

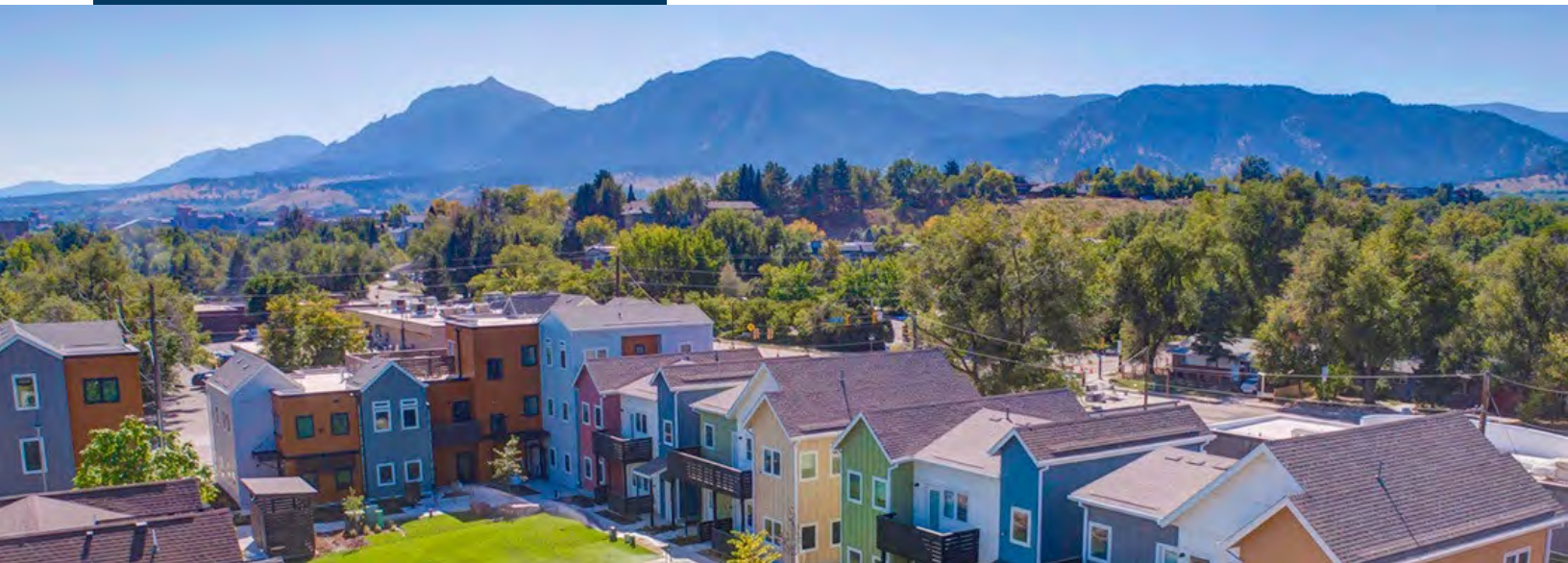


BOULDER
HOUSING
PARTNERS

Board of Commissioners Meeting

November 13, 2024

*BHP Main Office
4800 N. Broadway
Boulder, CO 80304*





Board of Commissioners Meeting

Boulder Housing Partners
4800 N. Broadway, Boulder, CO 80304
November 13, 2024 | 9:00 AM - 11:30 AM

AGENDA

9:00-9:30	Standing Agenda and Meeting Items	Page
	1. Call to Order and Determination of a Quorum	
	2. Public Participation	
	3. Approval of Minutes from October 9, 2024	5
	4. Financial Dashboard	12
9:30-11:00	Meeting Agenda	
	1. Housing Choice Voucher Overview Presentation	23
	2. 2025 Payment Standards – Resolution #2024-10	38
	3. 2025 Budget Draft	42
11:00-11:30	Board Matters	
	1. Announcements and Other Items from the Board	
	2. Upcoming Conference Opportunities	79
	3. Future Board Items and Board Calendar	80
	4. Board Election in December	
11:30	Adjournment	



Reunión de la Junta de Comisionados

Boulder Housing Partners
4800 N. Broadway, Boulder, CO 80304
13 de noviembre de 2024 | 9:00 AM - 11:30 AM

AGENDA

		Página
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 9 de octubre de 2024	6
	4. Tablero Financiero	x
9:30-10:20	Agenda de la Reunión	
	1. Presentación general del vale de elección de vivienda	17
	2. Normas de pago para 2025 – Resolución #2024-10	x
	3. Proyecto de presupuesto para 2025	x
10:20-10:30	Asuntos de la Junta de Comisionados	
	1. Anuncios y Otros Elementos de la Junta de Comisionados	
	2. Próximas Oportunidades de Conferencias	40
	3. Elementos Futuros de La Junta y Calendario de la Junta	41
	4. Elección de Comisionados en diciembre	
11:30	Aplazamiento	

Strategic Framework



BOULDER
HOUSING
PARTNERS

Vision

To help create a **diverse, inclusive, and 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

1 Support Residents and 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.

2 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.

3 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.

4 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.





4800 N. Broadway, Boulder, CO 80304
Phone: 720-564-4610
Fax: 303-939-9569
www.boulderhousing.org
Hearing Assistance: 1-800-659-3656

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
October 9, 2024 | 9:00 am
4800 N. Broadway, Boulder, CO 80304

Board meetings are held the second Wednesday of each month, beginning at 9:00 am, at the BHP main office (4800 Broadway, Boulder, CO 80304), unless otherwise noted. Board meetings are open to everyone and include time for public participation as provided on the agenda.

For Spanish interpretation during the Board of Commissioners meeting, please contact us at 720-564-4610 the Friday before the Board meeting to schedule the service.

Commissioner Walker	Jeremy Durham	Others Present:
Commissioner Adler	Anita Speirs	Celine Cooper
Commissioner Bissonette	Claudia Perez Rogerio	Rachel Brett
Commissioner Block	Eva Beltran	Carry Rosato
Commissioner Cooper (ABSCENT)	Isabelle Pfeil	Catherine Kelsch
Commissioner Fearer (ABSCENT)	Jason Acuña	Susana Perez
Commissioner Lord	John Kimenyi	Juan Jimenez
Commissioner Schoenfeld	Julia Arencibia	Ellen Orleans
Commissioner Wallach	Karen Brunnemer	Leidy Pineda Flores
	Karin Stayton	Cristian Vargas
	Laura Sheinbaum	Betsey Martens
	Lyndall Ellingson	Britney Dracht
	Jamillah Richmond	
	MJ Fimple	
	Norma Ortega	
	Quinn Liebmann	
	Rene Brodeur	
	Stefanie Moriarty	
	Tim Arnold	
	Tim Beal	
	Will Kugel	

I. Call to order and Determination of a Quorum

Commissioner Walker called the meeting of the Board of Commissioners to order at 9:05 am. A quorum was declared.

II. Public Participation

The Board Meeting information was posted on the main BHP website (boulderhousing.org) in English and Spanish.

Jenny, a representative for her mother who resides at High Mar, asked about heating costs being included in rent starting next year. The Property Management team assured her that they would follow up with more specific information regarding any adjustments and next steps.

III. Partnership Awards

Rene Brodeur, Director of Community Partnerships, presented the October Partnership Awards.

Governmental Agency: Ellen Orleans, Sustainability Programs Manager, City of Boulder
Presented by: Anita Speirs

Local Non-profit: Boulder Public Library District
Presented by: Claudia Perez Rogerio

Local Non-profit: Thorne Nature Kids – Lil’ Explorers Program
Presented by: Claudia Perez Rogerio

IV. Approval of the Meeting Minutes

Consent agenda items approved:

1. Minutes from September 11, 2024

**COMMISSIONER BISSONETT MOVED TO APPROVE THE MINUTES FROM JULY 10, 2024.
COMMISSIONER LORD SECONDED THE MOTION. THE MOTION TO APPROVE THE MINUTES
PASSED UNANIMOUSLY.**

V. Financial Dashboard

Will Kugel, Chief Financial Officer, presented the financial dashboard for August 2024 and answered questions from the Board.

The August 2024 financials showed BHP’s financial health as solid, with revenues significantly exceeding budget and expenses only slightly over budget.

The quick ratio was reported at 3.21, indicating robust liquidity and BHP’s cash position across properties remained healthy.

Notable improvements in operating income and occupancy levels were highlighted, with occupancy averaging above 96.5% across properties, well above the conservative budget estimate of 94-96%.

The Board asked about the transition to a gross rent structure. Staff noted that transitioning to a gross rent structure simplifies billing for both residents and BHP, as BHP will manage utility payments directly, reducing administrative tasks associated with monitoring tenant utility accounts. By ensuring consistent utility usage, especially for heating, gross rent also protects property assets from issues like pipe damage, supporting long-term property maintenance. This model also aligns with BHP’s sustainability goals by facilitating investments in renewable energy sources, such as solar, which now yield a clearer financial return. For residents, the gross rent structure provides predictable monthly expenses, relieving them of fluctuating utility costs and offering greater financial stability, which is particularly beneficial for households on fixed incomes.

VI. Meeting Agenda

Resident Services Presentation

Karin Stayton, Director of Resident Services, and the Resident Services Team gave an overview of the numerous services provided to BHP residents and answered questions from the Board.

The presentation covered Resident Services’ framework, which includes support in areas like housing stability, health and wellness, and community life, highlighting the recent work with High Mar residents on food security and community programs.

2025 Moving to Work Annual Plan - Final

Karen Brunner presented the 2025 Moving to Work Annual Plan – Final and answered questions from the Board.

Key changes included expanding income tiers and integrating 63 HUD-funded vouchers with supportive services, along with city-funded vouchers to address broader housing needs.

COMMISSIONER LORD MADE A MOTION TO APPROVE RESOLUTION #2024-9 TO AUTHORIZE BOULDER HOUSING PARTNERS TO ADOPT AND FINALIZE ALL CHANGES TO THE ADMINISTRATIVE PLAN FOR THE HOUSING CHOICE VOUCHER PROGRAM. COMMISSIONER GRANO SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY.

VII. Board Matters

Announcements and Other Items from the Board

The Board discussed the reduction in per-unit employment costs due to the planned growth of 500 additional units in 2025. Though salaries for maintenance and property management will increase overall, per-unit costs will decrease due to economies of scale, leading to projected reductions of 10% for property management salaries and 23% for maintenance salaries on a per-unit basis.

Conference Opportunities

Commissioners are welcome to contact Jason Acuña if they are interested in attending any conference opportunities.

Future Board Items

There were no future items added.

VIII. Adjourn

The meeting of the Board of Commissioners adjourned at 11:03 am.

Seal

DATE: 10/9/2024

Jeremy Durham
Executive Director

Bob Walker
Chairperson, Board of Commissioners
Housing Authority of the City of Boulder

Jason Acuña
Recording Secretary

BOULDER HOUSING PARTNERS
Reunión de la Junta de Comisionados
11 de septiembre de 2024 | 9:00 am
4800 N. Broadway, Boulder, CO 80304

Las reuniones de la junta se llevan a cabo el segundo miércoles de cada mes, a partir de las 9:00 am, en la oficina principal de BHP (4800 Broadway, Boulder, CO 80304), a menos que se indique lo contrario. Las reuniones de la junta están abiertas a todos e incluyen tiempo para participación pública según lo dispuesto en la agenda.

Para interpretación en español durante la reunión de la Junta de Comisionados, contáctenos al 720-564-4610 el viernes anterior a la reunión de la Junta para programar el servicio.

Commissioner Walker	Jeremy Durham	Otros Presente:
Commissioner Adler	Anita Speirs	Celine Cooper
Commissioner Bissonette	Claudia Perez Rogerio	Rachel Brett
Commissioner Block	Eva Beltran	Carry Rosato
Commissioner Cooper (AUSENTE)	Isabelle Pfeil	Catherine Kelsch
Commissioner Fearer (AUSENTE)	Jason Acuña	Susana Perez
Commissioner Lord	John Kimenyi	Juan Jimenez
Commissioner Schoenfeld	Julia Arencibia	Ellen Orleans
Commissioner Wallach	Karen Brunner	Leidy Pineda Flores
	Karin Stayton	Cristian Vargas
	Laura Sheinbaum	Betsey Martens
	Lyndall Ellingson	Britney Dracht
	Jamillah Richmond	
	MJ Fimple	
	Norma Ortega	
	Quinn Liebmann	
	Rene Brodeur	
	Stefanie Moriarty	
	Tim Arnold	
	Tim Beal	
	Will Kugel	

I. Llamado al Orden y Determinación de un Quórum

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

II. Participación Pública

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

IX. Premios a Socios

Rene Brodeur, Director de Asociaciones Comunitarias, presentó los Premios a la Asociación de octubre.

Agencia Gubernamental: Ellen Orleans, Gerente de Programas de Sostenibilidad, Ciudad de Boulder
Presentado por: Anita Speirs

Organización local sin fines de lucro: Distrito de Bibliotecas Públicas de Boulder
Presentado por: Claudia Pérez Rogerio

Organizaciones locales sin fines de lucro: Thorne Nature Kids - Programa Lil' Explorers
Presentado por: Claudia Pérez Rogerio

X. Aprobación del acta de la reunión

Puntos del orden del día aprobados:

1. Acta del 11 de septiembre de 2024

EL COMISIONADO BISSONETTE PRESENTÓ UNA MOCIÓN PARA APROBAR EL ACTA A PARTIR DEL 11 DE SEPTIEMBRE DE 2024. LA COMISIONADA LORD SECUNDÓ LA MOCIÓN. LA MOCIÓN DE APROBACIÓN DEL ACTA FUE APROBADA POR UNANIMIDAD.

XI. Tablero Financiero

Will Kugel, director financiero, presentó el cuadro de mando financiero de agosto de 2024 y respondió a las preguntas de la Junta Directiva.

Los estados financieros de agosto de 2024 mostraron que la salud financiera de BHP era sólida, con ingresos que excedían significativamente el presupuesto y gastos solo ligeramente superiores al presupuesto.

El índice rápido se reportó en 3.21, lo que indica una sólida liquidez, y la posición de efectivo de BHP en todas las propiedades se mantuvo saludable.

Se destacaron mejoras notables en los ingresos operativos y los niveles de ocupación, con una ocupación promedio superior al 96.5% en todas las propiedades, muy por encima de la estimación presupuestaria conservadora del 94-96%.

La Junta preguntó sobre la transición a una estructura de alquiler bruto. El personal señaló que la transición a una estructura de alquiler bruto simplifica la facturación tanto para los residentes como para BHP, ya que BHP administrará los pagos de servicios públicos directamente, lo que reducirá las tareas administrativas asociadas con el monitoreo de las cuentas de servicios públicos de los inquilinos. Al garantizar un uso constante de los servicios públicos, especialmente para la calefacción, el alquiler bruto también protege los activos inmobiliarios de problemas como daños en las tuberías, lo que respalda el mantenimiento de la propiedad a largo plazo. Este modelo también se alinea con los objetivos de sostenibilidad de BHP al facilitar las inversiones en fuentes de energía renovables, como la solar, que ahora producen un retorno financiero más claro. Para los residentes, la estructura de alquiler bruto proporciona gastos mensuales predecibles, aliviándolos de los costos fluctuantes de los servicios públicos y ofreciendo una mayor estabilidad financiera, lo que es particularmente beneficioso para los hogares con ingresos fijos.

XII. Orden del día de la reunión

Presentación de Servicios para Residentes

Karin Stayton, Directora de Servicios para Residentes, y el Equipo de Servicios para Residentes ofrecieron una descripción general de los numerosos servicios que se brindan a los residentes de BHP y respondieron preguntas de la Junta.

La presentación cubrió el marco de los Servicios para Residentes, que incluye apoyo en áreas como

la estabilidad de la vivienda, la salud y el bienestar, y la vida comunitaria, destacando el trabajo reciente con los residentes de High Mar en seguridad alimentaria y programas comunitarios.

Plan Anual de Mudanza al Trabajo 2025 - Final

Karen Brunnemer presentó el Plan Anual 2025 Moving to Work – Final y respondió a las preguntas de la Junta.

Los cambios clave incluyeron la expansión de los niveles de ingresos y la integración de 63 vales financiados por HUD con servicios de apoyo, junto con vales financiados por la ciudad para abordar las necesidades de vivienda más amplias.

EL COMISIONADO LORD PRESENTÓ UNA MOCIÓN PARA APROBAR LA RESOLUCIÓN #2024-9 PARA AUTORIZAR A BOULDER HOUSING PARTNERS A ADOPTAR Y FINALIZAR TODOS LOS CAMBIOS AL PLAN ADMINISTRATIVO PARA EL PROGRAMA DE VALES DE ELECCIÓN DE VIVIENDA. EL COMISIONADO GRANO SECUNDÓ LA MOCIÓN. LA MOCIÓN FUE APROBADA POR UNANIMIDAD

XIII. Resumen de Bonos de Actividad Privada y Resolución de Arrastre #2024-8

Laura Sheinbaum, Directora de Bienes Raíces, presentó sobre los Bonos de Actividad Privada (PABs) la Resolución de Inducción de la Calle 34 #2024-8 y las preguntas de la Junta.

John Bales, socio de Kutak Rock, ofreció una visión general del proceso de asignación de Bonos de Actividad Privada (PAB) y discutió el uso de bonos para el proyecto de la Calle 34.

EL COMISIONADO WALLACH PRESENTÓ UNA MOCIÓN PARA APROBAR LA RESOLUCIÓN #2024-8 PARA AUTORIZAR A BOULDER HOUSING PARTNERS A TRASLADAR LOS BONOS DE ACTIVIDAD PRIVADA 2024 DE BOULDER HOUSING PARTNERS PARA FACILITAR FUTUROS PROYECTOS QUE UTILICEN EL LIHTC DEL 4% PARA EL FINANCIAMIENTO. LA COMISARIA BISSONETTE SECUNDÓ LA MOCIÓN. LA MOCIÓN FUE APROBADA POR UNANIMIDAD.

XIV. Asuntos de la Junta

Anuncios y otros puntos de la Junta Directiva

La Junta discutió la reducción en los costos de empleo por unidad debido al crecimiento planificado de 500 unidades adicionales en 2025. Aunque los salarios de mantenimiento y administración de propiedades aumentarán en general, los costos por unidad disminuirán debido a las economías de escala, lo que lleva a reducciones proyectadas del 10% para los salarios de administración de propiedades y del 23% para los salarios de mantenimiento por unidad.

Oportunidades de conferencia

Los comisionados pueden ponerse en contacto con Jason Acuña si están interesados en asistir a alguna oportunidad de conferencia.

Futuros elementos de la Junta Directiva

No se agregaron elementos futuros.

XV. Aplazar

La reunión de la Junta de Comisionados se levantó a las 11:03 am.

FECHA: 9 de octubre de 2024

Boulder

Jeremy Durham
Directora Ejecutiva

Jason Acuña
Secretaria de Actas

Bob Walker
Presidente de la Junta de Comisionados
Autoridad de Vivienda de la Ciudad de



BHP Financial & Operations Update – BHP Board Meeting
Wednesday, November 13, 2024

Boulder Housing Partners
www.boulderhousing.org
720-564-4610
bhpinfo@boulderhousing.org





Finance & Operations Metrics

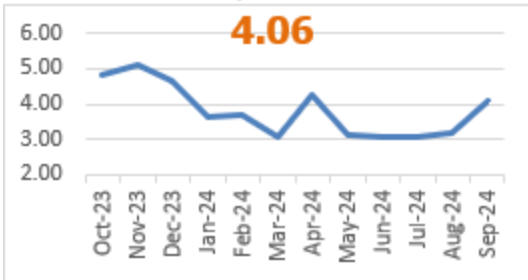
BHP Key Metrics (Through September 2024)

BHP Net Income

	YTD Actual	YTD Budget	% Diff
Revenue	38,741,366	34,981,301	11%
Expense	(30,439,658)	(29,213,588)	-4%
	8,301,708	5,767,712	

- BHP Revenue significantly exceeds budget.
- Expenses slightly over budget.
 - HCV/HAP Expenses above budget but align with new award & planned reserves spending.

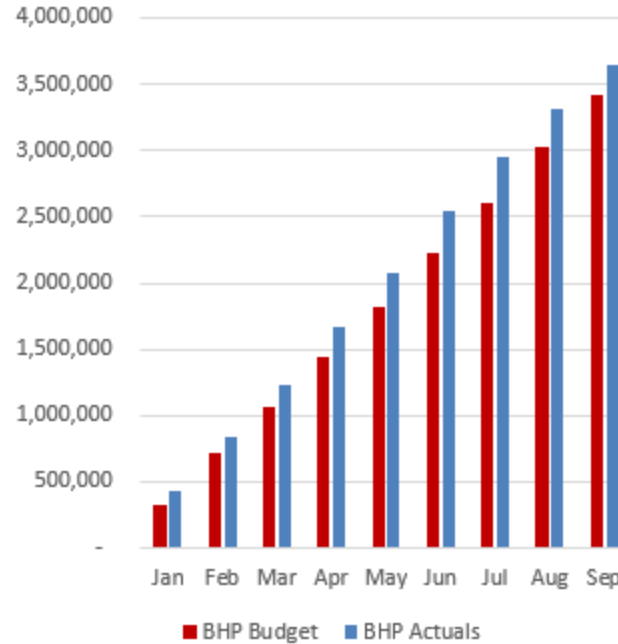
BHP Quick Ratio



BHP Target: > 2.0
Unrestricted cash / current liabilities

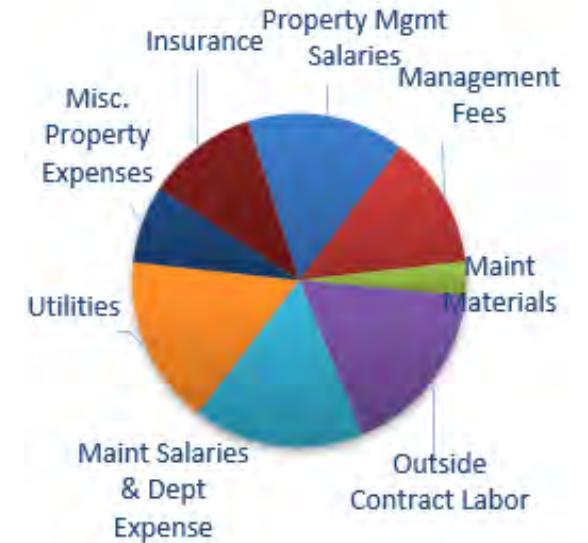
- Cash to current liabilities is strong. (Quick ratio above 2.0)

BHP NOI - YTD



- NOI above budgeted levels.

PUPA \$9186 BHP & TC



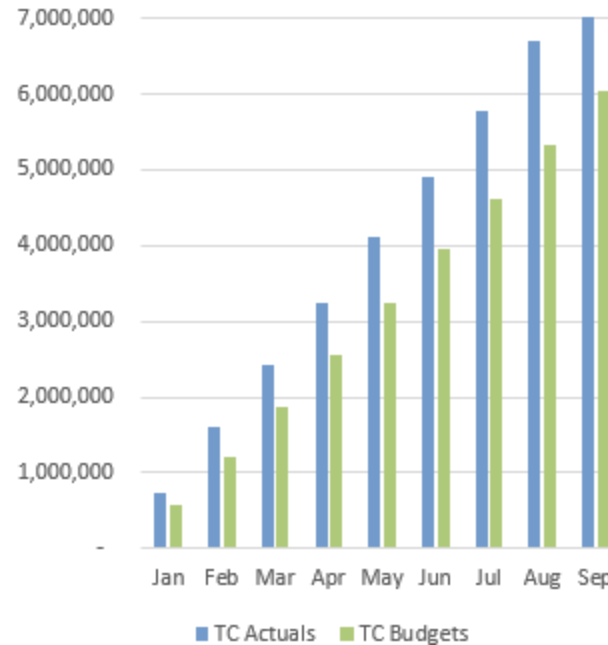
Tax Credits Key Metrics (Through September 2024)

LIHTC Net Income

	YTD	YTD	%
	Actual	Budget	Diff
Revenue	15,724,179	14,275,460	10%
Expense	(24,100,048)	(23,716,758)	-2%
	(8,375,869)	(9,441,298)	

- Revenue above budgeted levels.
- Note the LIHTC expenses above includes approximately \$14MM in non-operating and non-cash expenses.

Tax Credit NOI - YTD



- NOI above budgeted levels.

LIHTC Quick Ratio



Unrestricted cash / current liabilities

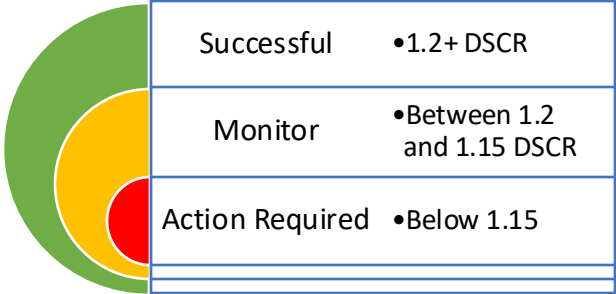
- Cash to current liabilities is strong. (Quick ratio above 1.1)

Debt Service Coverage Ratio (DSCR) – July 2024

Definition: The debt-service coverage ratio (DSCR) measures a project's available cash flow to pay current debt obligations. The DSCR shows investors and lenders whether a BHP or tax credit project has enough income to pay its debts. The ratio is calculated by dividing net operating income by debt service, including principal and interest.

BHP Property Analysis:

- Through September of 2024, all BHP properties are meeting DSCR.



BHP Properties	Units	Debt Service Coverage Ratio	
		BHP Target 1.15	
Combine Loan One	71	✓	2.15
<i>Includes Arapahoe East (11), Dakota Ridge (13), Midtown (13), Sanitas Place (12), Twin Pines (22).</i>			
Combine Loan Two	34	✓	2.53
<i>Includes Hayden Place (24) and Whittier (10).</i>			
Combine Loan Three	19	✓	1.47
<i>Includes Casey (6) and Cedar (13)</i>			
Individual Properties			
<i>Bridgeway</i>	123	✓	1.30
<i>Foothills</i>	74	✓	1.77
<i>Holiday</i>	49	✓	2.33
<i>Broadway East (No Debt)</i>	44		n/a
<i>Trout Farms</i>	31	✓	1.68
<i>Twenty37 Walnut (No Debt)</i>	26		n/a
<i>Vistoso</i>	15	✓	2.02
<i>Hayden Place 2 (No formal requirement)</i>	6		n/a

Debt Service Coverage Ratio (DSCR)

Definition: The debt-service coverage ratio (DSCR) measures a projects available cash flow to pay current debt obligations. The DSCR shows investors and lenders whether a BHP or tax credit project has enough income to pay its debts. The ratio is calculated by dividing net operating income by debt service, including principal and interest.

Tax Credit Property Analysis:

- All data is through 9/30/2024. All tax credit entities except for Ciclo are meeting DSCR requirements.
- Ciclo Trending Significant progress on Ciclo, DSCR is nearing compliance level of 1.15.



1.2 +
1.15 to 1.2
Below 1.15

Tax Credit Properties	Units	Debt Service Coverage Ratio	
		BHP Target 1.15	
Broadway West	26	✓	3.13
High Mar	59	✓	2.00
Lee Hill <i>(Expense Coverage Ratio, no debt)</i>	31	✓	1.48
Palo Park	35	✓	1.83
Red Oak Park	59	✓	1.67
Ciclo	38	✗ ↑	1.13
Canopy	41	✓	1.41
30 Pearl	120	✓	1.33
Tantra Lakes	185	✓	1.88
WestView	34	✓	1.54
West End Communities	116	✓	1.83
<i>Includes Canyon Pointe (82) & Glen Willow (34)</i>			
Madison Woods	68	✓	1.81
<i>Includes Madison (33) & Woodlands (35)</i>			
Boulder Communities	279	✓	1.94
<i>Includes Diagonal Court (30), Iris Hawthorn(14), Kalmia(49), Manhattan (41), Northport (50), & Walnut Place (95).</i>			
Tax Credit Sub Total excluding Lee Hill:	875		1.73

Occupancy – Details (Jan - Sept 2024)

BHP Properties	Units	Occupancy %
<i>Bridgewalk</i>	123	97.9%
<i>Foothills</i>	74	97.2%
<i>Holiday</i>	49	98.9%
<i>Broadway East</i>	44	92.1%
<i>Trout Farms</i>	31	95.9%
<i>Twenty37 Walnut</i>	26	79.1%
<i>BHP Scattered Sites</i>	145	94.6%

Note: Scattered sites include Hayden Place (24), Twin Pines (22), Vistoso (15), Dakota Ridge (13), Midtown (13), Cedar (13), Sanitas Place (12), Arapahoe East (11), Whittier (10), Casey (6), and Hayden Place 2 (6).

Tax Credit Properties	Units	Occupancy %
<i>Tantra Lake Apartments</i>	185	95.6%
<i>Broadway West</i>	26	99.3%
<i>High Mar</i>	59	98.8%
<i>Lee Hill</i>	31	92.9%
<i>Palo Park</i>	35	96.4%
<i>Red Oak Park</i>	59	98.6%
<i>Ciclo</i>	38	90.6%
<i>Canopy</i>	41	96.2%
<i>30 Pearl</i>	120	95.9%
<i>WestView</i>	34	97.6%
<i>West End Communities</i>	116	97.5%
<i>Madison Woods</i>	68	97.8%
<i>Boulder Communities</i>	279	97.8%

Notes:

West End Communities includes Canyon Pointe (82) and Glen Willow (34)

Madison Woods includes Madison (33) and Woodlands (35).
Boulder Communities includes Diagonal Court (30), Iris Hawthorne (14), Kalmia (49), Manhattan (41), Northport (50), Walnut Place (95).

Sept. 2024 YTD Actuals:

● BHP Overall: 96.5%

2024 Budget Benchmarks:

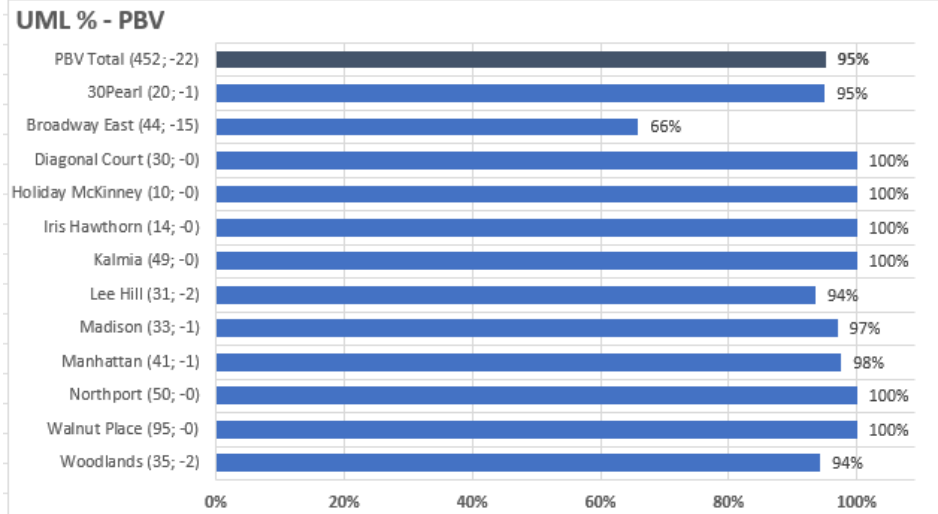
- 95% Occupancy – Senior
- 94% Multi-family

	96.0% +
	94% to 96%
	Below 94.0%

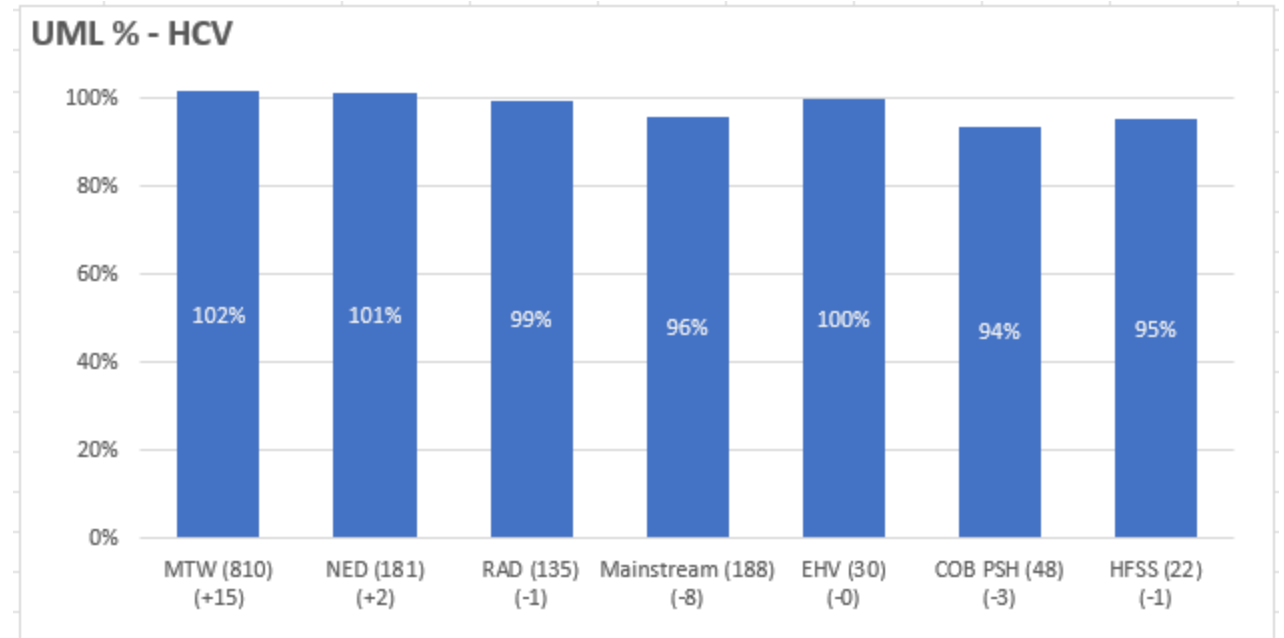
Voucher Utilization (YTD – Sept. 2024)

Year to Date Voucher Utilization

- Overall high utilization of all vouchers



UML % = Unit Month Leased (UML) as a percent of Unit months available (UMA).



MTW – Housing Choice Vouchers (includes 317 PBVs)..... **Total 824**
 NED – Non-Elderly Disabled Vouchers..... **Total 181**
 RAD – Diagonal Court, Iris Hawthorn, Manhattan, Northport PBVs.... **Total 135**
 Mainstream – Young/disabled vouchers..... **Total 188**

EHV – Emergency Housing Vouchers..... **Total 28**
 COB PSH – City of Boulder Permanent Supportive Housing Vouchers **Total 48**
 HFSS – Housing First Scattered Site..... **Total 22**

BHP Cash Position

BHP Operating Cash & Development Resources as of 9/30/24.

- Current Balances all exceed specific balance goals.

Operating Cash

Current Operating Cash / Ins Reserve
\$4,828,448

2024 Annualized Expenses
\$ 16,887,333

3.4 Months

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

BHP Cash Report 9/30/2024					
	Sept 2024	Change From Prior Month	YTD Change	Board Goal	Surplus / Deficit to Goal
Unrestricted Cash Available for Operations					
BHP Operating Cash	● \$ 3,962,586	\$ (2,121,839)	\$ 502,311	\$ 2,750,000	\$ 1,212,586
Insurance Reserve	● \$ 865,862	\$ 140	\$ 16,918	\$ 650,000	\$ 215,862
BHP Replacement Reserves	● \$ 4,102,079	\$ (7,297)	\$ (390,752)	\$ 1,771,000	\$ 2,331,079
Total Unrestricted BHP Cash	\$ 8,930,528	\$ (2,128,996)	\$ 128,477	\$ 5,171,000	\$ 3,759,528
	Sept 2024	Change From Prior Month	YTD Change		
Development Resources, Including LOC					
Development Equity Fund	\$ 1,429,442	\$ (452,677)	\$ (1,571,147)		
Line of Credit - Available	\$ 10,000,000	\$ -	\$ -		

Tax Credits Cash Position

Tax Credit Cash Balances (operating cash) as of 9/30/24.

- Cash position is strong and growing each month at the tax credits properties.

Tax Credit Cash Report (9/30/2024)

	Sept 2024	Change From Prior Month	YTD Change
Cash Category			
Operating Cash (Unrestricted)	\$ 4,830,548	\$ 1,088,418	\$ 665,490
Replacement Reserves (Restricted) (1)	\$ 2,307,045	\$ (74,311)	\$ 511,567
Total	\$ 7,137,593	\$ 1,014,106	\$ 1,177,057

(1) Includes \$100K of replacement reserves in CDs.

Tax Credit Properties - Cash Balances	Units	Sept 2024 Cash Balance	Change From Prior Month
<i>Tantra Lake</i>	185	\$ 1,324,381	\$ 654,842
<i>Broadway West</i>	26	\$ 104,792	\$ 10,191
<i>High Mar</i>	59	\$ 201,971	\$ 15,034
<i>Lee Hill (5)</i>	31	\$ 236,501	\$ 7,550
<i>Palo Park</i>	35	\$ 94,311	\$ 17,088
<i>Red Oak Park</i>	59	\$ 152,300	\$ 8,581
<i>Ciclo</i>	38	\$ 81,611	\$ 7,890
<i>Canopy</i>	41	\$ 157,154	\$ 23,955
<i>30 Pearl</i>	120	\$ 354,969	\$ 35,527
<i>WestView</i>	34	\$ 56,085	\$ (41,550)
<i>West End Communities</i>	116	\$ 810,212	\$ 132,683
<i>Madison Woods</i>	68	\$ 433,552	\$ 45,996
<i>Boulder Communities</i>	279	\$ 822,708	\$ 170,630
Total	1,091	\$ 4,830,548	\$ 1,088,418



Questions?



Housing Choice Voucher Program

Karen Brunnermer

AGENDA

- What is a voucher?
- Who do vouchers serve?
- How does one get a voucher?
- How many does BHP have?



What is a Voucher?

- Federally funded rental assistance
- Tied to the household
- Can be used anywhere in the private rental market
- Participants pay 30-40% of their income towards rent
- Can be “ported” to any of the 50 states and US territories
- Not time-limited

Voucher Types and Populations Served

- Emergency Housing Vouchers = homeless, at risk of being homeless, domestic violence, or recently housed but still not stable
- Permanently Supportive Housing = chronically homeless with a disabling condition
- Non-elderly disabled/Mainstream = an adult member of the household must be between 18 and 61 and a person with a disability
- All populations = preference given to families with children, single-person households who are elderly (62 and over) , or a person with a disability

How Does One Get a Voucher?

- Emergency Housing Vouchers = these vouchers have sunset as of 9/30/2023
- Permanently Supportive Housing = coordinated entry system through Metro Denver Homeless Initiative or Homeless Solutions of Boulder County
- Non-elderly disabled = lottery process with preference
- All populations = lottery process with preference

How Does One Get a Voucher?

Coordinated Entry

- Set up by Metro Denver Homeless Initiative
- Used for the vouchers where homeless is a preference/priority
- Local service providers refer clients into the coordinated entry system
- Clients are then referred to BHP when a voucher becomes available

Lottery

- Open when we have vouchers available
- Goal = get housing assistance to randomly selected applicants within 6 - 12 months
- Application available online when lottery is open

After People Apply for Lottery, How are Numbers Randomly Selected?

Preference is given to those who are:

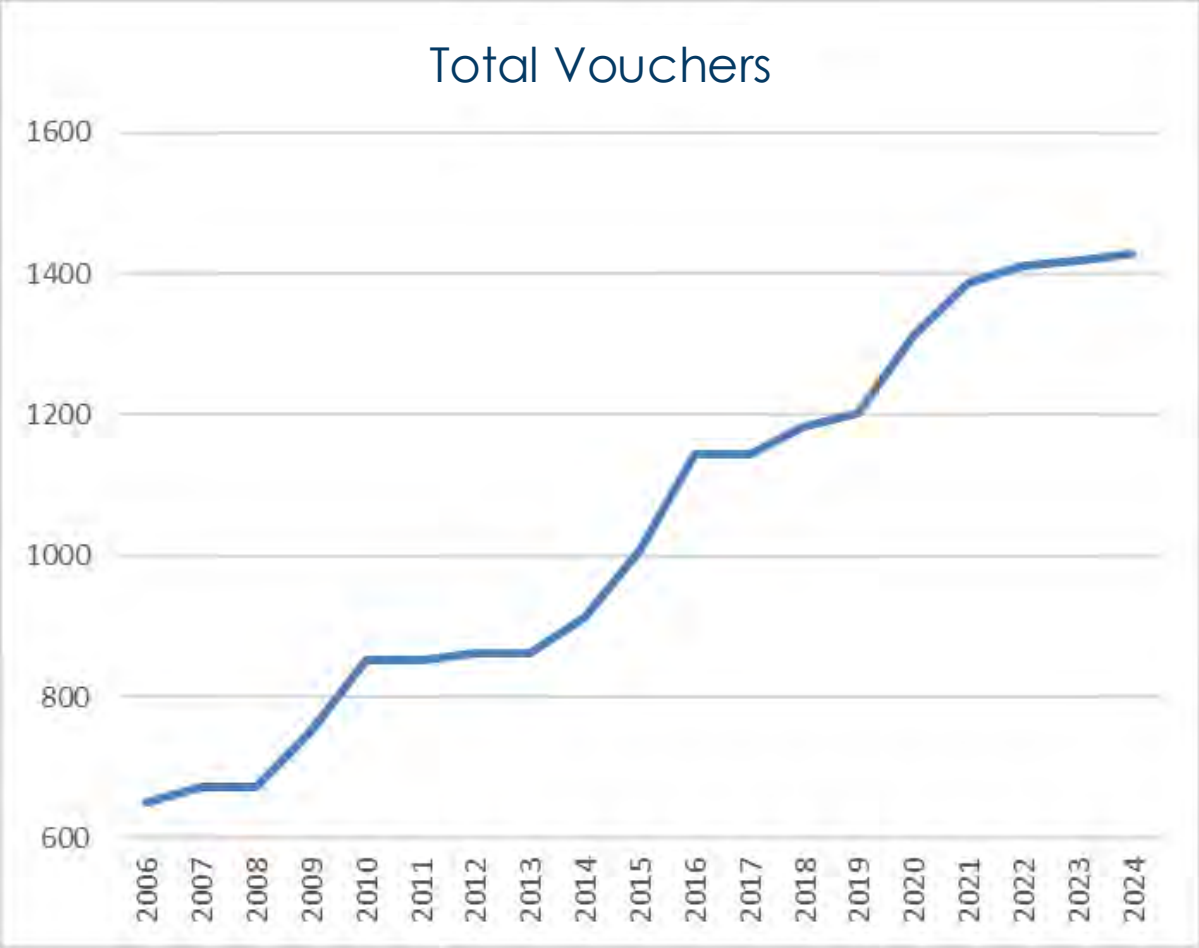
- Families with children
- Single person households age 62 or older
- Single person household with a person with a disability

AND either:

- Live in Boulder County
- Work at least 20 hours in Boulder County
- Has an adult child or parent who lives in Boulder County
- Is homeless and receives services through an agency in Boulder County

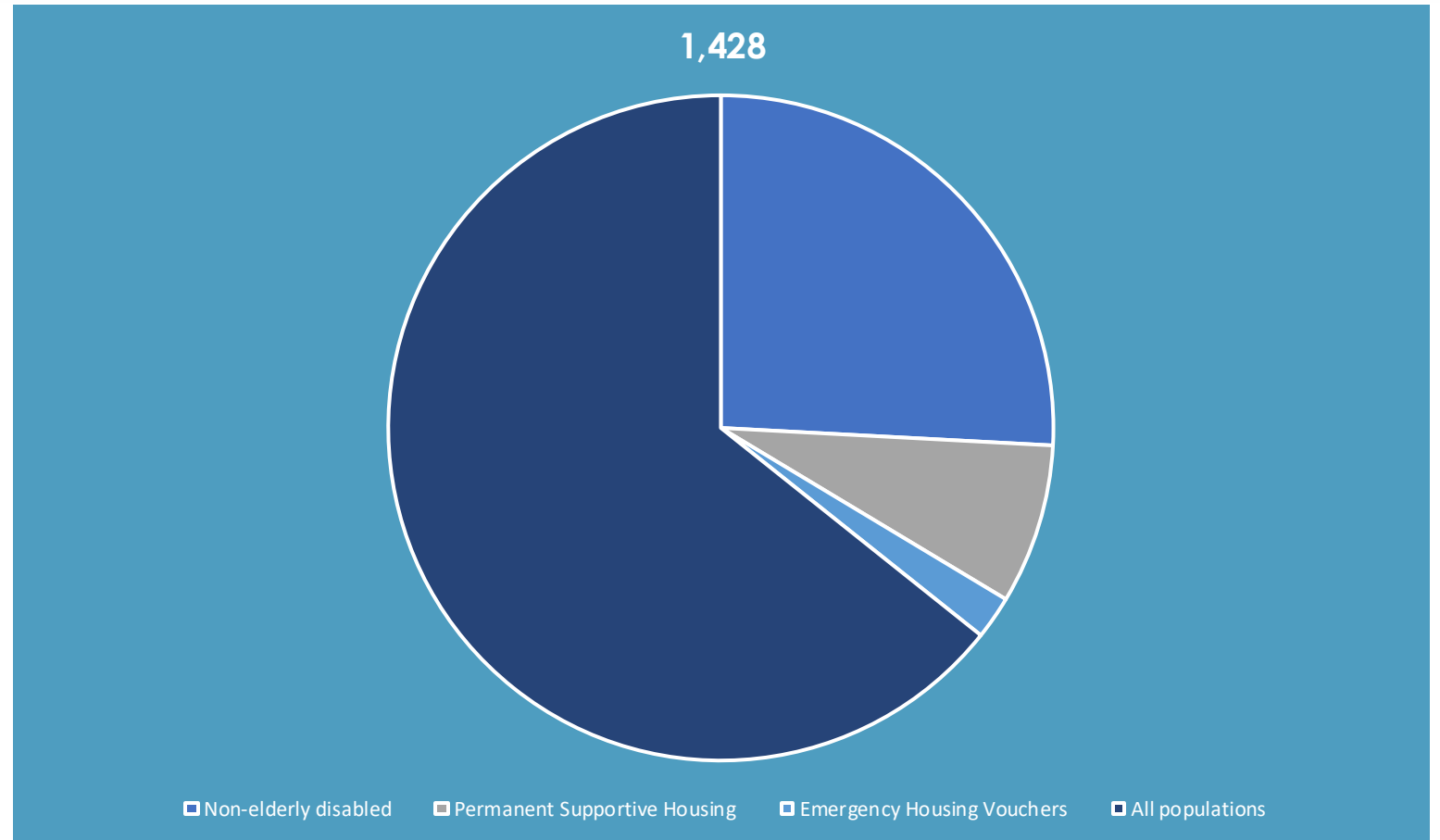
How Many Vouchers Does BHP Have?

As of
October 1, 2024:
1,428



How Many Vouchers Does BHP Have?

EHV – 30 (2%)
PSH – 111 (8%)
NED – 359 (26%)
All – 918 (64%)



Tenant-Based Versus Project-Based

- HUD allows PHAs to attach vouchers to a project
- Participants allowed to move after three years with a tenant-based voucher
- Allows PHAs to house lower-income families
- Example: Single person household with SSDI income of \$750 per month:
 - 30% AMI rent = \$650
 - Rent based on income = \$200
- MTW authority = no cap on project basing for BHP

Tenant-Based Versus Project-Based

Tenant-based (total 961)

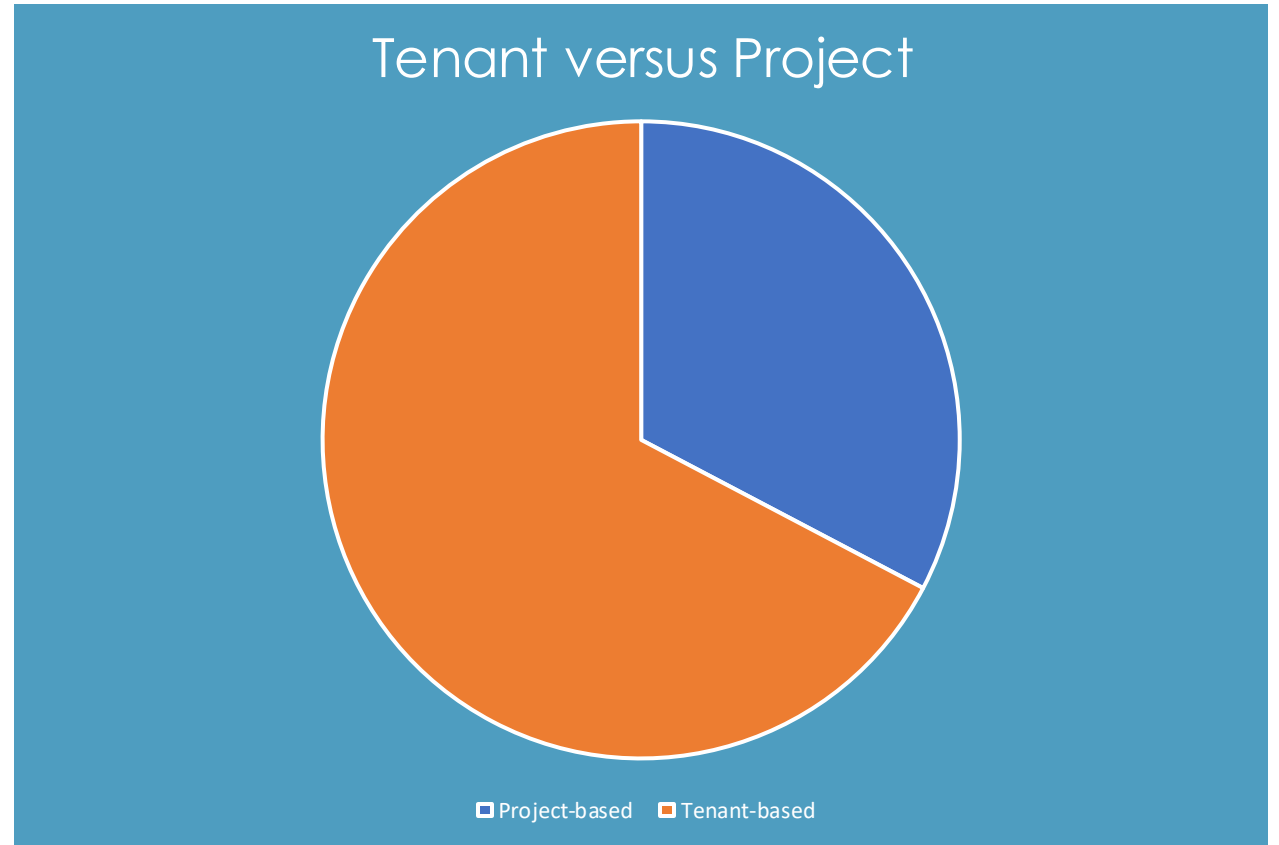
vs.

Project-based (total 467)

PBVs: 30 Pearl	20	Lee Hill	31
Broadway East	44	Madison	33
Diagonal Court	30	Manhattan	41
Hilltop	15	Northport	50
Holiday	10	Walnut Place	95
Iris Hawthorne	14	Woodlands	35
Kalmia	49		

Coming soon:

Rally (10) and Hawthorn Court (8)



How Much Money is Involved in the Voucher Program?

- Different types of funding
- Different sources of funding
- Self-funded department through admin fee
- All other funds flow right through BHP out to landlords or service providers

Program Funding Source, Uses, and Amounts

Program	Housing Assistance Payments	Admin Fees	Supportive Services	Operating Costs
MTW (959)	\$ 13,000,000	\$ 1,100,000	\$ -	\$ -
NED/MS (369)	\$ 5,000,000	\$ 400,000	\$ -	\$ -
PSH (HUD)(22)	\$ 356,664	\$ 13,844	\$ 223,262	\$ 75,243
PSH (COB) (48)	\$ 729,000	\$ 18,000	\$ 274,800	\$ -
EHV (30)	\$ 480,000	\$ 40,000	\$ 0	\$ -
Totals	\$ 19,565,664	\$ 1,571,844	\$ 498,062	\$ 75,243

BHP Landlord Payments (2023)

Total - \$7,788,437

Property	PBV, TBV, or mix	
30Pearl LLLP	Mix	\$ 560,517
Arapahoe East	TBV	\$ 44,316
Boulder Communities Diagonal Court	PBV	\$ 129,944
Boulder Comm Iris Hawthorne	PBV	\$ 63,939
Boulder Comm Kalmia	PBV	\$ 465,003
Boulder Comm Manhattan	PBV	\$ 171,765
Boulder Comm Northport	PBV	\$ 162,441
Boulder Comm Walnut Place	PBV	\$ 1,101,275
Bridgewalk	TBV	\$ 173,352
Broadway East LLC	PBV	\$ 395,009
Broadway West LLLP	TBV	\$ 188,645
Canopy at ROP LLLP	TBV	\$ 58,444
Casey	TBV	\$ 84,922
Cedar	TBV	\$ 52,122
Ciclo LLLP	TBV	\$ 234,714
Dakota Ridge	TBV	\$ 78,674

Foothills Community LLC	TBV	\$ 219,584
Hayden Place	TBV	\$ 119,903
High Mar Community LLLP	TBV	\$ 428,587
Holiday Ventures LLC	Mix	\$ 269,715
Lee Hill Community LLLP	PBV	\$ 440,498
Madison/Woodlands	PBV	\$ 880,213
Midtown	TBV	\$ 30,096
Palo Park Community LLLP	TBV	\$ 141,383
Red Oak Park LLLP	TBV	\$ 142,035
Sanitas Place	TBV	\$ 29,514
Tantra Lake	TBV	\$ 538,815
Trout Farms	TBV	\$ 131,245
Twenty 37	TBV	\$ 49,262
Twin Pines	TBV	\$ 103,210
Vistoso Community LLC	TBV	\$ 126,425
WestView Community LLLP	TBV	\$ 155,550
Whittier	TBV	\$ 17,320

HCV Participants Exiting the Program

Time period	Jan 2023 - Sept 2024						
Program	Total vouchers	Total # who went off the HCV program	Death	Gave up voucher	Ported out	Terminated	Transferred to other program / NAV for PBVs
COB PSH	48	11	2	2	0	1	4
HFSS	22	9	3	2		3	3
EHV	35	10	4	3	1	2	0
All other TBV	876	126	24	47	24	28	3
PBV	452	108	19	39	2	12	36
Total		264	52	93	27	46	46
			20%	35%	10%	17%	17%

Thank You



MEMO

To: Board of Commissioners
From: Karen Brunnemer, MTW and Federal Policy Director
Date: November 13, 2024
Re: 2025 Housing Choice Voucher Payment Standards

Background

Each year, HUD issues a new set of data describing the Fair Market Rents (FMR) by geographic area. The FMR establishes the basis for how much assistance is paid in the Housing Choice Voucher Program. FMRs are set at the 40th percentile of rents in the specific area (our area includes all of Boulder County).

The payment standard is used in calculating the housing assistance payment (HAP) that the Public Housing Authority (PHA) pays to the owner on behalf of the family leasing the unit. The level at which the payment standard is set directly affects the amount of subsidy a family will receive, and, therefore, the amount of rent paid by program participants. If the family leases a unit with a rental amount at or below the payment standard for the family, the family's share of the rent plus an allowance for utilities will be set based on that family's income according to the rent calculations set under the MTW rules by BHP, which is approximately 30% of their income. If the rent for the unit is higher than the payment standard, the family is also responsible for any rent above the set payment standard. Accordingly, the higher the payment standards set by BHP, the more purchasing power the voucher holder has in the marketplace while sustaining an affordable rental payment. This also increases the per unit cost of BHP's HCV program.

Below is an example of a household whose rent based on income would be \$500. They have a two-bedroom voucher. The examples show the difference when a unit is found where the contract rent is below the payment standard, versus when the contract rent is more than the payment standard.

Example: Contract rents versus payment standard

Voucher Size	2 bedrooms	2 bedrooms
Payment Standard (PS)	\$ 2,200	\$ 2,200
Contract Rent (CR)	\$ 2,000	\$ 2,500
Lower of Payment Standard or Contract Rent	\$ 2,065	\$ 2,200
Total Tenant Payment based on income	\$ 500	\$ 500
Max Housing Assistance Payment (Lower of PS or CR - TTP)	\$ 1,565	\$ 1,700
Tenant Rent	\$ 500	\$ 800

In the second column, the selected unit is \$300 above the Payment Standard, which is then included in the portion of the rent the participant must pay. For this reason, it is incumbent upon the public housing authority, in this instance BHP, to find a balance between managing limited resources and setting Payment Standards at a sufficient level that Voucher Participants can find housing in the marketplace without undue rent burden.

Fair Market Rents

Each year, HUD establishes what it deems to be Fair Market Rents for a given area. These rents are calculated based on the most accurate and current data available through the most recent American Community Survey conducted by the U.S. Census Bureau, locally collected survey data acquired through Address-based Mail surveys or Random Digit Dialing telephone survey data, or statistically valid information, as determined by HUD, and presented to HUD during the public comment and review period (24 CFR § 888.113). The FMRs are set at the 40th percentile rent, the dollar amount below which the rent for 40% of standard quality rental housing units fall within the FMR area. The FMR area for BHP is Boulder County.

HUD allows each housing authority to establish a payment standard that is no less than 90% and no more than 110% of FMR for their local jurisdiction. The limiting factor becomes our ability to balance program funding while maximizing the number of families we can assist and allowing the families to be competitive in the open rental market. If the PHA's payment standards are too low:

- Families may pay more in rent;
- Families may have a hard time finding acceptable units

If the payment standard is too high, the PHA may not be housing as many families as it could with its current HAP budget. Payment standards should be high enough to allow families a reasonable selection of decent, safe, and sanitary housing in a range of neighborhoods in the PHA's jurisdiction.

Based on the annual HUD FMR, the staff brings the Board a proposal for our voucher program. Every year, we try to align our payment standards with the Boulder County and Longmont Housing Authorities. The payment standards only affect tenant-based voucher holders, as rent is set at the contract level for the entire property for project-based vouchers. For 2025, BHP and BCHA are keeping the payment standards the same number as in 2024. Longmont will be reducing its payment standards to 100% of the 2025 FMR.

HUD published the FMRs for 2025 in September 2024. 2025 FMRs have actually decreased from the 2024 numbers.

The FY 2025 Boulder, CO MSA FMRs for All Bedroom Sizes

Final FY 2025 & Final FY 2024 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2025 FMR	\$1,466	\$1,702	\$2,059	\$2,704	\$3,092
FY 2024 FMR	\$1,585	\$1,823	\$2,217	\$2,898	\$3,394

The last time we saw a decrease in Fair Market Rents was in 2017. From 2017 until 2024, fair market rents have increased between 64 and 79% based on bedroom size.

	0 bed	1 bed	2 beds	3 beds	4 beds
2017 Fair Market Rents	\$ 905	\$ 1,021	\$ 1,240	\$ 1,763	\$ 2,065
2024 Fair Market Rents	\$ 1,585	\$ 1,823	\$ 2,217	\$ 2,898	\$ 3,394
Amount of increase	\$ 680	\$ 802	\$ 977	\$ 1,135	\$ 1,329
Percent increase 2017 - 2024	75%	79%	79%	64%	64%

Based on the decrease, BHP will not be increasing payment standards for 2025, as the payment standards (set at 2024 amounts) fall between 90 – 110% of the Fair Market Rents, which is the HUD requirement.

	0 bed	1 bed	2 beds	3 beds	4 beds
2024 FMRs/Payment Standards	\$ 1,585	\$ 1,823	\$ 2,217	\$ 2,898	\$ 3,394
2025 Fair Market Rents	\$ 1,466	\$ 1,702	\$ 2,059	\$ 2,704	\$ 3,092
Amount of decrease from 2024	\$ (119)	\$ (121)	\$ (158)	\$ (194)	\$ (302)
2024 PS as % of 2025 FMRs	108%	107%	108%	107%	110%

Boulder County Housing Authority will be maintaining the 2025 Payment Standards at the same level as 2024. Longmont Housing Authority will reduce their payment standards to 100% of the 2025 Fair Market rents.

Recommendation

Staff recommends that the 2025 payment remain at the same level as 2024:

	0 bed	1 bed	2 beds	3 beds	4 beds
2025 Fair Market Rents	\$1,466	\$1,702	\$2,059	\$2,704	\$3,092
2025 Payment Standards (100% of 2024 FMRs)	\$1,585	\$1,823	\$2,217	\$2,898	\$3,394

Action Requested

Approval of Resolution #2024-10 2025 Payment Standards.

RESOLUTION #2024-10

A RESOLUTION FOR THE PURPOSE OF SETTING THE 2025 PAYMENT STANDARDS EFFECTIVE JANUARY 1, 2025

WHEREAS, the Department of Housing and Urban Development (HUD) establishes the Fair Market Rents (FMR) to be used by Public Housing Authorities for the establishment of Payment Standards; and

WHEREAS, Boulder Housing Partners (BHP) uses the Payment Standard in the administration of the Housing Choice Voucher Program; and

WHEREAS, HUD allows housing authorities to establish their Payment Standard anywhere between 90% and 110% of the HUD-published FMR; and

WHEREAS, the Payment Standards were set at 100% of the FMR for 2024 effective January 1, 2024; and

WHEREAS, the 2025 FMR for the Boulder area has been established by HUD by bedroom size has decreased from 2024 Fair Market Rents: 0 Bedroom - \$1,466, 1 Bedroom - \$1,702, 2 Bedroom - \$2,059, 3 Bedroom - \$2,704, and 4 Bedroom - \$3,092; and

WHEREAS, the rental market in Boulder is very tight and we want our voucher holders to remain competitive in the market while balancing overall program funds; and

WHEREAS, Boulder Housing Partners recommends that the Payment Standards remain the same for 2025 which is 100% of the 2024 Fair Market Rents and within the allowable limits as required by HUD, effective January 1, 2025, which are the following:

	0 bedroom	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms
Payment Standard	\$ 1,585	\$ 1,823	\$ 2,217	\$ 2,898	\$ 3,394

NOW, THEREFORE, be it resolved that the Board of Commissioners adopts the above-listed Payment Standards for the Housing Choice Voucher Program effective January 1, 2025.

Adopted this 13th day of November 2024.

(SEAL)

Bob Walker
Chair, Board of Commissioners
Boulder Housing Partners
Housing Authority of the City of Boulder

ATTEST:

JEREMY DURHAM
Executive Secretary

MEMO

To: Board of Commissioners
From: Jeremy Durham, Executive Director
Will Kugel, Chief Financial Officer
Tory Livingston, Director of Finance
Date: November 12, 2024
Re: **DRAFT - 2025 Boulder Housing Partners Budget**

Section 1 - Overview

The 2025 budget is presented for review at both the Finance Committee meeting on Tuesday, November 12, and the Board Meeting on Wednesday, November 13.

The 2025 budget presentation will focus on four key areas of BHP operations, outlined below:

- **BHP Operating Budget:** Covers all central operations and activities at BHP-owned properties, including Workforce properties.
- **BHP Non-Operating and Development Activity:** Details BHP’s initiatives outside central operations, focusing on growth and development efforts.
- **Voucher Budget:** Encompasses federal and local vouchers managed by BHP, separate from the core BHP operating budget.
- **Tax Credit Budgets:** Includes budgeted amounts for each tax credit property managed by BHP.

Below are the 2025 budgeted expenses and projected revenues for each of these areas.

Activity Area	2025 Expenses	2025 Revenues
BHP Operating Activity	\$ 19,877,342	\$ 18,109,885
BHP Non Operating & Development Activity	\$ 2,778,784	\$ 21,799,751
Voucher Activity	\$ 22,480,141	\$ 22,161,720
Tax Credits	\$ 31,995,451	\$ 19,580,809 *
Totals	\$ 77,131,717	\$ 81,652,166

*Note the tax credit expenses include non-cash items (e.g., depreciation).

In 2025, BHP’s operational activities reflect an accounting loss; however, it’s important to note that overall operations remain cash flow positive. The table below provides a summary illustrating how BHP operations will achieve positive cash flow for 2025.

BHP Operations Cash Flow Estimates

2025 Budget

	2025	2024	Notes
Net Operating Income	\$ (1,767,457)	\$ (805,910)	
Adjustments to Operating Cash:			
General Adjustments			
Replacement Reserves Contribution	\$ (230,436)	\$ (365,441)	These are contributions to the replacement reserves for the workforce properties. There is no revenue or expense on the income statement, so a negative cash adjustment is needed.
Other Adjustments LIHTC Interest Earned		\$ (28,259)	
Loan Payments (BHP Properties)	\$ (971,334)	\$ (991,343)	This is a negative cash adjustment for the mortgage payment on BHP properties. (Principal Only)
2024 Revenue Maximization / Cost Savings Plans Implementation		\$ 200,000	
Allocation of Additional Cash Revenues & Contributions to Operating Fund		\$ 300,000	
Total General Adjustments	\$ (1,201,770)	\$ (885,043)	
Estimated Deferred Developer Fee Payments from LIHTCs to BHP in 2025:			
Total Deferred Development Fee Payments	\$ 2,890,955	\$ 1,068,122	
Estimated Payments on Soft Debt from LIHTC to BHP in 2025:			
Total Payments on Soft Debt	\$ 1,798,181	\$ 623,326	
Total Adjustments	\$ 3,487,366	\$ 806,405	
Cash Flow	\$ 1,719,909	\$ 495	
2025 Cash Investments and Reserve Allocations			
Additional Allocation of Fund to Insurance/Operating Reser	\$ (150,000)		Use \$150K to add to the insurance and operating reserve.
Investment in Development Equity Fund From Operations	\$ (800,000)		Estimated Amount
Investments in BHP Property Improvements	\$ (750,000)		These funds would be used for capital improvements within BHP properties or possibly loans top LIHTC properties for critical capital items.
Total Investments and Allocations of Cash	\$ (1,700,000)	\$ -	
Total Estimated Cash Flow	\$ 19,909	\$ 495	

Section 2 - Key Budget Assumptions

In building the proposed budget for 2025 the following assumptions were used.

Revenue:

- A 94% occupancy was assumed for all non-senior housing properties.
- A 95% occupancy was assumed for all senior housing properties.

Expenditures:

- A 3% BHP staffing vacancy was assumed across the organization.
- A 5% merit pool was included in the 2025 budget.
- A 1% year-end staff bonus pool was included.

Additional Properties Added to 2025 Budget:

BHP expects to be operational during 2025 for all new properties listed below.

- Hilltop Senior Living – 60 Units
- Rally Flats – 100 Units
- Hawthorn Court – 73 Units
- Golden West (Senior Units) – 253 Units

Total additional units managed for 2025 are 486 or a 30.6% increase in units managed.

FTE Levels in 2025 Budget:

For 2025, the total Full-Time Equivalent (FTE) count for BHP is set at 120.4, reflecting strategic staffing additions to support organizational growth and new responsibilities. This includes 4.0 FTE absorbed from Golden West, as BHP assumes management of that site, alongside the addition of 2.0 FTE in property management, 2.0 FTE in maintenance, 1.0 Sustainability & Capital Investment Program Coordinator, and 0.5 FTE in accounting to manage a 30% increase in units under BHP's oversight.

To enhance consistency and control over staffing, BHP has implemented a new position control tracking approach. Historically, the FTE count in the budget did not necessarily reflect vacant positions. This new tracking method will provide more consistency in reporting and allow for standardized year-to-year FTE comparisons, offering clearer insights into staffing trends and needs across the agency.

Section 3 – BHP 2025 Operating Budget

The 2025 budget presentation is designed to focus on each of the four key areas identified above. This section, along with its associated exhibits, centers on the BHP operating budget for 2025.

The summary of the 2025 operating budget is presented below and detailed in Exhibit #1. The Finance Committee will review and discuss Exhibit #1 in depth during the meeting on November 12.

BHP Budget Summary	2025 BHP Budget	2024 BHP Budget	\$ Change from 2024 to 2025	% Change from 2024 to 2025
Operations				
Total Operating Revenue	\$ 18,109,885	\$ 15,078,647	\$ 3,031,238	20.1%
Salaries and Benefits	\$ 8,252,700	\$ 7,646,927	\$ 605,772	7.9%
Total Property & Operating Costs	\$ 11,624,643	\$ 8,237,630	\$ 3,387,013	41.1%
Total Operating Expense	\$ 19,877,342	\$ 15,884,557	\$ 3,992,785	25.1%
Net Operating Income / (Loss) (Operations)	\$ (1,767,457)	\$ (805,910)	\$ (961,547)	119.3%

The operating activities within BHP include the following elements:

- **Business operations** for all 492 BHP-owned properties.

- **Central office expenses**, covering departments like human resources, finance, IT, and development.
- **Budgeted cost centers** for property management, maintenance, and resident services. A key change for 2025 is that all property management costs are now budgeted centrally within BHP. Monthly allocations will be made to each BHP-managed property, shifting away from previous years when not all property management expenses were centrally budgeted.

Section 4 – BHP 2025 Non-Operating and Development Budget

The summary of the 2025 operating budget is presented below and detailed in Exhibit #2. The Finance Committee will review and discuss Exhibit #2 in depth during the meeting on November 12.

BHP Budget Summary	2025 BHP Budget	2024 BHP Budget	Change from 2024 to 2025	% Change
Non-operating and Development				
Development Fees	\$ 5,277,781	\$ 2,748,208	\$ 2,529,573	92.0%
Interest Income	\$ 5,621,970	\$ 4,249,862	\$ 1,372,109	32.3%
Non-Federal Capital Grants & Donations	\$ 10,900,000	\$ 9,118,333	\$ 1,781,667	19.5%
Depreciation & Amortization	\$ (2,333,784)	\$ (2,430,813)	\$ 97,030	-4.0%
Non-Capital Reserve Spending	\$ (180,000)	\$ (679,877)	\$ 499,877	-73.5%
PreDevelopment costs	\$ (265,000)	\$ (265,000)	\$ -	0.0%
Total Non-Operating Contribution (Use)	\$ 19,020,968	\$ 12,740,712	\$ 6,280,256	49.3%

The non-operating activity within the BHP encompasses the following items and activities:

- Non-cash items like depreciation and amortization costs,
- Developer fee revenue earned by BHP for tax credit developments,
 - For 2025 developer fee revenue breakdown is as follows:
 - \$1,348,781 – Hawthorn Court
 - \$3,929,000 – Rally
 - **Total: \$5,277,781**
- Interest income earned from BHP loans to tax credit properties,
- One-time property transactions (e.g., sale of property)
- Non-federal grants to BHP that are then loaned into a tax credit partnership. (Development Activity)
 - \$9,000,000 City of Boulder Affordable Housing Fund – Rally Flats
 - \$1,400,000 City of Boulder – 34th Street (formerly Orchard Grove)
 - \$500,000 Boulder County – 34th Street
 - **Total: \$10,900,000**
- Spending on non-capital items from existing BHP reserves.
- Pre-development spending on potential new tax credit projects. (Development Activity)

Section 5 – BHP 2025 Voucher Budget

The summary of the 2025 operating budget is presented below and detailed in Exhibit #3. The Finance Committee will review and discuss Exhibit #3 in depth during the meeting on November 12.

For all non-federal voucher spending, estimated expenditures are expected to align with the projected awards for 2025. In contrast, spending on federal vouchers is anticipated to exceed federal awards in 2025. To cover this shortfall, BHP will utilize HUD-held reserves. BHP currently holds a substantial HUD reserve balance of approximately 2.3MM, ensuring sufficient coverage for any expenditures that exceed the award.

BHP Budget Summary	2025 BHP Budget	2024 BHP Budget	\$ Change from 2024 to 2025	% Change from 2024 to 2025
Voucher Programs				
Total Voucher Revenue	\$ 22,161,720	\$ 19,263,461	\$ 2,898,259	15.0%
Total Voucher Expenses	\$ 22,480,141	\$ 19,587,056	\$ 2,893,084	14.8%
Net Operating Income / (Loss) (Voucher Programs)	\$ (318,421)	\$ (323,595)	\$ 5,175	-1.6%

Section 6 - 2025 Tax Credit Budgets

At the end of 2025 BHP will be the general partner and .01% owner of the following thirteen Tax Credit entities:

Tax Credit Properties	
30Pearl	120 (units)
Boulder Communities	279
Broadway West	26
Canopy	41
Canyon Pointe (West End)	82
Ciclo	38
Glen Willow (West End)	34
HighMar	59
Lee Hill	31
Madison	33
Palo Park	35
Red Oak Park	59
Tantra	185
Westview	34
Woodlands	35
Tax Credit Total	1091

Additional Units added to BHP management in 2025:

Tax Credit Properties (New in 2025)	
Golden West	253 (units)
Hilltop Senior	60
Rally	100
Hawthorn Court	73
Tax Credit (New) Total	486

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:

- An average vacancy rate of 5.7% is budgeted for 2025.
- Rents were budgeted with an average increase of 1.8%.
- Overall insurance increased about \$148K or 13% overall; Property insurance accounted for approximately 7% of this increase and General Liability + the associated Umbrella policies increased about 40% for the Tax Credit entities.

A detailed budget for each property is included as Exhibit #4. These properties are separate legal entities and therefore never consolidated into the financial statements of BHP.

Section 7 - BHP 2025 Budget - Cash Flow

A vital component of the 2025 BHP budget process is the careful monitoring of cash flow across all activity centers, including operations and voucher programs. The 2025 Budget is structured to optimize cash flow in each area, ensuring that reserves are accessed strategically when needed. Below is a summary table of the projected cash flow for operations and voucher activities, with further details available in Exhibit #5.

BHP Cash Flow Summary		
	2025 Budget	2024 Budget
Operations Activities (Details in Exhibit #5)	\$ 19,909	\$ 495
Voucher Program Activities (Details in Exhibit #3)	\$ (318,421)	\$ (323,595)

Cash Flow:

BHP places a high priority on cash flow for all aspects of the organization. Below are some highlights on cash flow.

- BHP Operations Cash Flow
 - As seen in exhibit #5, the cash flow for operations based on the 2025 budget is essentially neutral. This was a planned approach for the 2025 budget. As seen in the detailed schedule, BHP is generating operating cash in 2025 of over \$1.7MM, before additional planned investments. BHP is planning to use the cash available in 2025 to invest in existing BHP properties via capital improvements, contribute the development equity funds, and add \$150K to the insurance reserve.
- Voucher Programs
 - The voucher program is planning to access HUD held reserves in 2025 to meet all budgeted needs. BHP has a significant amount of HUD held reserves (HAP) of approximately \$2.3MM to offset any spending beyond the federal awards for 2025. We do not have a federal award amount for 2025 at this point in time, so all amounts associated with federal funding are estimates at this point in time.

- Non-operating & Development
 - Non-Operating and Development activity has no impact on operating cash flow and is largely non-cash or pass-through transactions. Any developer fees received (not earned) are placed in the Development Equity Fund.

Section 8 - Critical Notes & Discussion Points for BHP 2025 Budget

This section highlights a number of key items in the 2025 budget. These items are intended to be discussion points during the 2025 budget process.

Operations:

- Utilities – BHP includes in utilities water, sewer, storm drain, electricity and gas. The 2025 budget reflects a \$27K increase, or approximately 4.4%, compared to the 2024 budget, which is in line with expected rate increases.
- Insurance costs – BHP has budgeted \$617K in insurance premiums for 2025, which is an \$45K or 8% increase from 2024. The main contributors to the increase were:
 - Property - \$18K or 6%
 - Excess property - \$4K or 11%
 - General Liability - \$36K or 44%
 - Flood - \$1K or 11%
 - Auto - \$16K reduction or 25%.
- Selected cost drivers for BHP operations:
 - HOA fees are expected to increase an average of 12% or \$46K for the 4 BHP properties with an HOA.
 - Maintenance labor and materials budget increased \$126K or 15%, dedicating costs to routine maintenance items handled by our internal team.
 - BHP anticipates an increase in software costs of \$65K and Network Consulting for Wi-Fi and door access systems of \$30K. These combined items result in a 49% increase over 2024.
 - Community events budget for 2025 is \$21K higher due to increased emphasis on enrichment activities to include our senior sites. This is a 68% increase.
 - Office supply budget was increased by \$41K in 2025, or 87%, to align with increase in expected headcount and onsite personnel.

Tax Credit Events in 2025:

- Mount Calvary dba Hilltop (60 units) - construction completion expected in December 2024. Lease up/stabilization phase of operations expected to begin first quarter of 2025. Permanent loan conversion is expected in late spring of 2025. Estimated developer fee to be earned and received in 2025 is \$1,309,263.
- Rally Flats (100 units) – construction completion expected in early spring of 2025. Lease up/stabilization phase of operations expected to begin early spring of 2025. Estimated developer fee to be earned in 2025 is \$3,929,000. Estimated developer fee to be received in 2025 is \$2,148,316.
- Hawthorn Court (73 units) – construction completion expected fall of 2025. Lease up/stabilization phase of operations expected to begin in the last quarter of 2025. Estimated developer fee to be earned in 2025 is \$1,348,781. Estimated developer fee to be received in 2025 is \$458,000.
- Golden West (253 units) – general partner assignment to be completed before 2025.

Public Housing:

- BHP is expecting to sell the Arapahoe Court site in 2025. This will end public housing units within the BHP portfolio. BHP has budgeted an estimated \$2.5M gain on sale associated with this disposal.

Section 9 – Questions for the Board

- Budget Assumptions (Section 2) – **Does the board have any feedback on the budget assumptions outlined in section 2 of this document?**
- Operating Cash Requirement – **Does the Board support Operating Cash target of \$2,750,000 and Replacement Reserve target of \$3,500 per unit consistent with prior years?**
- Insurance Reserve – **Does the Board support continuing the separate Insurance Reserve that currently with \$1,000,000 to mitigate risk due to higher insurance deductibles.**

List of Attachments

Exhibit #1	BHP 2025 Operating Budget
Exhibit #2	BHP Non-operating and Development Budget
Exhibit #3	BHP 2025 Voucher Budget
Exhibit #4	2025 Tax Credits Budgets
Exhibit #5	BHP Operations Cash Flow
Exhibit #6	Moving to Work
Exhibit #7	Non-MTW Voucher Programs
Exhibit #8	BHP Workforce Properties
Exhibit #9	BHP Organization Debt Summary
Exhibit #10	BHP Reserves Information

Exhibit #1 - BHP 2025 Operating Budget

Boulder Housing Partners
Statement of Activities
2025 vs 2024 Budget

	2025 Budget	2024 Budget	Variance \$	% Var	Comments
OPERATIONS					
REVENUE (Excludes HAP)					
Operations Revenue					
Tenant Dwelling Rental	\$ 9,077,386	\$ 9,088,491	\$ (11,105)	0%	2025 budget includes \$8,500 for rental concessions (reduction of revenue) vs 2024 at \$0; Arapahoe Court: 2025 \$0 vs 2024 \$20K
HUD-Operating Subsidy	4,500	4,500	-	0%	
Total Operations Revenue	9,081,886	9,092,991	(11,105)	0%	
Fee Revenue					
Property Mgmt & Asset Mgmt Fees	621,228	609,319	11,908	2%	
Mgmt Fees - Tax Credits	1,875,246	1,582,910	292,337	18%	2025 includes new LIHTCs, Hilltop, Rally Flats and Hawthorn Court
Resident Service Income	484,610	489,242	(4,631)	-1%	
Total Fee Revenue	2,981,084	2,681,471	299,614	11%	
Grants and Subsidies					
Non Federal Grants and Donations	112,392	144,998	(32,606)	-22%	Bcycles grant \$0 2025, \$15K 2024; \$18K of local voucher payments budgeted here for 2024
Other Revenue					
Tenant Fees and Utility Reimbursements	143,933	215,254	(71,321)	-33%	Billing Service Utilities budgeted \$95K lower due to gross rents change; work order charges budgeted \$14K higher to align with 12 month trailing actuals
Bank Deposit Interests	178,460	179,217	(757)	0%	
Maint Charges to Prop	5,541,464	2,672,744	2,868,720	107%	2025 budget includes allocation of zpm salaries to properties, compared to \$0 for 2024
Miscellaneous Revenue	70,666	91,973	(21,307)	-23%	\$20K difference is IT allocation to properties, excluded in 2025
Total Other Revenue	5,934,523	3,159,187	2,775,336	88%	
Total Operating Revenue	18,109,885	15,078,647	3,031,238	20%	

	2025 Budget	2024 Budget	Variance \$	% Var	Comments
EXPENSES (Excludes HAP)					
Salaries and Benefits					
Salaries and Benefits	11,912,254	8,252,700	3,659,555	44%	Primary increase is related to PM cost center is now included in the BHP budget. This is a change in approach to ensure 100% costs are visible at their BHP level. Also incremental increases related to headcount, and merit increases.
Property Costs					
Maintenance Materials	317,490	233,172	84,318	36%	Estimated costs based on actual spending in 2024.
Contract Labor & Repairs	980,617	913,706	66,911	7%	
BHP Contract Labor	646,974	781,949	(134,976)	-17%	By adding more properties the costs allocated to BHP properties (Workforce) will decrease.
Extraordinary Expense	4,500	16,392	(11,892)	-73%	
Trash and Recycling	134,587	128,887	5,700	4%	
Utilities	670,156	642,176	27,980	4%	
PILOT & HOA Fees	424,725	380,788	43,937	12%	Estimated HOA increases for BHP propewrties in 2025.
Total Property Costs	3,179,048	3,097,071	81,977	3%	2025 budget represents 12 months trailing actuals
Other Operating Expenses					
Consultants & Contract Labor	214,576	205,729	8,847	4%	
Dues and Fees	92,124	95,362	(3,238)	-3%	
Software & Expendable Equipment	442,667	451,901	(9,234)	-2%	
Insurance Expense	602,214	561,318	40,897	7%	
Interest Expense	9,080	8,831	249	3%	
Legal	82,723	71,000	11,723	17%	
Mileage & Vehicle Expense	199,250	193,563	5,687	3%	
Miscellaneous - Expense	640,467	285,690	354,777	124%	Budget amount was increased to account for unexpected and unforeseen costs in 2025. A decrease in the non-operating budget for non-capital reserve funding is decreased to allow for the increase in this area.
Mortgage Interest Expense	1,578,927	1,618,655	(39,727)	-2%	
Bond Fees	7,952	78,439	(70,487)	-90%	Very few expected fees expected in 2025.
Office Supplies & Other Administrative Expenses	104,389	58,241	46,148	79%	2025 amounts based on current spending levels.
Phone, Printing & Postage Expense	155,798	210,808	(55,010)	-26%	2025 amounts based on current spending levels.
Property Mgmt & Asset Mgmt Fees	499,715	501,138	(1,424)	0%	
Resident Services Fees	27,456	30,116	(2,660)	-9%	
Staff Training	128,700	148,996	(20,296)	-14%	

	2025 Budget	2024 Budget	Variance \$	% Var	Comments
Sustainability Grant Expense	-	15,000	(15,000)	-100%	No grant expected in 2025.
Total Other Operating Costs	4,786,040	4,534,787	251,253	6%	2025 budget represents 12 months trailing actuals
Total Operating Expenses	19,877,342	15,884,557	3,992,785	25%	
Net Operating Income; Property Mgmt	(1,767,457)	(805,910)	(961,547)	119%	

Exhibit#2 - BHP Non-operating and Development Budget

	2025 Budget	2024 Budget	Variance \$	% Var	Comments
Non-Operating Income (Expense)					
Development Fees	5,277,781	2,748,208	2,529,573	92%	This budget will change from year to year depending on when developer fee revenue is earned. Note not all fees earned in this category are cash in the door to BHP.
Interest Income	5,621,970	4,249,862	1,372,109	32%	2025 budget includes soft debt interest income on Rally Flats and Hawthorn Court
Non-Federal Capital Grants & Donations	10,900,000	9,118,333	1,781,667	20%	2025 includes one-time grants for Rally Flats and 34th Street; 2024 included Hawthorn Court and gain on sale of Arapahoe Court
Federal Capital Grants	-	-	-		
Depreciation & Amortization	(2,333,784)	(2,430,813)	97,030	-4%	2025 budget set to expected spending levels. Also some of
Non-Capital Reserve Spending	(180,000)	(679,877)	499,877	-74%	this budget has been moved to Misc. operating costs for 2025.
PreDevelopment costs	(265,000)	(265,000)	-	0%	
Total Non-Operating Income (Expense)	19,020,968	12,740,712	6,280,256	49%	

Exhibit #3 - BHP 2025 Voucher Budget

	2025 Budget	2024 Budget	Variance \$	% Var	Comments
Voucher Programs; Federal & Local					
Housing Assistance Programs (HAP):					
Voucher Revenue					
HCV - HAP Revenue	18,954,456	16,307,115	2,647,341	16%	2024 was under budgeted making the increase for 2025 appear large.
Federal Service Grants & Local Voucher Funding	1,690,884	1,544,570	146,314	9%	
Total Voucher Revenue	20,645,340	17,851,685	2,793,655	16%	2025 budget represents 12 months trailing actuals
Voucher Expenses					
HCV-HAP Expense	18,954,456	16,334,475	2,619,981	16%	\$18K of local voucher payments budgeted here for 2025
Federal Service Grant Expense & Local Voucher	1,690,884	1,526,570	164,314	11%	
Total Voucher expense	20,645,340	17,861,045	2,784,295	16%	2025 budgeted revenue equals expense
HAP - Net Operating Income	-	(9,360)	9,360	-100%	
Admin program:					
Admin Revenue					
HCV-HAP Admin Fees	1,516,380	1,411,776	104,604	7%	2025 budgeted revenue equals expense
Admin Expenses					
Salaries and Benefits	1,189,439	1,173,832	15,607	1%	2025 includes \$83K of Yardi software costs
Management Fees	419,196	414,468	4,728	1%	
HQS Inspections	48,000	48,000	-	0%	
Other Admin Expenses	178,165	89,711	88,454	99%	
Total Admin expense	1,834,801	1,726,011	108,789	6%	
Admin - Net Operating Income	(318,421)	(314,235)	(4,185)	1%	
Net Operating Income; Voucher & Admin programs	(318,421)	(323,595)	5,175	-2%	

Exhibit #5 - BHP Operations Cash Flow 2025 Budget

	2025	2024	Notes
Net Operating Income	\$ (1,767,457)	\$ (805,910)	
Adjustments to Operating Cash:			
General Adjustments			
Replacement Reserves Contribution	\$ (230,436)	\$ (365,441)	These are contributions to the replacement reserves for the workforce properties. There is no revenue or expense on the income statement, so a negative cash adjustment is needed.
Other Adjustments LIHTC Interest Earned		\$ (28,259)	
Loan Payments (BHP Properties)	\$ (971,334)	\$ (991,343)	This is a negative cash adjustment for the mortgage payment on BHP properties. (Principal Only)
2024 Revenue Maximization / Cost Savings Plans Implementation		\$ 200,000	
Allocation of Additional Cash Revenues & Contributions to Operating Fund		\$ 300,000	
Total General Adjustments	\$ (1,201,770)	\$ (885,043)	
Estimated Deferred Developer Fee Payments from LIHTCs to BHP in 2025:			
Deferred Developer Fee - Boulder Communities	\$ 604,177	\$ 267,217	These are deferred developer fees paid via cash flow from the LIHTCs.
Deferred Developer Fee - Palo	\$ 47,879	\$ 67,247	
Deferred Developer Fee - Canopy	\$ 129,413		
Deferred Developer Fee - Ciclo	\$ -	\$ 2,538	
Deferred Developer Fee - 30Pearl	\$ 254,900	\$ 212,181	
Deferred Developer Fee - MadisonWoods	\$ 426,164	\$ 63,636	
Deferred Developer Fee - Tantra	\$ 542,246	\$ 391,082	
Deferred Developer Fee - Boulder Communities (Interest)	\$ 13,728	\$ 16,133	
Deferred Developer Fee - HighMar (Interest)		\$ 634	
Deferred Developer Fee - Palo (Interest)	\$ 589	\$ 1,298	
Deferred Developer Fee - Canopy (Interest)	\$ 3,487	\$ 2,317	
Deferred Developer Fee - 30Pearl (Interest)	\$ 16,728	\$ 15,702	
Deferred Developer Fee - MadisonWoods (Interest)	\$ 42,155	\$ 28,137	
Deferred Developer Fee - Tantra (Interest)	\$ 9,489	\$ -	
Deferred Developer Fee - Golden West	\$ 800,000	\$ -	
Total Deferred Development Fee Payments	\$ 2,890,955	\$ 1,068,122	
Estimated Payments on Soft Debt from LIHTC to BHP in 2025:			
Payment on Debt to BHP (Principal) - Broadway West	\$ 100,551	\$ 69,795	This is interest and principal payments paid to BHP on soft debt from the LIHTCs paid via annual cash flow calculation.
Payment on Debt to BHP (Principal) - Red Oak Park	\$ 22,127	\$ 12,880	
Payment on Debt to BHP (Principal) - West View	\$ 49,025	\$ 76,578	
Payment on Debt to BHP (Principal) - Lee Hill	\$ 207,123	\$ 39,663	
Payment on Debt to BHP (Principal) - West End	\$ 180,023	\$ -	
Payment on Debt to BHP (Principal) - Tantra	\$ 220,945	\$ -	Dev Def Loan (ARPA)
Payment on Debt to BHP (Interest) - Red Oak Park	\$ 38,453	\$ 40,073	
Payment on Debt to BHP (Interest) - WestView	\$ 10,580	\$ 28,155	
Payment on Debt to BHP (Interest) - High Mar	\$ 186,083	\$ 154,295	
Payment on Debt to BHP (Interest) - West End	\$ 468,306	\$ 201,887	
Payment on Debt to BHP (Interest) - Tantra	\$ 314,965	\$ -	Dev Def Loan (ARPA) + BHP Note
Total Payments on Soft Debt	\$ 1,798,181	\$ 623,326	
Total Adjustments	\$ 3,487,366	\$ 806,405	
Cash Flow	\$ 1,719,909	\$ 495	
2025 Cash Investments and Reserve Allocations			
Additional Allocation of Fund to Insurance/Operating Reserve	\$ (150,000)		Use \$150K to add to the insurance and operating reserve.
Investment in Development Equity Fund From Operations	\$ (800,000)		Estimated Amount
Investments in BHP Property Improvements	\$ (750,000)		These funds would be used for capital improvements within BHP properties or possibly loans top LIHTC properties for critical capital items.
Total Investments and Allocations of Cash	\$ (1,700,000)	\$ -	
Total Estimated Cash Flow	\$ 19,909	\$ 495	

Exhibit #6 – Moving to Work

6.1 General Description

MTW is currently composed of 959 Housing Choice Vouchers, 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.

6.2 Financial Summary

MOVING TO WORK PROGRAMS	Public Housing/CFP	S8 HCVP	MTW Admin	2025 Total Budget	Rolling 12 months actuals; Jun 2023 - May 2024	Diff
Total Rental/HAP Income	4,500	\$ 14,180,226	\$ 50	\$ 14,184,776	\$ 12,888,693	\$ 1,296,083
Total Expenses	(58,815)	\$ (14,493,027)	\$ -	\$ (14,551,841)	\$ (12,543,845)	\$ (2,007,996)
Net Income (Loss)	(54,315)	(312,801)	50	(367,065)	344,847	(711,913)
Adjustments for Cash Basis						
Plus:						
Amortization & Depreciation	9,537	\$ -	\$ -	\$ 9,537	\$ -	\$ 9,537
Capital Grants	-	\$ -	\$ -	\$ -	\$ -	\$ -
MTW Reserves	-	\$ -	\$ -	\$ -	\$ -	\$ -
Less:						
Fixed Asset Expenditures	-	\$ -	\$ -	\$ -	\$ -	\$ -
Net Operating Transfers	-	\$ -	\$ -	\$ -	\$ (735,871)	\$ 735,871
Net Increase (Decrease) to Cash	(44,777)	\$ (312,801)	\$ 50	\$ (357,528)	\$ (391,024)	\$ 33,496

6.3 Budget Assumptions

- Housing Choice Voucher Housing Assistance Payments (HAP) funding based on 2024 budget authority and forecasted HAP expense for 2025.
- Housing Choice Voucher administrative fee funding based on estimated vouchers leased and an assumption of 90% proration of published rates based on HUD notices.

Exhibit #7 – Non-MTW Voucher Programs
7.1 General Description

Non MTW Voucher Programs	Vouchers
Mainstream	188
NED	181
EHV	25
Housing First *	22
City of Boulder	48
Total Non-MTW Vouchers: (exclude Housing First)	442
Non MTW Grants	Grant \$
CoC Consolidated Grant *	\$ 669,013

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

7.2 Financial Summary

NON-MTW VOUCHER AND GRANT PROGRAMS	2025 Total	Rolling 12 months actuals; Jun 2023 - May 2024	Diff
Total Revenue	\$ 7,987,198	\$ 7,595,481	\$ 391,717
Total Expenses	\$ (7,987,114)	\$ (7,551,301)	\$ (435,813)
Net Income (Loss)	\$ 84	\$ 44,180	\$ (44,096)
Net Increase (Decrease) to Cash	\$ 84	\$ 44,180	\$ (44,096)

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 to offset administrative fees earned. They are projected to operate at net zero income and cash flow for 2025. 2024’s actuals reflect a positive \$44,180 impact on cash due to the funding of the Mainstream programs.
- HCV-HAP Non-MTW funding increased over the actuals presented due budgeted 3% rent increase.
- Administrative fees decreased due to the decreased number of EHV vouchers, and Mainstream has overfunded admin fee for actuals.
- Service grant funding is consistent with 2024’s actuals for the CoC Consolidated grant program.

Exhibit #9 – 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 @ 12/31/2024	Annual Debt service 2025
**Arap East, Dak Ridge, Midtown, Sanitas Pl, Twin Pines	3.30%	4/1/2031	\$ 7,200,000	\$ 6,777,969	\$ 349,530
***Hayden Pl, Whittier	3.85%	7/1/2027	\$ 1,436,265	\$ 1,246,031	\$ 98,070
Hayden Place 2	4.20%	8/1/2027	\$ 600,000	\$ 502,174	\$ 35,524
Cedar & Casey	3.25%	2/1/2028	\$ 2,449,358	\$ 2,161,119	\$ 117,887
Foothills	3.25%	8/31/2028	\$ 7,000,000	\$ 5,133,161	\$ 367,411
Trout Farms	3.97%	6/1/2029	\$ 3,362,052	\$ 3,150,023	\$ 182,647
Bridgeway	3.86%	4/1/2032	\$ 23,460,000	\$ 20,686,628	\$ 1,224,859
Vistoso	4.79%	12/1/2047	\$ 600,000	\$ 526,867	\$ 38,086
Broadway East	Variable	9/1/2024	\$ 1,715,000	\$ -	\$ -
Holiday	3.67%	7/1/2031	\$ 2,720,000	\$ 2,582,493	\$ 139,167
		Totals	\$ 50,542,675	\$ 42,766,465	\$ 2,553,181

* BHP also has a line of Credit with FirstBank for \$10 million at a rate of 6.75% collateralized by the office building at 4800 Broadway and 3300 Penrose Place. The LOC matures 4/1/2026.

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.

Exhibit #8 – BHP Workforce Properties
8.1 General Description

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

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
Bridgewalk	123	Vistoso	15
Broadway East	44	Whittier Apts	10
Dakota Ridge	13	Hayden Place 1&2	30
Foothills	74	TOTAL:	492

Financial Summary

BHP Workforce Budget	2025 BUDGET Workforce	Rolling 12 months actuals; Jun 2023 - May 2024	Change in Income Increase (Decrease)	%
Operating Revenue	\$ 9,221,319	\$ 9,216,849	\$ 4,470	0%
Operating Expenses	\$ (4,702,569)	\$ (4,483,776)	\$ (218,793)	5%
Operating Transfers to COCC	\$ -		\$ -	0%
Net Operating Income	\$ 4,518,750	\$ 4,733,073	\$ (214,323)	-5%
Capital Grants	\$ -	\$ -	\$ -	0%
Interest Income	\$ 48,732	\$ 103,648	\$ (54,917)	-53%
Depreciation Expense	\$ (2,108,759)	\$ (2,050,828)	\$ (57,930)	3%
Non Capital Reserve Spending	\$ (180,000)	\$ (11,031)	\$ (168,969)	
Mortgage and Other Interest Expense	\$ (1,588,008)	\$ (1,714,946)	\$ 126,938	-7%
Gain (Loss) on Sale of Capital Assets	\$ -	\$ (243,637)	\$ 243,637	-100%
Total Non-Operating Rev/Exp	\$ (3,828,035)	\$ (3,916,793)	\$ 88,759	-2%
Net Income	\$ 690,715	\$ 816,279	\$ (125,564)	-15%
Adjustments to Operating Cash				
Plus:				
Amortization & Depreciation	\$ 2,108,759	\$ 2,050,828	\$ 57,930	3%
Non Capital Expenditures funded by Reserves	\$ 180,000	\$ 11,031	\$ 168,969	
Less:			\$ -	
Fixed Asset Expenditures	\$ -	\$ -	\$ -	0%
Gain (loss) on Sale of Assets; Bluff non cash	\$ -	\$ 243,637	\$ (243,637)	
Replacement Reserves Funding	\$ (181,116)	\$ (181,116)	\$ -	0%
Debt Principal	\$ (971,334)	\$ (969,804)	\$ (1,530)	0%
Contribution to Operating Cash	\$ 1,827,024	\$ 1,970,855	\$ (143,831)	-7%

The Workforce portfolio is showing a budgeted net income of \$690,715 and a positive cash contribution after adjustments for depreciation, debt principal payments, and reserve funding from cash flow of \$1,827,024.

8.2 Budget Assumptions

- The rolling 12 months actuals reflects no new acquisitions of units identified at this time.

Affordable Units:

- Rent increases at affordable units reflect a range of increase from 1% to 3%. Note this is related to both general increase to rents and the move to the higher payment standards.

Market-Rate Units:

- Currently, Boulder Housing Partners operates 142 market-rate rental units spread over 4 properties. Rent increases for market-rate units are budgeted at 1% - 3%. Each 1% increase produces approximately \$56,000 in revenue. Accordingly, a 5% increase produces approximately \$280,000.

All Units:

- The projected overall net increase to operating revenue of \$4,470 as compared with trailing 12 months actuals. This amount includes market rate increases.
- Vacancy Loss
 - All affordable units are projected at an average of 6% vacancy.
 - Market-Rate units are budgeted at 6%, consistent with our operating history and a relatively conservative projection in this market.

Exhibit #10 – BHP Reserves Information

10.1 BHP Operating Reserves

BHP Operating Reserves - Unrestricted	2025 Budget	2026 Projected	2027 Projected	2028 Projected	2029 Projected
Operating Reserves - Projected Beginning Balance	\$ 3,962,586	\$ 3,982,495	\$ 4,007,495	\$ 4,032,495	\$ 4,057,495
Sources:					
Cash Surplus/Deficit from Operations	\$ 19,909	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Total Sources	\$ 19,909	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Uses:					
Total Uses	\$ -	\$ -	\$ -	\$ -	\$ -
Balance - End of Year	\$ 3,982,495	\$ 4,007,495	\$ 4,032,495	\$ 4,057,495	\$ 4,082,495
Designations:					
Board Designated Reserve	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000	\$ 2,750,000
Surplus /(Deficit) vs Reserve Goal	\$ 1,232,495	\$ 1,257,495	\$ 1,282,495	\$ 1,307,495	\$ 1,332,495

BHP recommends maintaining operating reserves at \$2,750,000 based on the 2025 operating budget which provides greater than 2 months of operating cash for BHP.

10.2 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:

2025	\$ 3,915,579
2026	\$ 7,421,462

10.3 Replacement Reserves

BHP Replacement Reserves - Unrestricted	2025 Budget	2026 Projected	2027 Projected	2028 Projected	2029 Projected
Projected Beginning Balance	\$ 4,153,245	\$ 3,607,361	\$ 3,586,477	\$ 3,565,593	\$ 3,544,709
Sources:					
Capital Reserve addition; Tax Credit cash flow	\$ 750,000	\$ 600,000	\$ 200,000	\$ 200,000	\$ 200,000
Replacement Reserves - Workforce Properties	\$ 181,116	\$ 181,116	\$ 181,116	\$ 181,116	\$ 181,116
Replacement Reserves - COCC	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000	\$ 48,000
Total Sources	\$ 979,116	\$ 829,116	\$ 429,116	\$ 429,116	\$ 429,116
Uses:					
Capital Needs - Workforce Properties (estimate)	\$ 1,500,000	\$ 800,000	\$ 400,000	\$ 400,000	\$ 400,000
Capital Needs - COCC (estimate)	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Uses	\$ 1,525,000	\$ 850,000	\$ 450,000	\$ 450,000	\$ 450,000
Balance - End of Year	\$ 3,607,361	\$ 3,586,477	\$ 3,565,593	\$ 3,544,709	\$ 3,523,825
Designations:					
Board Designated Reserve	\$ 1,722,000	\$ 1,813,000	\$ 1,813,000	\$ 1,813,000	\$ 1,813,000
Surplus /(Deficit) vs Reserve Goal	\$ 1,885,361	\$ 1,773,477	\$ 1,752,593	\$ 1,731,709	\$ 1,710,825

Our current funding levels averaging \$368 per unit per year for 2025. 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 2025.

10.4 MTW Operating Reserves

MTW Operating Reserves (restricted to MTW)*	2025 Budget	2026 Projected	2027 Projected	2028 Projected	2029 Projected
MTW Operating Reserve - Beginning Balance	\$ 159,860	\$ 110	\$ 110	\$ 110	\$ 110
Sources: HUD held fund	\$ 133,000	\$ 80,000	\$ 80,000	\$ 80,000	\$ 80,000
Net 2025 Operating budget	\$ (312,751)	\$ (100,000)	\$ (100,000)	\$ (100,000)	\$ (100,000)
Total Sources	\$ (179,751)	\$ (20,000)	\$ (20,000)	\$ (20,000)	\$ (20,000)
Uses:					
Funding Landlord Initiatives	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Total Uses	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Balance - End of Year	\$ 110	\$ 110	\$ 110	\$ 110	\$ 110

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 \$159,860. Attrition of approximately \$100,000 will be used annually after the disposition of public housing, due to the elimination of Capital Funds Program that currently supports the MTW program expenses. In addition, BHP has HUD held reserves (HAP) of approximately \$2.8MM. BHP can use these funds to supplement HAP payments beyond annual award levels.

10.5 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 2024.

- \$460,230 in tenant security deposits fluctuates per resident move-ins or move-outs and property acquisitions.
- \$329,682 for non-MTW voucher programs (NED /Mainstream/COB) funds which can only be used for housing assistance payments:
 - The COB prepaid a full year of funds \$1,021,875 in 2024 and we anticipate the same funding to occur in 2025. As of September 2024, \$300,855 funds remain from the 2024 prepayment.
 - NED (non-Elderly Disabled) and Mainstream programs; These programs are overspent by \$43,433 HAP expense in excess of revenue. This typical timing for HUD to fund HAP at the current spend levels.

10.6 Insurance Reserve: 2024 - \$865,862

Natural disasters continue to drive insurance industry economics, resulting in higher premium costs. To mitigate the risk of the higher deductibles, including \$25,000 deductible for Property, \$100,000 deductible for General Liability policies, a \$25,000 deductible for Pollution policy, \$100,000 deductible for meth and mold, and a 2% of replacement value for wind/hail events, we have established this Insurance Reserve.

This reserve has been funded by Operating Reserves, Development Equity Reserves, and one-time cash flow from Tax Credit entities transitioning from BHP ownership to Tax Credit ownership with a period of time where no principal payments are due on the mortgage.

Expenditures: an estimated \$150,000 annual depletion per year from this reserve has been planned. BHP will continue to fund this reserve out of one-time cashflow and positive budget variances each year.

Upcoming Conference & Training 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 as great opportunities for learning and networking in your role as Commissioners. Please submit your training request to our Board Chair, Commissioner Walker, 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 offerings by the National Association of Housing and Redevelopment Officials (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.

Housing Colorado

- [Annual Conference](#) Oct 14-17, 2025 Keystone, CO

NAHRO

- [2025 Washington Conference](#) Mar 10-12, 2025 Washington, DC
- [2025 Summer Symposium](#) July 17-18, 2025 New York, NY
- [National Conference](#) Sept 28-30, 2025 Phoenix, AZ

NAHRO Professional Development

- [Commissioner's Corner](#) Nov 19, 2024 Online
- [Guide to Monitoring and Oversight](#) Dec 3, 2024 Online
- [Advocacy for Commissioners](#) Dec 11, 2024 Online

NeighborWorks

- [Training Institute](#) TBA TBA

PHADA (Public Housing Authorities Directors Association)

- [2025 Commissioners' Conference](#) Jan 5-8, 2025 Miami, FL
- [2025 Annual Convention & Exhibition](#) May 13-16, 2025 Seattle, WA

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 an approximate timeline.

	<u>Anticipated Date</u>
• Lee Hill Annual Report & Good Neighbor Statement of Operations	December 2024
• Sustainability Presentation	December 2024
• 2025 Final Budget Approval	December 2024
• Board Elections	December 2024
• Arapahoe Court Sale	4 th Quarter 2024
• Partnership Awards	March 2025
• Update from Kurt Firnhaber, Housing and Human Services Director	1 st Quarter 2025
• Partnership Awards	June 2025
• Moving to Work Annual Proposed Activities	June 2025
• Moving to Work Annual Report	2 nd Quarter
• Moving to Work Annual Plan - Draft	September 2025
• Partnership Awards	October 2025
• Moving to Work Annual Plan - Final	October 2025
• 2026 Payment Standards	November 2025
• Climate Resiliency	As Time Allows
• Tax Credit Exits and Reinvestment	As Time Allows
• Unit Turn Process	As Time Allows

2024

Boulder Housing Partners Commissioners' Calendar

Date	Group	Time
JANUARY	BOARD RECESS	-----
Mon. February 12	Development Committee (as needed)	4:00-5:00
Wed. February 14	Board Meeting	9:00-11:30
Mon. March 11	Finance Committee – 2023 Financials Review	3:00-4:00
Mon. March 11	Development Committee (as needed)	4:00-5:00
Wed. March 13	Board Meeting	9:00-11:30
Thurs. March 14	NPG Committee	2:00-3:30
Wed. April 10	Board Retreat	9:00-3:30
Wed. May 1	NPG Committee	3:30-5:00
Mon. May 13	Finance Committee –Financials Review	3:00-4:00
Mon. May 13	Development Committee (as needed)	4:00-5:00
Wed. May 15	Board Meeting	9:00-11:30
Wed. June 6	NPG Committee	3:30-5:00
Mon. June 10	Finance Committee –Financials & Audit Review	2:30-4:00
Mon. June 10	Development Committee (as needed)	4:00-5:00
Wed. June 12	Board Meeting	9:00-11:30
Mon. July 8	Development Committee (as needed)	4:00-5:00
Wed. July 10	Board Meeting	9:00-11:30
AUGUST	BOARD RECESS	-----
Wed. September 4	NPG Committee	3:30-5:00
Mon. September 9	Finance Committee – Financials Review	3:00-4:00
Mon. September 9	Development Committee (as needed)	4:00-5:00
Wed. September 11	Board Meeting	9:00-11:30
Tues. October 8	Development Committee (as needed)	4:00-5:00
Wed. October 9	Board Meeting	9:00-11:30
Tues. November 12	Finance Committee – Financials & Draft 2025 Budget Review	3:00-4:00
Tues. November 12	Development Committee (as needed)	4:00-5:00
Wed. November 13	Board Meeting	9:00-11:30
Wed. December 4	NPG Committee	3:30-5:00
Mon. December 9	Finance Committee – Financials & Final 2025 Budget Review	3:00-4:00
Mon. December 9	Development Committee (as needed)	4:00-5:00
Wed. December 11	Annual Board Meeting	9:00-11:30

2025

Boulder Housing Partners Commissioners' Calendar



Date	Group	Time
JANUARY	BOARD RECESS	-----
Mon. February 10	Development Committee (as needed)	4:00-5:00
Wed. February 12	Board Meeting	9:00-11:30
Wed. March 5	NPG Committee	3:30-5:00
Mon. March 10	Finance Committee – 2024 Financials Review	3:00-4:00
Mon. March 10	Development Committee (as needed)	4:00-5:00
Wed. March 12	Board Meeting	9:00-11:30
Wed. April 9	Board Retreat	9:00-3:30
Wed. April 30	NPG Committee	3:30-5:00
Mon. May 5	Finance Committee –Financials Review	3:00-4:00
Mon. May 5	Development Committee (as needed)	4:00-5:00
Wed. May 7	Board Meeting	9:00-11:30
Wed. June 4	NPG Committee	3:30-5:00
Mon. June 9	Finance Committee –Financials & Audit Review	2:30-4:00
Mon. June 9	Development Committee (as needed)	4:00-5:00
Wed. June 11	Board Meeting	9:00-11:30
Mon. July 7	Development Committee (as needed)	4:00-5:00
Wed. July 9	Board Meeting	9:00-11:30
AUGUST	BOARD RECESS	-----
Mon. September 15	Finance Committee – Financials Review	3:00-4:00
Mon. September 15	Development Committee (as needed)	4:00-5:00
Wed. September 17	Board Meeting	9:00-11:30
Mon. October 20	Development Committee (as needed)	4:00-5:00
Wed. October 22	Board Meeting	9:00-11:30
Mon. November 10	Finance Committee – Financials & Draft 2025 Budget Review	3:00-4:00
Mon. November 10	Development Committee (as needed)	4:00-5:00
Wed. November 12	Board Meeting	9:00-11:30
Mon. December 8	Finance Committee – Financials & Final 2025 Budget Review	3:00-4:00
Mon. December 8	Development Committee (as needed)	4:00-5:00
Wed. December 10	Annual Board Meeting	9:00-11:30