to cause, serious bodily injury or property damage [24 CFR 5.100].

Criminal activity that may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents or persons residing in the immediate vicinity; or

Criminal activity that may threaten the health or safety of property owners and management staff, and persons performing contract administration functions or other responsibilities on behalf of BHP (including a BHP employee or a BHP contractor, subcontractor, or agent).

Evidence of such criminal activity includes, but is not limited to:

Any conviction for drug-related or violent criminal activity within the past 5 years.

Any arrests for drug-related or violent criminal activity within the past 5 years.

Any record of eviction from public or privately-owned housing as a result of criminal activity within the past 5 years.

A conviction for drug-related or violent criminal activity will be given more weight than an arrest for such activity.

In making its decision to deny assistance, BHP will consider all relevant factors. Upon consideration of such factors, BHP may, on a case-by-case basis, decide not to deny assistance. Any potential resident who is denied based on eligibility has the opportunity to appeal to BHP staff and bring evidence to illustrate his or her commitment to change past behavior. Any approved appeal requires confirmation by the BHP Executive Director.

vi All instruments of offensive or defensive combat, including items used in injuring a person, will be considered as weapons as well as anything designed or used for inflicting bodily harm or physical damage.

Approved on the 11th day of February, 2013 by Resolution No. 5.

First amendment made on 8th day of December 2014 by Resolution No. 14

MEMO

To: Board of Commissioners
From: Jeremy Durham and Jodi Bogen
Date: December 15, 2021
Re: 2022 Draft Operations Budget

Summary

We present our 2022 budget for final budget adoption during this December meeting. There are no proposed changes to the draft budget that was presented at the November board meeting and was reviewed in depth by the Finance Committee.

BHP uses a Generally Accepted Accounting Principles presentation format with both property specific and consolidated financial statements ending with Net Income (Loss). Supplemental information is provided “below the line” to provide the Board and management with a more complete operating cash presentation.

The consolidated BHP draft budget for calendar year 2022 shown below is compared to rolling 12 months actuals (September 2020 through August 2021) in lieu of the prior year budget due to significant changes in activity due to the COVID-19 pandemic. The rolling 12 months actuals reflected adjusts for property transitions to provide a comparable analysis to the 2022 Budget.

BHP Consolidated Budget	2022 BUDGET	Rolling 12 months actuals; Sept. 2020 - Aug. 2021	Change in Income Increase (Decrease)	%
Operating Revenue	\$ 14,982,664	\$ 13,999,959	\$ 982,705	7%
Operating Expenses	\$ (13,418,844)	\$ (12,204,785)	\$ (1,214,059)	-10%
Net Operating Income	\$ 1,563,820	\$ 1,795,173	\$ (231,354)	-13%
Voucher Revenue - Federal / Local	\$ 15,235,522	\$ 14,434,351	\$ 801,171	6%
Voucher Expense - Federal / Local	\$ (15,217,522)	\$ (13,922,072)	\$ (1,295,450)	9%
Capital Grants	\$ 8,725,933	\$ 2,460,604	\$ 6,265,329	255%
Development Fees	\$ 1,100,000	\$ 6,322,880	\$ (5,222,880)	-83%
Interest Income	\$ 3,339,763	\$ 2,917,011	\$ 422,752	14%
Depreciation Expense	\$ (3,004,282)	\$ (3,508,063)	\$ 503,781	14%
Non Capital Reserve Spending	\$ (664,800)	\$ (274,825)	\$ (389,975)	-142%
Mortgage and Other Interest Expense	\$ (2,037,701)	\$ (2,194,132)	\$ 156,431	7%
Gain (Loss) on Sale of Capital Assets	\$ 19,218,500	\$ 44,752	\$ 19,173,748	42845%
Total Non-Operating Rev/Exp	\$ 26,695,414	\$ 6,280,506	\$ 20,414,908	325%
Net Income	\$ 28,259,234	\$ 8,075,679	\$ 20,183,555	250%
Debt Principal	\$ (1,077,346)	\$ (1,051,012)	\$ (26,334)	3%
Tax Credits cash flow; reduces soft debt	\$ 1,643,460	\$ 1,233,494	\$ 409,966	-33%
Replacement Reserves Funding	\$ (230,901)	\$ (215,901)	\$ (15,000)	-7%
Other Adjustments to Operating Cash Basis Reporting	\$ (28,581,813)	\$ (8,035,144)	\$ (20,546,669)	256%
Contribution to Operating Cash	\$ 12,633	\$ 7,116	\$ 5,517	78%

The dark yellow highlighted items shown in the 2022 column above are the main contributors deriving the contribution to Operating Cash.

Development Equity funds are separated from Operating Cash. Developer Fees and Capital Grants funds are significant sources of revenue, \$9,825,933 and \$8,783,484 for 2022 and 2021, respectively, that are transferred to the Development Equity fund and are used to fund gap financing for Low-Income Housing Tax Credit (LIHTC) closings or the acquisition of real estate.

With a breakdown of adjustments to cash basis reporting as follows:

Adjustments to Operating Cash Basis Reporting	2022 BUDGET	Rolling 12 months actuals; Sept. 2020 - Aug. 2021	Difference	%
Net Income	\$ 28,259,234	\$ 8,075,679	\$ 20,183,555	250%
Adjustments to Net Income				
Plus:				
Amortization & Depreciation	\$ 3,004,282	\$ 3,508,063	\$ (503,781)	-14%
Tax Credits cash flow; pay down of soft debt	\$ 1,643,460	\$ 1,233,494	\$ 409,966	33%
Reserve funded expenditures	\$ 791,474	\$ 349,864	\$ 441,610	126%
Less:			\$ -	
Soft Debt interest from Tax Credits	\$ (3,338,136)	\$ (3,071,235)	\$ (266,901)	9%
Notes Receivable; Tantra, Mt Calvary	\$ (7,333,333)	\$ -	\$ (7,333,333)	
Fixed Asset Expenditures	\$ (587,600)	\$ (219,204)	\$ (368,396)	100%
Gain (Loss) on Sale of Assets; Tantra/ Mt Calv non cash	\$ (19,218,500)	\$ (44,752)	\$ (19,173,748)	
Replacement Reserves Funding	\$ (230,901)	\$ (215,901)	\$ (15,000)	7%
Debt Principal	\$ (1,077,346)	\$ (1,051,012)	\$ (26,334)	3%
Transfers to Development Equity Fund	\$ (1,900,000)	\$ (8,557,880)	\$ 6,657,880	-78%
BHP net change in OPERATING Cash	\$ 12,633	\$ 7,116	\$ 5,517	78%

We are pleased to report that our 2022 budget (draft) shows a projected Net Income of \$28,259,234, which includes a \$19,218,500 gain on sale of the Tantra Lake and Mt. Calvary properties and a balanced, net positive Operating Cash of \$12,633. This compares to the rolling 12 months actuals net income of \$8,075,679 and an increase in Operating Cash of \$7,116.

Our 2022 budget reflects a 2.8% average rent increase at affordable units and up to 5% increases at market-rate units. Vacancy projections range from 3-5% across the portfolio, for a projected net increase to workforce operating rental revenue of \$221,546 as compared with trailing 12 months actuals. The BHP consolidated budget factors in resuming higher expenditure levels of property maintenance, increases in other non-discretionary expenditures and 4% salary increases. This conservative approach anticipates \$231,354 reduced net operating income compared to the 12 months actuals presented.

Property transitions reflected in this report includes the conversion of Tantra Lake Apartments' 185 units from BHP workforce to Tax Credit ownership at the beginning of the second quarter of 2022. The 12 months actual data has been adjusted for Tantra Lake Apartments to provide apples-to-apples comparisons.

Summary & Questions for the Board

This budget will meet our needs in 2022. The work ahead is to continue to manage expenses, increase revenue as the conditions allow, monitor cash position, look for new development or acquisition opportunities, and continue to reposition assets to be able to sustain our mission over the long term.

With this budget we are asking the Board to approve the following.

- 2022 budgeted BHP operating expenses level of \$28,636,366 including Housing Assistance Payments (before depreciation) – Exhibit 1
- 2022 Mortgage Interest Expense of \$2,037,701
- Reserve funding and target levels – described in Section 9
- 2022 Tax credit budgets with operating expense level in aggregate of \$8,475,302- Exhibit 2

The Board was asked to consider the following at the November review with no resulting changes recommended, hence in agreement with:

1. The general budget assumptions are appropriate.
2. The Board supports the Operating Reserve target of \$2,750,000 and Replacement Reserve target of \$3,500 per unit consistent with prior years.
3. The Board supports continuing the separate Insurance Reserve that currently exceeds \$945,000 to mitigate risk due to higher insurance deductibles.

1. Section 1 – Design and Process Overview

1.1. 2021 Budget Design

A dominant design characteristic of the BHP budget continues to be the challenge of reflecting the impact of Moving to Work (MTW). HUD requires us to account for all MTW programs and related net assets separately from Non-MTW HUD programs and BHP programs. While each area will be discussed separately in this document, we are providing color coding for ease of understanding. The columns with gold headings represent MTW programs. Non-MTW voucher programs are columns with blue headings. BHP owned properties are columns with purple headings, BHP cost centers are in pink, and the total BHP budget is in green. The Tax Credit properties are separate legal entities and have individual budgets that are not included in the BHP budget. The individual Tax Credit budgets are attached as Exhibit 2 for your consideration.

The following chart provides the details of what is included in each program using the color coordination described above.

Moving to Work		Non MTW Programs		BHP Properties	
Program	Units/Vouchers	Program	Units/Vouchers	Program	Units/Vouchers
Public Housing		Non MTW Vouchers		Workforce	
Arapahoe Court	14	Mainstream	138	Holiday	49
Total PH:	14	NED	181	2037 Walnut	26
Section 8 (HCVP)		RAD	135	Arapahoe East	11
HCVP	788	EHV	35	Cedar / Casey	19
		Housing First	22	Bridgewalk	123
		City of Boulder	48	Broadway East	44
		Total Non MTW:	559	Dakota Ridge	13
Tax Credit Properties not included in BHP budget				Foothills	74
30Pearl	120			Hayden Place 1&2	30
Boulder Communities	279			Midtown	13
Broadway West	26			Sanitas Place	12
Canopy	41			Twin Pines	22
Canyon Pointe	82			Trout Farms	31
Ciclo	38			Vistoso	15
Glen Willow	34			Whittier Apts	10
HighMar	59			Total Workforce Units	492
Lee Hill	31			Central Office Cost Center	
Madison	33			Administration/IT	Property Management
Palo Park	35			Finance	Resident Services
Red Oak Park	59			Development	Maintenance
Tantra	185			Human Resources	Sustainability
Westview	34			Asset Management	4800 Broadway Building
Woodlands	35				
Total Tax Credit:	1091				

SUMMARY	BHP Owned Units	Tax Credit Units (incl Tantra)	Total Units	Vouchers	Total Units and Vouchers
Total Portfolio 2022	506	1091	1597	1347	2944
Total Portfolio 2021	691	906	1597	1312	2909
Increase (decrease)	-185	185	0	35	35

1.2. Assumption Relating to New Units

Unit changes included in 2022:

- Conversion to Tax Credit ownership from BHP; 185 units at Tantra Lake Apartments; Q1 2022.
- Tax Credit properties with a full year of operations during 2022:
 - 30Pearl - 120 units
- 35 vouchers for Emergency Housing Voucher (EHV) Program

1.3. Budget Process

The 2022 budget was prepared property by property using the assumptions outlined in each program discussion below. The budget includes:

- BHP Financial Management Policies which govern the creation of this budget,
- Detailed budgets for each HUD program segregated into Moving to Work (MTW) programs and Non-MTW voucher programs,
- Detailed budgets for each BHP-owned property,
- Central office cost center budgets including administration, human resources, technology, finance, asset management, property management, maintenance, resident services, sustainability, development projects and development administration,
- Five-year capital reserves plan, and
- Thirteen Tax Credit Budgets (not included in the BHP consolidated budget).

The Board's approval of the 2022 Budget will adopt all documents by reference.

1.4. BHP Financial Management Policies

The financial policies that govern the creation of the budget include Revenues, Fixed Assets, Reserves, Debt, and Investments. The following terms and provisions of BHP's Financial Management Policies are applicable to this budget.

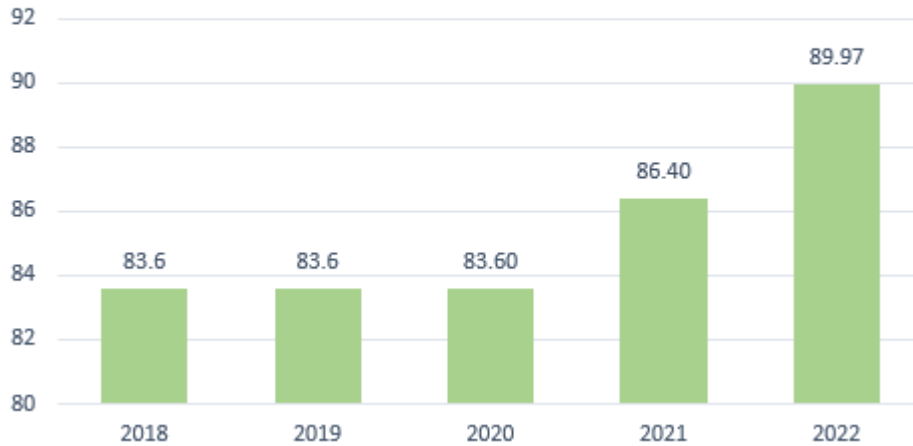
- Fiscal Year – Boulder Housing Partners has adopted the calendar year ending December 31 for its fiscal year.
- Annual Budget Process – The preparation process shall be established by the Executive Director and Chief Financial Officer. The budget process for the next fiscal year shall be timed such that a first reading is presented to the Board of Commissioners (“Board”) no later than the November meeting of the Board and a second and final reading and presentation of a resolution of acceptance and approval is presented at the December meeting of the Board. Board approval of the budget is deemed approval of the associated expenses. No specific appropriation of funds is required for specific programs or budget line items.
- Budget Submittal – Net income will be adjusted to an operating cash basis by excluding non-cash revenues and expenses and including cash receipts and disbursements not affecting revenue or expense. After adjustment to cash basis, the annual budget shall be balanced. That is, budgeted operating cash expenditures will not exceed the reasonable projection of current year cash receipts.

- Management Authority to Act – Management has the authority to act within the overall spending limits of the operating budget. Management is not constrained by individual line items, only by the overall budgeted operating expenditures.
- Changes to Adopted Budget – Changes to the adopted budget should be rare and limited to material changes in direction or focus of the organization rather than line item adjustments unless a material error in the budget process is discovered after approval by the Board, or the Board approves a material additional use of operating reserves for unbudgeted operating expense in the current year. “Material” as used in this Section 2.6 is defined as \$100,000. Any proposed change will be clearly documented and brought to the Finance Committee of the Board for discussion prior to presentation to the Board for approval. Upon approval, a revised submission to HUD of form 52574 is required in the event there is a material change to the Public Housing budget.

2. Section 2 - Overview of Staffing Related to Number of all Managed Units & Vouchers

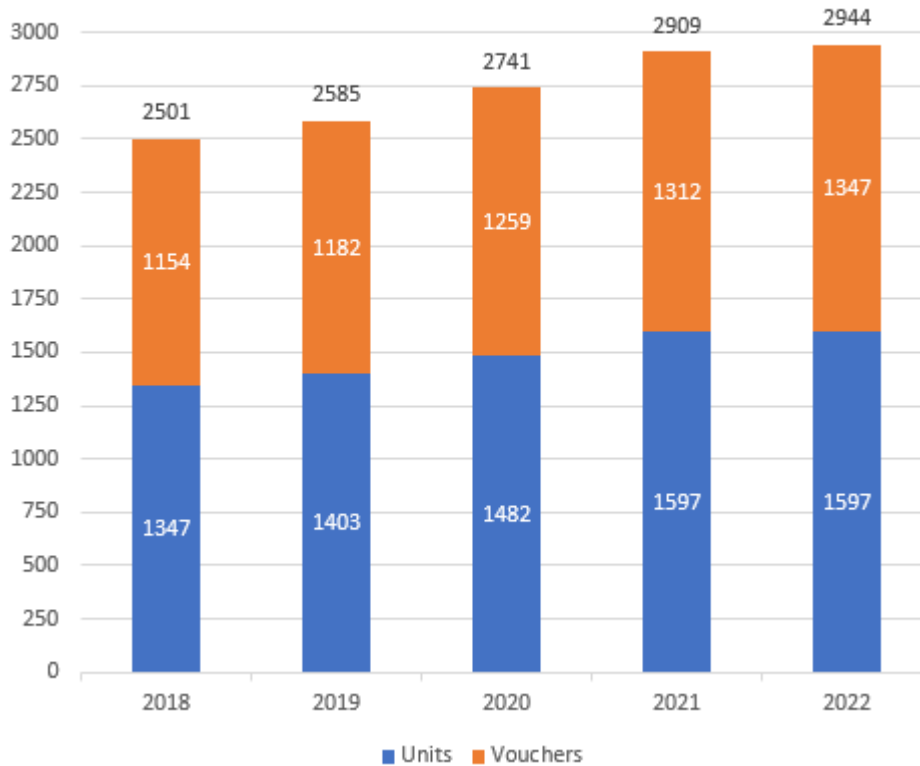
FTE Budgeted by Year

5 Years Comparison

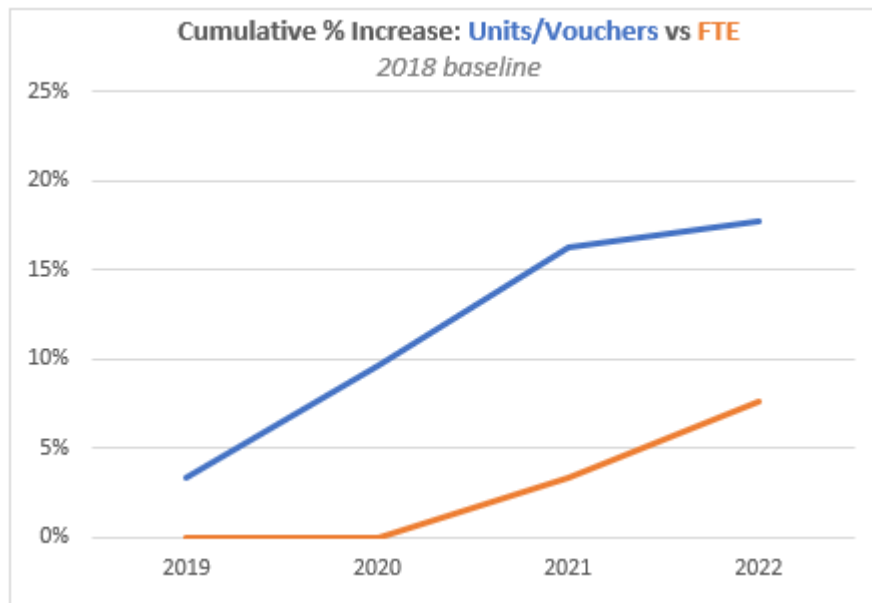


Units and Vouchers by Year

5 Years Comparison



The following chart shows the cumulative percentage increase in staff and the percentage increase in units and vouchers over the last 5 years.



	2018	2019	2020	2021	2022
Full Time Employees	83.6	83.6	83.6	86.40	89.97
Cumulative % Increase	0%	0%	0%	3%	8%
Total Units/Vouchers	2501	2585	2741	2909	2944
Cumulative % Increase	0%	3%	10%	16%	18%
Units per FTE	29.9	30.9	32.8	33.7	32.7

We have been able to increase the services we provide in our community over the last five years while managing the Full-Time Employee (FTE) growth with the portfolio growth. Projecting forward for the next three years we would expect growth in FTE to be directly related to growth in our portfolio.

As a rule of thumb, for each 90-100 units added we project 2.5 additional FTE; 1 property manager, 1 maintenance support and .5 resident services coordinator (or approximately \$180,000 of salary and benefits). This ratio will be affected by the number of units per property, geographic area of the property, and the population served. Additional FTEs have revenue sources from the property operations to offset the additional expense.

3. Section 3 – Moving To Work

3.1. General Description

Moving to Work	
Program	Units/Vouchers
Public Housing	
Arapahoe Court	14
Total PH:	14
Section 8 (HCVP)	
HCVP	788

MTW is currently composed of 788 Housing Choice Vouchers, 14 units of Public Housing, the Public Housing Capital Fund Program (CFP), and administrative costs of MTW. These programs are each funded by HUD, but once we receive the funds, they can be spent on any of the MTW programs. The unfunded administrative costs of certain MTW activities can be paid for with revenues from the other MTW programs (e.g., CFP can pay for unfunded administrative costs) to bring the total to net zero cash flow.

3.2. Financial Summary

MOVING TO WORK PROGRAMS	Public Housing/CFP	S8 HCVP	MTW Admin	2022 Total Budget	12 Month Rolling Sept 2020 - Aug 2021	Diff
Total Rental/HAP Income	\$ 231,444	\$ 9,414,833	\$ -	\$ 9,646,277	\$ 9,221,555	\$ 424,722
Total Expenses	\$ 133,855	\$ 9,443,131	\$ 110,799	\$ 9,687,785	\$ 9,330,069	\$ 357,716
Net Income (Loss)	\$ 97,589	\$ (28,298)	\$ (110,799)	\$ (41,508)	\$ (108,514)	\$ 67,007
Adjustments for Cash Basis						
Plus:						
Amortization & Depreciation	\$ 13,399	\$ -	\$ -	\$ 13,399	\$ 21,419	\$ (8,020)
Capital Grants	\$ 410,000	\$ 1,200,000		\$ 1,610,000	\$ 750,145	\$ 859,855
MTW Reserves	\$ -	\$ 28,295	\$ -	\$ 28,295		\$ 28,295
Less:						
Fixed Asset Expenditures	\$ (110,000)	\$ -	\$ -	\$ (110,000)	\$ (219,204)	\$ 109,204
Net Operating Transfers	\$ (410,948)	\$ (1,200,000)	\$ 110,948	\$ (1,500,000)	\$ (441,789)	\$ (1,058,211)
Net Increase (Decrease) to Cash	\$ 40	\$ (3)	\$ 149	\$ 186	\$ 2,056	\$ (1,870)

3.3. Budget Assumptions

- Housing Choice Voucher Housing Assistance Payments (HAP) funding based on 2021 budget authority and forecasted HAP expense.
- Housing Choice Voucher administrative fee funding based on estimated vouchers leased and an assumption of 82% proration of published rates based on NAHRO estimates.
- HUD Capital Fund Program (CFP): 2022 anticipates using CFP funding of \$577,000. This will utilize prior year awards, with a remaining prior year carryforward of \$270,000. We anticipate 2022 and future year funding of CFP awards to decrease due to the reduction of Public Housing units, projecting an award of only \$200,000 for 2022.
 - \$162,000 is planned for the Operating Grant to fund operating deficit at both Public Housing and MTW administrative costs.
 - \$115,000 will be drawn mainly for window replacement and retaining wall projects at Arapahoe Court.
 - \$300,000 will be drawn as a BHP note for the Mount Calvary development project

4. Section 4 – Non-MTW Voucher Programs

4.1. General Description

Non MTW Voucher Programs	Vouchers
Mainstream	138
NED	181
RAD	135
EHV	35
Housing First	22
City of Boulder	48
Total Non-MTW Vouchers:	559
Non MTW Grants	Grant \$
SNAP Consolidated Grant *	\$ 394,019

*This grant serves 22 scattered site vouchers with supportive services. It also supports Lee Hill security costs and supportive services at Holiday.

The Non-MTW Voucher Programs consists of vouchers and grant programs funded by HUD and the locally funded vouchers from the City of Boulder, that are outside the MTW program and required to be reported separately from the MTW program. For the purposes of voucher count, we have included 48 permanently supportive housing vouchers that are currently funded by the City of Boulder.

4.2. Financial Summary

NON-MTW VOUCHER AND GRANT PROGRAMS	2022 Total	12 Month Actuals Sept 2020 - Aug 2021	Diff
Total Revenue	\$ 6,978,959	\$ 5,957,095	\$ 1,021,864
Total Expenses	\$ 6,978,964	\$ 5,843,587	\$ 1,135,377
Net Income (Loss)	\$ (5)	\$ 113,509	\$ (113,514)
Net Increase (Decrease) to Cash	\$ (5)	\$ 113,509	\$ (113,514)

Budget Assumptions:

- All HAP revenue is spent on HAP, and administrative costs are allocated to each of these Non-MTW voucher programs from the HCV team to offset administrative fees earned so they are projected to operate at net zero income and cash flow for 2022. 2021's actuals reflect a positive \$113,514 impact on cash due to new Emergency Housing Voucher (EHV) program HAP prefunding of \$75,000 plus catch-up funding of Non-Elderly Disabled (NED) vouchers and Housing First Program vouchers in 2021.
- HCV-HAP Non-MTW funding increased over the actuals presented due to additional voucher awards for both the Mainstream/HUD program and the new EHV program.
- HCV administrative fees consistent with 2021's actuals at 82% proration of published rates.
- Service grant funding consistent with 2021's actuals for SNAP grants.

5. Section 5 – BHP Workforce Properties

5.1. General Description

The Workforce portfolio includes BHP owned affordable and market-rate units:

- 185 units at Tantra Lake Apartments will be converted to Tax Credit ownership from BHP ownership March 2022

Workforce Properties			
Program	Units	Program	Units
Holiday	49	Midtown	13
2037 Walnut	26	Sanitas Place	12
Arapahoe East	11	Twin Pines	22
Cedar / Casey	19	Trout Farms	31
Bridgeway	123	Vistoso	15
Broadway East	44	Whittier Apts	10
Dakota Ridge	13	Hayden Place 1&2	30
Foothills	74	TOTAL:	492

5.2. Financial Summary

BHP Workforce Budget	2022 BUDGET Workforce	Rolling 12 months actuals; Sept. 2020 - Aug. 2021	Change in Income Increase (Decrease)	%
Operating Revenue	8,864,441	\$ 8,642,895	\$ 221,546	3%
Operating Expenses	(4,392,812)	\$ (4,220,328)	\$ (172,484)	4%
Operating Transfers to COCC	\$ (773,475)	\$ (590,041)	\$ (183,434)	31%
Net Operating Income	\$ 3,698,154	\$ 3,832,526	\$ (134,372)	-4%
Capital Grants	\$ 800,000	\$ 2,235,000	\$ (1,435,000)	-64%
Interest Income	\$ 1,087	\$ 1,014	\$ 73	7%
Depreciation Expense	\$ (2,765,514)	\$ (3,261,897)	\$ 496,383	-15%
Non Capital Reserve Spending	\$ (562,800)	\$ (3,533)	\$ (559,267)	100%
Mortgage and Other Interest Expense	\$ (1,994,679)	\$ (2,119,913)	\$ 125,234	-6%
Gain (Loss) on Sale of Capital Assets	\$ 19,218,500	\$ 44,752	\$ 19,173,748	0%
Total Non-Operating Rev/Exp	\$ 14,696,594	\$ (3,104,577)	\$ 17,801,172	\$ (6)
Net Income	\$ 18,394,749	\$ 727,949	\$ 17,666,800	2427%
Adjustments to Operating Cash				
Plus:				
Amortization & Depreciation	\$ 2,765,514	\$ 3,261,897	\$ (496,383)	-15%
Non Capital Expenditures funded by Reserves	\$ 562,800	\$ 3,533	\$ 559,267	100%
Less:			\$ -	
Fixed Asset Expenditures	\$ -	\$ (1,485,000)	\$ 1,485,000	-100%
Gain (loss) on Sale of Assets; Tantra non cash	\$ (19,218,500)	\$ (44,752)	\$ (19,173,748)	-100%
Replacement Reserves Funding	\$ (181,581)	\$ (181,581)	\$ -	-100%
Paydown of Mortgage; Trout Farms	\$ -	\$ (750,000)	\$ 750,000	-100%
Debt Principal	\$ (1,077,346)	\$ (1,051,012)	\$ (26,334)	3%
Contribution to Operating Cash	\$ 1,245,635	\$ 481,034	\$ 764,601	159%

The Workforce portfolio is showing a net income of \$18,394,749 and a positive cash contribution after adjustments for depreciation, debt principal payments, and reserve funding from cash flow of \$1,245,635.

5.3. Budget Assumptions

- The rolling 12 months actuals includes a partial year of revenue and expense due to aforementioned changes in units. No new acquisitions of units are identified at this time.
- Rent increases at affordable units reflect an average increase of 2.8% for a projected overall net increase to operating revenue of \$221,546 as compared with trailing 12 months actuals.
- **Market-Rate Rents**
Currently, Boulder Housing Partners operates 120 market-rate rental units spread over 5 properties. Rent increases for market-rate units range from 3-5%. Each 1% increase produces approximately \$56,000 in revenue. Accordingly, a 5% increase produces approximately \$280,000.
- **Vacancy Loss**
 - All affordable units are projected at 3% vacancy with the exception of the few sites with lease-up referral programs. These are budgeted at 5% due to program constraints which can create longer lease-up timelines.
 - Market-Rate units are budgeted at 5-7%, a relatively conservative projection in this market.
- **\$800,000 Grant Revenue in 2022 includes:**
 - \$800,000, the final annual tranche of three, from the City of Boulder, Inclusionary Housing funds for the 2019 purchase of Trout Farms.
- **Property and operating costs as a whole increased 4%:**
 - Maintenance costs for units turns are expected to be flat due to funding a large portion of unit turn costs from 2021 refinance proceeds to upgrade flooring and appliances.
 - Average utility increases are budgeted at 6%
 - Insurance costs increased 9% overall for property and liability policies.
 - Property management payroll costs increased 13%.

6. Section 6 – Central Office Cost Center

6.1. General Description

The central office departments consist of:

Central Office Cost Center	
Administration/IT	Property Management
Finance	Resident Services
Development	Maintenance
Human Resources	Sustainability
Asset Management	4800 Broadway Building

6.2. Financial Summary

BHP Central Office Cost Center Budget	2022 BUDGET; COCC	Rolling 12 months actuals; Sept2020-Aug2021	Change in Income Increase (Decrease)	%
Operating Revenue	\$ 4,733,508	\$ 4,634,012	\$ 99,497	2%
Operating Expenses	\$ (7,595,206)	\$ (6,166,529)	\$ (1,428,677)	23%
Operating Transfers In (from MTW/WF)	\$ 2,273,475	\$ 1,031,830	\$ 1,241,645	120%
Net Operating Income	\$ (588,222)	\$ (500,686)	\$ (87,536)	17%
	\$ -		\$ -	
	\$ -		\$ -	
Capital Grants	\$ 6,310,933	\$ 6,400	\$ 6,304,533	98508%
Development Fees	\$ 1,100,000	\$ 6,322,880	\$ (5,222,880)	-83%
Interest Income	\$ 3,338,676	\$ 2,915,997	\$ 422,680	14%
Depreciation Expense	\$ (225,369)	\$ (224,747)	\$ (621)	0%
Mortgage and Other Interest Expense	\$ (43,020)	\$ (74,191)	\$ 31,171	-42%
Non Capital Reserve Spending	\$ (97,000)	\$ (259,367)	\$ 162,367	-63%
Operating Transfers In (out)	\$ -	\$ -	\$ -	
Total Non-Operating Rev/Exp	\$ 10,384,220	\$ 8,686,970	\$ 1,697,250	20%
Net Income	\$ 9,795,998	\$ 8,186,284	\$ 1,609,714	20%
Adjustments to Operating Cash				
Amortization & Depreciation	\$ 225,369	\$ 224,747	\$ 621	0%
Tax Credits cash flow; reduces soft debt	\$ 1,643,460	\$ 1,233,494	\$ 409,966	33%
Non Capital Expenditures funded by Reserves	\$ 97,000	\$ 259,367	\$ (162,367)	-63%
Development Equity Funding	\$ 103,379	\$ 88,422	\$ 14,958	17%
Fixed Asset Expenditures	\$ (477,600)		\$ (477,600)	
Soft Debt Interest From Tax Credits	\$ (3,338,136)	\$ (2,915,997)	\$ (422,140)	14%
Replacement Reserves Funding	\$ (49,320)	\$ (49,320)	\$ -	0%
Notes Receivable forgiveness; Holiday	\$ -	\$ (1,288,084)	\$ 1,288,084	-100%
Notes Receivable; Tantra, Mt Calvary	\$ (7,333,333)	\$ -	\$ (7,333,333)	
Transfers to Development Equity Fund	\$ (1,900,000)	\$ (6,322,880)	\$ 4,422,880	-70%
BHP net change in OPERATING Cash	\$ (1,233,183)	\$ (583,966)	\$ (649,217)	111%

The central office departments combined show a 2022 net income of \$9,795,998 and negative cash flow of (\$1,233,183). Net Income for the rolling 12 months actuals is lower than 2022 as a result of a large increase in Capital Grants awarded in 2022 that provides gap financing for the LIHTC closings of Mt. Calvary: \$4,500,000 and Tantra Lake: \$1,833,333. In addition, a \$477,000 grant has recently been awarded from the City of Boulder to provide new Wi-Fi capabilities at 19 sites managed by BHP. The full City of Boulder grant award, \$848,400, is scheduled to take up to two years to implement at all planned sites. A large decrease in Developer Fee income, \$5,222,880, is due to timing of construction completing in 2021 for current projects and beginning two new projects in 2022, to be completed in 2023.

Expenses are in line with 2021 with normal salary increases targeted at 4%. Two FTEs have been added for 2022 to implement our customer navigation strategy, plus a .75 FTE admin hire in 2022 to assist with human resources benefits management. We have also included an additional salary allocation for those departments most affected by the current escalating labor market so that we can maintain fair pay and relatively full employment.

6.3. Budget Assumptions

- Development Fee income of \$1,100,000, consists of \$650,000 from Tantra Lake Apartments and \$450,000 from Mt. Calvary earned at LIHTC closings.
- Grant revenue of \$110,000 from the BHP foundation and Boulder County continue to fund 1.5 term positions for Bringing School Home.
- Continuation of the fee-for-service approach to maintenance billing, resulting in 100% recapture of Maintenance Department costs from the properties.
- Employee benefit costs increased 18.5% at policy renewal as noted above. Overall impact to the organization including tax credits is \$118,500 increase.
- Employee benefit costs continue with the split 70/30; whereby BHP incurs 70% of the costs of the majority of benefits premiums.
- Resident Services department supported by property fees based on the level of service provided to each property.
- Contributions to replacement reserves for 4800 Broadway is \$48,000 based on estimated replacement schedules for technology improvements to continue efforts for a paperless environment and necessary software upgrades.

Section 7 – Organizational Debt

Below is a summary of the existing BHP debt in order of loan maturity.

BHP Mortgage / Bond Summary Schedule					
Property	Interest Rate	Maturity	Original Loan amt	Balance projected @ 12/31/2021	Annual Debt service 2022
**Arap East, Dak Ridge, Midtown, Sanitas Pl, Twin Pines	3.30%	4/1/2031	\$ 7,200,000	\$ 7,127,312	\$ 349,530
***Hayden Pl, Whittier	3.85%	7/1/2027	\$ 1,436,265	\$ 1,385,639	\$ 98,070
Hayden Place 2	4.20%	8/1/2027	\$ 600,000	\$ 541,877	\$ 35,524
Cedar & Casey	3.25%	2/1/2028	\$ 2,449,358	\$ 2,294,095	\$ 117,887
Foothills	3.25%	8/31/2028	\$ 7,000,000	\$ 5,697,318	\$ 367,345
Trout Farms	3.97%	6/1/2029	\$ 3,362,052	\$ 3,307,306	\$ 182,647
Bridgewalk	3.86%	4/1/2032	\$ 23,460,000	\$ 21,883,784	\$ 1,233,882
Vistoso	4.79%	12/1/2047	\$ 600,000	\$ 562,099	\$ 38,086
Broadway East	Variable	9/1/2024	\$ 1,715,000	\$ 1,545,000	\$ 142,542
Holiday	3.67%	7/1/2031	\$ 2,720,000	\$ 2,704,344	\$ 139,167
		Totals	\$ 50,542,675	\$ 47,048,774	\$ 2,704,680
4800 Broadway and 2037 Walnut. The LOC matures 4/15/2023					
Tantra Lake will have 3 months of mortgage payments prior to being sold to a LIHTC in April 2022, which is reflected in the 2022 budget					

Debt service coverage ratio measures the net operating income (NOI) divided by the amount of the debt payment for each property. A ratio of 1:1 means that the NOI supports the debt. These properties are all projected to perform with a debt service coverage ratio of 1.15:1 or better as required by our lenders. The weighted average debt service coverage ratio for these properties is 1.4:1 The additional NOI in excess of the 1:1 ratio provides income which is used to (1) fund replacement reserves, (2) support the Central Office Cost Center (COCC), and (3) fund operating reserves.

Section 8 – Consolidated Financial Statements

We have worked diligently to present a budget for 2022 that produces positive net income of \$28,259,234 with a nominal \$12,633 increase in cash. Excluding the \$19,218,500 Tantra Lake Apartment gain on sale would result in a 2022 net income of \$9,040,734. The rolling 12 months actuals presented had lower net income of \$8,075,679. We project to maintain an operating reserve target of \$2,750,000. We will continue our per unit minimum replacement reserve at \$3,500 per unit and will bolster replacement reserves from excess cash flows provided by LIHTC entities as additional funding for expected capital improvements.

The consolidated statements with a comparison to 2021 rolling 12 months actuals (September 2020 through August 2021) are attached; **Exhibit 1**. Using actuals vs prior year budget provides the reader an equivalent comparison and adjusts for the significant conversion of 185 units at Tantra Lake Apartments to a Tax Credit ownership in March 2022.

- A net increase in operations revenue of \$982,705 is due to:
 - rent increases averaging 2.8% across the portfolio or \$221,000.
 - increased voucher admin fee revenue of \$486,000 due to a full year of increased vouchers for the Mainstream and Emergency Housing Voucher programs.
 - Increased BHP maintenance billing to all properties managed in the amount of \$250,000.
- A decrease in Development Fee income for the amount of \$5,222,880. Construction project timelines create vast disparity in Development Fee timing which are earned at four milestones of each project. BHP is the developer of one ongoing construction project with project milestones overlapping 2021 and 2022. Two new projects will commence upon the Tantra Lake Apartments and Mt Calvary LIHTC closing in 2022. Development Fees fund a separate Development Equity Reserve, the purpose being to fund acquisitions of affordable housing and predevelopment costs.
- An increase in voucher Housing Assistance Payments (HAP) revenue of \$801,171. HCV revenue is based on 2021 budget authority. HAP expense is expected to increase \$1,295,450, based on increased vouchers leased to units that the housing choice team has been diligently working on during 2021. This increase also reflects the following additional funding:
 - \$565,589 increased Mainstream voucher revenue as additional voucher awards during 2021 are placed in service for an entire 2022 year vs. partial 2021.
 - HCV program revenue increased \$379,606 mainly due to increasing subsidies at project-based voucher sites.
 - \$271,335 increased HAP revenue for the new 35 Emergency Housing Vouchers awarded late in 2021.
- An increase in salaries and benefits of \$694,692 related to; (1) \$225,000 or 2.75 additional FTE, (2) an overall \$286,000 or 4% average performance-based merit increase, (3) \$75,000 set aside for compensation market adjustments, (4) \$16,000 increase in employer contributions to PERA due to a 3.5% rate increase, and (5) \$60,000 increase in health insurance premiums. A large portion of these increases are passed on to our tax credit partnerships which are independent financials.
- An increase in property costs of \$46,699 relates to strategically utilizing replacement reserve funds for specific unit turn costs for flooring and appliances keeping overall use of operating cash lower than the previous year.
- An increase in Capital Grants of \$6,265,329 2022 vs 2021:

2022 Grants	Total	COB Inclusionary Housing	Boulder County Worthy Cause Grant	CDOH Grant	COB CDBG Grant	CFP Grant	HAP MTW Funds	COB ARPA Grant
Tantra Lake	\$ 1,833,333	1,833,333	-	-	-	-	-	-
Mt. Calvary	5,500,000	2,000,000	700,000	900,000	400,000	300,000	1,200,000	-
Trout Farms	800,000	800,000	-	-	-	-	-	-
Public Housing project	115,000	-	-	-	-	115,000	-	-
Wifi projects	477,600	-	-	-	-	-	-	477,600
Total 2022 Grants	\$ 8,725,933	\$ 4,633,333	\$ 700,000	\$ 900,000	\$ 400,000	\$ 415,000	\$ 1,200,000	\$ 477,600

2021 Grants	Total	COB Inclusionary Housing	Boulder County Worthy Cause Grant	CDOH Grant	COB CDBG Grant	CFP Grant	HAP MTW Funds	COB ARPA Grant
Trout Farms	\$ 1,485,000	1,485,000	-	-	-	-	-	-
2037 Walnut	750,000	750,000	-	-	-	-	-	-
Public Housing project	225,604	-	-	-	-	225,604	-	-
Total 2021 Grants	\$ 2,460,604	\$ 2,235,000	\$ -	\$ -	\$ -	\$ 225,604	\$ -	\$ -

- A \$156,431 decrease in Mortgage and Other Interest Expense relates to normal amortization of loans plus additional refinance costs in 2021 of \$131,000 and a higher Line of Credit interest of \$30,000 in 2021 vs. 2022.
- Debt Principal stayed relatively flat; a nominal \$26,334 increase in 2022 due to refinancing of maturing loans in 2021.
- Interest income from soft debt notes from Tax Credit entities increased \$422,752. This is mainly the result of full year loans from the Madison Woods LIHTC entity in the amount of \$157,500, and Tantra Lake Apartments, in the amount of \$304,500.

Section 9 - Five Year Capital Plan and Reserves

The Five-Year Capital Budget has been analyzed with the current and planned status of our reserves in five areas:

9.1 . BHP Operating Reserves

BHP suggests reducing operating reserves from \$3,000,000 to \$2,750,000 based on the 2022 operating budget. Based on BHP's cash management experience, the Board approved an increase in 2016 to 2 months of operating cash for BHP. Due to a significant reduction in the number of BHP owned units, operating expenses have decreased, whereby \$2,750,000 provides an adequate reserve.

BHP Operating Reserves - Unrestricted	2022 Budget	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Operating Reserves - Projected Beginning Balance	\$ 3,007,483	\$ 3,020,116	\$ 3,045,116	\$ 3,070,116	\$ 3,095,116
Sources:					
Cash Surplus/Deficit from Operations	\$ 12,633	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Total Sources	\$ 12,633	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Uses:					
Total Uses	\$ -	\$ -	\$ -	\$ -	\$ -
Balance - End of Year	\$ 3,020,116	\$ 3,045,116	\$ 3,070,116	\$ 3,095,116	\$ 3,120,116
Designations:					
Board Designated Reserve	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000
Surplus /(Deficit) vs Reserve Goal	\$ 270,116	\$ 295,116	\$ 320,116	\$ 345,116	\$ 370,116

9.2 . Development Equity Fund

During the year as development opportunities arise, the Finance Committee and Board of Commissioners review and approve activity for utilizing those funds.

The Development Equity fund is mainly used to fund:

- Pre-development expenditures for new acquisitions or LIHTC deals.
- Acquisition of real estate

The projected source of funds over the next 2 years are:

2022	\$10,668,340
2023	\$ 2,811,287

9.3 . Replacement Reserves

BHP Replacement Reserves - Unrestricted	2022 Budget	2023 Projected	2024 Projected	2025 Projected	2026 Projected
Projected Beginning Balance	\$ 6,072,210	\$ 4,770,111	\$ 3,165,212	\$ 1,508,113	\$ 1,696,014
Sources:					
Capital Reserve addition; Tax Credit cash flow	\$ 300,000	\$ 600,000	\$ 200,000	\$ 200,000	\$ 200,000
Replacement Reserves - Workforce Properties	\$ 181,581	\$ 181,581	\$ 181,581	\$ 181,581	\$ 181,581
Replacement Reserves - COCC	\$ 49,320	\$ 49,320	\$ 49,320	\$ 49,320	\$ 49,320
Total Sources	\$ 530,901	\$ 830,901	\$ 430,901	\$ 430,901	\$ 430,901
Uses:					
Capital Needs - Workforce Properties (estimate)	\$ 1,661,000	\$ 2,170,800	\$ 2,000,000	\$ 218,000	\$ 180,000
Capital Needs - COCC (estimate)	\$ 172,000	\$ 265,000	\$ 88,000	\$ 25,000	\$ 25,000
Total Uses	\$ 1,833,000	\$ 2,435,800	\$ 2,088,000	\$ 243,000	\$ 205,000
Balance - End of Year	\$ 4,770,111	\$ 3,165,212	\$ 1,508,113	\$ 1,696,014	\$ 1,921,915
Designations:					
Board Designated Reserve	\$ 1,722,000	\$ 1,568,000	\$ 1,309,000	\$ 1,309,000	\$ 1,309,000
Surplus /(Deficit) vs Reserve Goal	\$ 3,048,111	\$ 1,597,212	\$ 199,113	\$ 387,014	\$ 612,915

Our current funding levels averaging \$369 per unit per year for 2022 in addition to the 2021 refinanced loans provided funding to plan for major renovations at several properties. We continue to maintain a target minimum balance of \$3,500 per unit. We believe this level of funding and balances are appropriate for these units. We recommend a Board target of \$3,500 per unit for 2022. Additions to reserves during 2022:

- \$300,000 – One-time surplus waterfall from 2021’s Madison Woods LIHTC entity distributed in 2022. The excess cash flow is due to this property not having debt service during the construction period.

9.4 . MTW Operating Reserves

MTW Operating Reserves (restricted to MTW)	2022 Budget	2023 Projected	2024 Projected	2025 Projected	2026 Projected
MTW Operating Reserve - Beginning Balance	\$ 1,229,951	\$ 1,210,137	\$ 1,190,137	\$ 1,170,137	\$ 1,150,137
Sources:					
Net 2021 Operating budget	\$ 186	\$ -	\$ -	\$ -	\$ -
HUD Held Reserve Contribution	\$ 1,200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
	\$ 1,200,186	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
Uses:					
Funding Landlord Initiatives	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)
HUD Held Reserve Contribution	\$ (1,200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)	\$ (200,000)
Total Uses	\$ (1,220,000)	\$ (220,000)	\$ (220,000)	\$ (220,000)	\$ (220,000)
Balance - End of Year	\$ 1,210,137	\$ 1,190,137	\$ 1,170,137	\$ 1,150,137	\$ 1,130,137

Moving to Work Reserves are fungible within MTW, but not available for the central office departments or other properties. These reserves are available for any MTW activity including funding Public Housing operations, Housing Choice Voucher HAP, and administrative needs or other unfunded MTW activities which include the acquisition or development of affordable units. We are projecting to start the year with an MTW reserve balance of \$1,229,951. No significant changes are projected over the next 5 years.

9.5 . Externally Restricted Reserves

These fund balances vary depending on the nature of the restrictions and designated timelines. Below summarizes the composition of restricted reserves as of September 2021.

- \$567,735 in tenant security deposits fluctuates per resident move-ins or move-outs and property acquisitions.
- \$678,183 for non-MTW voucher programs (NED/RAD/Mainstream/COB) funds which can only be used for housing assistance payments:
 - The COB prepaid a full year of funds \$921,875 in 2021 and we anticipate the same funding to occur in 2022. As of September 2021, \$594,151 funds remain from the 2021 prepayment.
 - NED (non-Elderly Disabled), RAD (Rental Assistance Demonstration) HUD and Mainstream programs; BHP holds \$84,032 HAP revenue in excess of expenses.

9.6 . Insurance Reserve: 2022 - \$949,349

Natural disasters continue to drive insurance industry economics, resulting in higher premium costs. To mitigate the risk of the higher \$25,000 deductible along with a 2% of replacement value for wind/hail events, a separate insurance reserve has been funded. This reserve was funded by Operating Reserves, Development Equity Reserves, and one-time cash flow from Tax Credit entities. During 2021, \$50,651 has been utilized from this reserve and a \$100,00 depletion per year from this reserve has been planned.

The exposure across the entire portfolio for 2% wind/hail deductible is \$2,100,000. An \$949,349 reserve, equal to 45% of our higher deductible exposure, provides a safety net in addition to our operating and replacement reserves.

Section 10 – Tax Credit Budgets

At the end of 2022 BHP will be the general partner and .01% owner of the following thirteen Tax Credit entities:

Tax Credit Properties not included in BHP budget	
30Pearl	120
Boulder Communities	279
Broadway West	26
Canopy	41
Canyon Pointe	82
Ciclo	38
Glen Willow	34
HighMar	59
Lee Hill	31
Madison	33
Palo Park	35
Red Oak Park	59
Tantra	185
Westview	34
Woodlands	35
Total Tax Credit:	1091

Each of these properties is managed by BHP in accordance with the requirements of the Limited Partnership Agreement. Annual budgets for the properties are provided and approved by the Investor Limited Partner. The budgets must meet the required debt service coverage limit. The assumptions for these budgets match the BHP affordable properties:

- A vacancy rate of 3.7% is projected for 2022.
- Average tenant rent increases are 2.8% for 2022.
- Property insurance increased 10%, General Liability insurance increased 27%, and the Umbrella insurance policy increased 17% for Tax Credit entities.

A detailed budget for each property is included as **Exhibit 2**. These properties are separate legal entities and therefore never consolidated into the financial statements of BHP.

Section 11 – Organizational Summary

Below is a summary to show the scale of the whole organization. The financials statements of the tax credits are not consolidated with BHP.

Total Organization Summary	Total Tax Credits	% of Total All	BHP	% of Total All	Total ALL
Total Operating Revenue	15,637,156	34%	30,218,186	66%	45,855,341
Salaries and Benefits	1,178,386	14%	7,441,394	86%	8,619,780
Total Property Costs	5,521,786	62%	3,350,142	38%	8,871,928
Total Operating Costs	1,775,131	9%	17,844,830	91%	19,619,961
Total Operating Expense	8,475,302	23%	28,636,366	77%	37,111,668
Net Operating Income	7,161,853	82%	1,581,820	18%	8,743,673
Non Operating Income and (Expense)	(17,517,524)	174%	7,458,914	-74%	(10,058,610)
Total NET INCOME (LOSS)	(10,355,671)	788%	9,040,734	-688%	(1,314,936)
Net Increase (Decrease) to Cash	2,663,609	100%	12,633	0%	2,676,242
Units	1,091	68%	506	32%	1,597
Vouchers	-	0%	1,347	100%	1,347

Attachments:

Exhibit 1- BHP Summary Budget

Exhibit 2 - Tax Credit Budget Summary

RESOLUTION #2020-12

APPROVAL OF THE 2021 COMBINED OPERATING AND CAPITAL BUDGETS FOR BOULDER HOUSING PARTNERS

WHEREAS, the Executive Director has submitted to the Board an Operating and Capital Budget for the fiscal year ending December 31, 2022 a copy of which is included in the Board packet for the December 15, 2021 meeting of the Board; and

WHEREAS, the Board has determined that the proposed expenditures in the 2022 Operating Budget are necessary for the efficient and economical operation of the Housing Authority for the purpose of serving low-income family households; and

WHEREAS, the Board has determined that adequate resources are available to cover the proposed expenditures reflected in the proposed budget; and

WHEREAS, all proposed rental charges and expenditures will be consistent with current provision of law and comply with the terms of the Annual Contributions Contract; and

WHEREAS, the Board has determined that sufficient cash flow is being invested in replacement reserves to meet current and expected future needs; and

WHEREAS, the Board has reviewed the expected contributions to and uses of BHP Cash Reserves; and

WHEREAS, the Capital Budget includes long term projections of expenditures on potential capital projects and approval of the Capital Budget is not an authorization to proceed on any one project; and

WHEREAS, Boulder Housing Partners is a Moving-to-Work (“MTW”) agency; and

WHEREAS, MTW agencies have the authority to utilize MTW funds for any MTW activity.

NOW, THEREFORE, be it resolved that the Board of Commissioners does hereby approve the Operating and Capital Budgets and related documents as presented on December 15, 2021 and adopts the following minimum reserve targets for the fiscal year ending December 31, 2022:

Operations cash reserve balance	\$ 2,750,000
Workforce replacement reserve balance	\$ 3,500/Unit
Home office and vehicle reserve funding contribution	\$ 103,000
Insurance Reserve Balance	\$ 500,000

Adopted this 15th day of December, 2021

(SEAL)

R.E. Harris
Chairperson, Board of Commissioners
Housing Authority of the City of Boulder

ATTEST:

Jeremy Durham
Executive Director

MEMO

To: Board of Commissioners
From: Karen Kreutzberg
Date: December 15, 2021
Re: Administrative Plan Updates

Background

The Administrative Plan for the Housing Choice Voucher Program (Admin Plan) contains the policies that explain how Boulder Housing Partners administers the Housing Choice Voucher Program. It is divided into 19 chapters and updated annually. The 19th Chapter is new for this year and contains policies for the Emergency Housing Vouchers (EHV). Revisions and changes were presented to the Board of Commissioners at the October 13 meeting and then released for public review.

Information was posted to our website on October 15. Postcards were sent to all current participants and active applicants on November 2. Two public hearings were held on November 17, one via Zoom attended by 35 participants and one in person attended by 19 participants. 75 calls or emails from participants and applicants were also received. In general, the comments were positive in nature and no comments resulted in any edits to the proposed changes.

As a reminder, the following table explains the contents of each chapter and highlights the changes which fall into one of three categories:

1. Recent HUD policy changes published through Notice or Federal Regulations.
2. MTW Activity changes that were approved by the Board and HUD through the MTW Annual Plan process which must be included.
3. Clarification/changes to policies by staff.

Chapter Description	HUD Required Changes	MTW Activity Changes	Clarification/change to policy
Chapter 1: Overview of the Program and Plan – describes the overall program including purpose, intent and use of the plan	No changes	No changes	Updated mission statement; Added reference to EHVs
Chapter 2: Fair Housing and Equal Opportunity – explains the requirements for PHAs regarding civil rights and affirmatively furthering fair housing	Minor HUD updates	No changes	Added wording for remote briefings, hearings and reviews
Chapter 3: Eligibility – details requirements for a household to be eligible for housing	HUD updates re: use of the HUD EIV system	No changes	Added definitions for transgender and nonbinary
Chapter 4: Applicants, Wait Lists and Tenant Selection – explains how applications are accepted, wait lists and lottery managed, and the order applicants are selected	No changes	No changes	Updated lottery opening to 2 times per year; Added Madison to PBV list; Changed wait list holder for BSH units to BHP; Added

			EHVs and Mainstream awards; Removed Next Step Housing Preference (replaced with set aside preference); Updated intake process
Chapter 5: Briefings and Voucher Issuance – includes requirements for briefings and occupancy standards	HUD changes re: remote briefings	No changes	Lowered age at which children of opposite sex are assigned own bedroom; clarified suspension of voucher term
Chapter 6: Income and Subsidy Determinations – defines annual income and how subsidy is calculated	No changes	No changes	Clarified when misc. deposits will be excluded from income
Chapter 7: Verifications – explains acceptable forms of verification for all factors that determine eligibility	No changes	No changes	Minor wording updates
Chapter 8: Housing Quality Standards and Rent Reasonableness – explains requirements for units to pass both tests prior to paying assistance	Minor HUD updates	No changes	Minor wording updates
Chapter 9: General Leasing Process – covers lease up process from submission of Request for Tenancy Approval to execution of Housing Assistance Payment Contract	No changes	Added security deposit loan fund information	Minor wording changes
Chapter 10: Moving with Continued Assistance – explains how and where a household can move while continuing to receive housing assistance	No changes	No changes	Removed requirement to be in compliance with FSS prior to being able to move with a voucher
Chapter 11: Income Reexaminations – explains policies regarding regularly scheduled and interim exams	No changes	No changes	Minor wording changes
Chapter 12: Termination of Tenancy and Assistance – describes policies on optional and mandatory terminations	No changes	No changes	Removed reason for termination for failing to meet FSS obligations; minor wording changes
Chapter 13: Owners – discusses the roles and relationship between PHA and owners/landlords and HAP contracts	No changes	No changes	Minor wording changes
Chapter 14: Program Integrity – covers policies designed to prevent, detect, investigate, and	No changes	No changes	Minor wording changes

resolve instances of program abuse or fraud			
Chapter 15: Special Housing Types – includes policies on single room occupancy, shared housing, congregate housing, group homes, manufactured homes, cooperative housing and home ownership	No changes	No changes	Clarified the family receives the payment for manufactured homes when the HAP is more than the lot rent
Chapter 16: Program Administration – covers program standards, informal reviews and hearings, debts owed to the PHA, the MTW plan and report, insufficient funding and the Violence Against Women Act	HUD updates re: virtual reviews and hearings; VAWA updates	No changes	Added regulation wording to be clearer
Chapter 17: Project Based Vouchers – describes HUD rules and BHP policies regarding vouchers that have been project based	No changes	Eliminated MTW Activity 2014-5	Removed requirement to be in compliance with FSS prior to being able to move with a voucher; Added PBV exhibit for 30 Pearl PBV units: Clarification for next available voucher requests
Chapter 18: Rental Assistance Demonstration – covers the public housing properties that were converted to vouchers under the RAD program	No changes	No changes	Inspection schedule clarified; Changed wait list holder for BSH units to BHP; Clarification for next available voucher requests

Action Requested

Approval of Resolution #2021-13 to adopt and finalize all changes to the Administrative Plan for the Housing Choice Voucher Program.

RESOLUTION #2021-13

A RESOLUTION FOR THE PURPOSE OF ADOPTING THE REVISED ADMINISTRATIVE PLAN THAT GOVERNS THE HOUSING CHOICE VOUCHER PROGRAM

WHEREAS, the Housing Choice Voucher Administrative Plan (Admin Plan) is a HUD-required document that governs how the Housing Choice Voucher Program is operated by a housing authority; and

WHEREAS, the Housing Choice Voucher staff has reviewed and updated the Admin Plan to include HUD changes, revisions for MTW Activities and policy clarifications; and

WHEREAS, participants, applicants and the general public were given a chance to comment on the proposed changes at a public hearing; and

WHEREAS, the Board is required by policy to review and approve the document annually.

NOW, THEREFORE, be it resolved that the Board of Commissioners adopts the revised Boulder Housing Partners' Housing Choice Voucher Program Administrative Plan and authorizes the Executive Director to approve minor administrative changes in the interim, reporting those changes to the Board annually.

Adopted this 15th day of December 2021.

(SEAL)

R.E. Harris
Chairperson, Board of Commissioners
Housing Authority of the City of Boulder

ATTEST:

Jeremy Durham
Executive Secretary

Upcoming Conference Opportunities

We encourage Commissioners to take advantage of the many professional development opportunities available to help deepen housing and community development knowledge. Please keep these conferences in mind in 2021 as great opportunities for learning and networking in your role as Commissioners. Please submit your training request to our Board Chair, Commissioner Harris, and he will work with staff to allocate Board training dollars equitably for registrations, hotel, and travel for local conferences.

By request, we are including a variety of options in addition to NAHRO. We have historically emphasized NAHRO's training because NAHRO is the only organization that is oriented to the unique interests of Housing Authority Commissioners and whose professional development learning aligns with the business of the Board, however there are several other good choices.

NAHRO Conferences

- | | | |
|---|------------------|----------------|
| • Commissioners' Fundamentals | Feb 1-3, 2022 | Virtual |
| • Ethics for Commissioners | Feb 22-23, 2022 | Virtual |
| • Washington Conference | Mar 28-30, 2022 | Washington, DC |
| • National Conference | Sept 22-24, 2022 | San Diego, CA |
| • Summer Symposium | TBA | TBA |

Housing Colorado NOW!

- | | | |
|-------------------------------------|-----------------|------------------|
| • Annual Conference | Oct 12-14, 2022 | Breckenridge, CO |
|-------------------------------------|-----------------|------------------|

Just Economy Conference

- | | | |
|---|------------------|----------------|
| • Washington Conference | June 13-15, 2022 | Washington, DC |
|---|------------------|----------------|

NeighborWorks

- | | | |
|--------------------------------------|-----|-----|
| • Training Institute | TBA | TBA |
|--------------------------------------|-----|-----|

FUTURE BOARD ITEMS

We have gathered the requested informational items the Board has asked to either learn more about or discuss. This is our current list and approximate timeline.

	<u>Anticipated Date</u>
• Financial Closing for Tantra Lake Apartments	March 2022
• BHP 100% Solar	1 st Quarter 2022
• New Commissioner Orientation	2 nd Quarter 2022
• Broadband Internet at BHP Communities	2 nd Quarter 2022
• Asset Positioning Plan	2 nd Quarter 2022
• Draft 2023 Moving To Work Activities	June 2022
• Draft 2023 Moving To Work Annual Plan	September 2022
• Final 2023 Moving To Work Annual Plan	October 2022
• 2023 Budget Draft	November 2022
• 2023 Final Budget Approval	December 2022
• Lee Hill Annual Report	4 th Quarter 2022
• Changes to Housing Choice Admin Plan	4 th Quarter 2022
• Moving To Work Annual Report	4 th Quarter 2022
• Meet the BHP Departments (Rotating Basis)	As Time Allows
• Board Tour & Retreat	In person, post-Covid

2022 Boulder Housing Partners Commissioners' Calendar

Date	Group	Time
JANUARY	BOARD RECESS	N/A
Mon. February 7	Development Committee (as needed)	4:00-5:00
Wed. February 9	Board Meeting	9:00-11:30
Thurs. March 3	Quarterly NPG Committee	3:30-5:00
Mon. March 7	Finance Committee – 2021 Review	3:00-4:00
Mon. March 7	Development Committee (as needed)	4:00-5:00
Wed. March 9	Board Meeting	9:00-11:30
Mon. April 11	Development Committee (as needed)	4:00-5:00
Wed. April 13	Annual Board Meeting	9:00-11:30
Thurs. May 5	Special NPG Committee	3:30-5:00
Mon. May 9	Development Committee (as needed)	4:00-5:00
Wed. May 11	Board Meeting	9:00-11:30
Thurs. May 19	Special NPG Committee	3:30-5:00
Thurs. June 9	Quarterly NPG Committee	3:30-5:00
Mon. June 13	Finance Committee – Audit & Financials Review	3:00-4:00
Mon. June 13	Development Committee (as needed)	4:00-5:00
Wed. June 15	Board Meeting	9:00-11:30
Mon. July 11	Development Committee (as needed)	4:00-5:00
Wed. July 13	Board Meeting	9:00-11:30
AUGUST	BOARD RECESS	N/A
Thurs. September 8	Quarterly NPG Committee	3:30-5:00
Mon. September 12	Finance Committee – Financials Review	3:00-4:00
Mon. September 12	Development Committee (as needed)	4:00-5:00
Wed. September 14	Board Meeting	9:00-11:30
Mon. October 10	Development Committee (as needed)	4:00-5:00
Wed. October 12	Board Meeting	9:00-11:30
Tues. November 7	Finance Committee – Draft 2023 Budget Review	3:00-4:00
Tues. November 7	Development Committee (as needed)	4:00-5:00
Wed. November 9	Board Meeting	9:00-11:30
Thurs. December 8	Quarterly NPG Committee	3:30-5:00
Mon. December 12	Finance Committee - Final 2023 Budget Review & Financials	3:00-4:00
Mon. December 12	Development Committee (as needed)	4:00-5:00
Wed. December 14	Board Meeting	9:00-11:30