

Building a Sustainable Future



Denver Housing Authority

BIANNUAL REPORT 2008 & 2009

08/09

The Business of Housing

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Our Mission

The mission of the Denver Housing Authority is to serve the residents of Denver by developing, owning and operating safe, decent and affordable housing in a manner that promotes thriving communities.





City and County of Denver

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Much like every major city across the country, the City of Denver has faced a very tough economy over the last two years. However, we continue to fare better through this national crisis than most cities due, to our partnership with the Denver Housing Authority.

When the City's Office of Economic Development created its Neighborhood Stabilization Program, the Denver Housing Authority was selected as the program administrator. By collaborating with a number of Community Development Corporations, DHA is acquiring, rehabilitating or demolishing foreclosed and abandoned properties in several high impact neighborhoods. The result will be the creation of 178 new units of affordable rental and home ownership housing throughout these targeted neighborhoods.

DHA continues to demonstrate its commitment to the Greenprint Denver vision of a sustainable future. In the spring of 2009 the two-year, \$32 million renovation of the AB Hirschfeld Towers was unveiled, marking the site of the largest residential geothermal earth heating and cooling system in the city.

In addition, at the conclusion of his stop in Denver during the three-city, "Sustainability Community Tour," HUD Secretary Shaun Donovan noted, "As we saw today, Denver is a model for transforming neighborhoods to make them greener and more affordable to live, work and raise families." His remarks were followed by the announcement of a \$10 million HUD grant to fund DHA's South Lincoln Towers, into a 100-unit, energy efficient senior high-rise building.

And the issue of homelessness – Denver's Road Home – we are making great strides with a comprehensive plan. Through the extraordinary leadership of the City's Department Human Services, the Denver Housing Authority and a host of homeless providers, business and foundations – Denver has seen an 11% reduction in overall homelessness and a 36% reduction in chronic homelessness. We're very proud of these amazing accomplishments in just the first two years into our 10-year plan.

And today, with the need for more jobs and additional low-income housing at the top of our list, the federal stimulus dollars recently made available through the American Recovery & Reinvestment Act will help us on both fronts. DHA has moved quickly to obligate these funds through contracting opportunities and investing to expand its housing portfolio.

This biannual report highlights the outstanding contributions of DHA's Board and staff over the last two years to build sustainable communities, lives and partnerships in order to make Denver a better home for us all.

Sincerely,

John W. Hickenlooper
Mayor

DHA Board of Commissioners



Myrna Hipp
Chair



Walter L. Jones, Esq.
Vice Chair



William Mosher



Lisa C. Flores
Treasurer



Jeffery M. Campos



Marian Lawrence



Richard (Jim) Chavez



Michelle Harper



Trinidad Rodriguez

The DHA Board of Commissioners consists of nine members appointed by the Mayor of Denver and approved by the City Council. Each member serves a five-year term. The Board is responsible for establishing DHA policy, long-term goals, objectives and direction.

Board meetings are held the second Thursday of each month at 4:00 p.m. Location and/or changes are posted one week prior to the meeting at the front entrance of the DHA main administrative offices located at 777 Grant Street or can be obtained by calling the DHA Executive Offices at (720) 932-3106 or visiting our Web site at www.denverhousing.org.

The DHA Board of Commissioners and the entire staff wish to express our sincere gratitude and deepest appreciation to former Board members Tracy Huggins, Tracey Saulters, Terrance Ware and Awilda Marquez, Esq., for their invaluable input and immeasurable support over the years.

Message from the Board Chair



Myrna Hipp

DHA Board Chair

In spite of the challenging economic climate of the past two years, the Denver Housing Authority has continued to work diligently to increase the availability of affordable housing and to improve existing affordable housing. That focus has been rewarded with the completion of several successful housing developments and additional federal funding to begin new housing initiatives. It is important to note that these successes would not have been realized without the skill and continuing commitment of our staff, our Local Residents Councils, our public partners, most notably the City and County of Denver, and the Department of Housing and Urban Development, our private partners and the Board of Commissioners.

In order to enhance our mission to provide affordable housing, we have set a clear strategic direction that not only promotes housing, but also encourages community revitalization, sustainability and the economic stability of our residents. This strategic direction includes: strengthening collaborations with public and private partners to successfully implement new federal housing and community revitalization initiatives; and, creating energy efficient building designs and transit oriented development opportunities. Our goal is to improve the social and physical environment for our residents, our neighborhoods and the city at large.

On the following pages are examples of how we are fulfilling our vision of new energy efficient development. There are also examples of activities designed to assist residents to self-sufficiency through our education and employment and training programs. We intend to build on these activities to better contribute to our city's quality of life – a vision shared by our residents and our community.

A handwritten signature in black ink that reads "Myrna Hipp".

Message from the Executive Director



Ismael Guerrero

DHA Executive Director

As we launch into a new decade at DHA, we are doing so with a new enthusiasm and commitment to building healthy, sustainable communities, offering empowerment and opportunity, and a first-class housing organization serving the City of Denver and the families who call it home.

First and foremost, DHA is recognized as a national leader in creating communities of choice through resident engagement and comprehensive neighborhood revitalization as demonstrated by our success in Curtis Park, Park Avenue, and now South Lincoln.

Within DHA, our staff is committed to providing residents and partners with outstanding customer service with improved systems and operations. Over the past two years, we have automated our systems through monthly rental payments and our annual Section 8 lottery. And our Housing Management Division was reorganized to be outstanding in property management. Our exceptional service and success is recognized through our annual designation as a "High Performing Agency" by HUD and the Distinguished Budget Presentation Award from the Government Finance Officers Association.

DHA is also leading the way in creating business opportunities for residents and businesses across the city through our E-Procurement system with increased contracting access and efficiency. And DHA has demonstrated its commitment to leverage federal funding to create economic development throughout Denver.

As you will see through the many accomplishments and awards highlighted in this report, we are building on this strong foundation to create a vibrant and sustainable future for DHA and the families we serve.

A handwritten signature in black ink that reads "Ismael Guerrero".

Breathing New Life Into Aging Buildings

The implementation of various innovative financial strategies to leverage our assets and capital funds has allowed the Denver Housing Authority to complete the comprehensive modernization of the last three of our seven high-rise buildings as well as breathe new life into our aging public housing portfolio.

Building Sustainable Communities

Renovation of Hirschfeld Towers

In 2009 DHA concluded the massive reconstruction of our historic AB Hirschfeld Towers, transforming the 42 year-old structure into the largest residential geothermal earth heating and cooling system in Denver.

The \$32 million renovation of the site into a sustainable energy efficient building included the drilling of 80 geothermal cores to 450 feet each for closed loop ground source on the 2.4-acre site. The reconstruction included the installation of a number of other significant energy efficiency designs, materials and measures including new interior, exterior and atrium lighting, windows, water flow control systems and all energy star appliances.

Each of the 209 units in this 9-story building located in Denver's diverse Baker neighborhood are completely modernized, providing quality housing for low-income seniors and non-elderly disabled residents.

In 2008, the AB Hirschfeld Towers was cited for its outstanding architectural design with an "Eagle Award" from Housing Colorado.



Westwood Homes Modernization

Construction was also completed for the newly modernized Westwood Homes Management Office and Opportunity Center. Total cost for the capital improvement project of the 10,000 square foot building was \$3.6 million.

The building now features modern energy efficiency designs and fixtures including translucent polycarbonate panels with ultraviolet coating; energy efficient windows; energy efficient heating and cooling systems; interior sensor lighting and low-flow toilets.

Exterior improvements include modern building design elements; extensive landscaping improvements, including water saving landscaping with areas of xeriscape; a maintenance garage facility; and adequate parking spaces for building staff and Opportunity Center program participants.



Transforming Neighborhoods

The Denver Housing Authority continues to strategically transform obsolete public housing developments into vibrant, high density, integrated and diverse residential communities. These large-scale, multi-year redevelopment projects incorporate:

- ◆ Multiple renewable energy measures
- ◆ Sustainable and healthy living principles, and
- ◆ Convenient connections to mass transit.

Over the last two years DHA has substantially increased affordable, workforce housing options and homeownership opportunities for our residents. In addition, we continue to attract a broad range of income levels to modern and desirable center city neighborhoods.

DHA's new transit oriented development is anchored in creating sustainable communities, strategically leveraging affordable housing funding with innovative public/private financing to create mixed-use, mixed-income housing supported by commercial and neighborhood retail development.



Award-Winning Benedict Park Place

Our ambitious plan for the 5-year redevelopment of the sprawling 15 acres at Benedict Park Place—located on Park Avenue in Five Points—has been successfully launched. Block 3B, the second phase of the redevelopment project, was feted with the “2009 Gold Hard Hat Award for Outstanding Green Building Project” by Colorado Construction as Best Project of 2009. This portion of the project features 93 mixed income units spread over four buildings.

In addition, the U.S. Green Building Council, in collaboration with the Congress for the New Urbanism and the Natural Resources Defense Council, recognized the outstanding accomplishments of DHA's project team by awarding the “LEED® for Neighborhood Development Certification” for Block 3.

The recognition was awarded for excellence in the built environment, earning the site a place among the finest developments incorporating the principles of smart growth, urbanism and green design.

South Lincoln Homes Redevelopment

The South Lincoln Homes Redevelopment is a 17.5-acre mixed-use, mixed-income transit oriented community planned and developed by the Denver Housing Authority in partnership with the City and County of Denver. An existing light rail station at 10th and Osage will provide a direct link to existing and future RTD FasTracks lines with access to services and amenities throughout the metropolitan region.

RTD FasTracks lines with access to services and amenities throughout the metropolitan region.

The redevelopment of South Lincoln Homes will serve as a national benchmark to demonstrate:

- ◆ Energy efficient building
- ◆ Aggressive carbon footprint reduction
- ◆ Sustainable materials utilization
- ◆ Natural process storm water management
- ◆ Healthy food access benefits
- ◆ Multifaceted educational opportunities, and
- ◆ Job training access



All of these desirable living features will be available to DHA residents located in a transit-based neighborhood that promotes a walkable, safe and sustainable community.

Once completed in 2016, the site will feature 800-900 new residential units complimented with space for retail, office and community services.

Urban Sustainability Tour

The Denver Housing Authority welcomed a host of federal administration officials, congressional representatives and state and local elected officials for a “walk and talk” tour of the South Lincoln Homes. Federal administrators were in town as part of their three-city, nationwide “Sustainable Community Tour,” which included Chicago, Illinois, Dubuque, Iowa and Denver.

Federal agencies included in the tour included: Department of Transportation Secretary Ray LaHood; Department of Housing and Urban Development Secretary Shaun Donovan; Environmental Protection Agency Administrator Lisa P. Jackson; and various representatives from the Administration’s DOT-HUD-EPA Interagency Partnership for Sustainable Communities.

Federal officials were accompanied by Colorado Senator Michael Bennet, Congresswoman Diana DeGette, Governor Bill Ritter, Mayor John Hickenlooper and Denver City Councilwoman Judy Montero.

Grant Award Announcement

Immediately following the tour, Secretary Donovan announced HUD’s competitive grant award of \$10 million for DHA’s South Lincoln Tower. The South Lincoln Towers is a 100-unit, energy efficient senior high-rise building representing Phase 1 of the proposed South Lincoln Homes Master Plan Redevelopment.



www.denverhousing.org



Section 8 Housing Choice Vouchers

The Section 8 Program continues to grow with an increase of 252 new vouchers, providing subsidy support to over 5,900 clients. The number of landlords participating in the program has also increased to 2,700, with new landlords being added daily.

DHA also added a Project Based Voucher Program utilizing tenant-based vouchers. Currently, four new projects have been approved, bringing the total to an additional 194 housing units. Through close collaboration with our community-based partners, these new projects will provide housing, counseling and support services on-site.

Accessing additional resources to provide housing to targeted populations continues to be of great importance to the agency. DHA received 140 vouchers to serve homeless veterans under the HUD Veterans Affairs Supportive Housing (VASH) program. The VASH program combines housing vouchers provided by HUD with case management and clinical services provided by the Department of Veterans Affairs at VA Medical Center supportive services sites.



Denver's Road Home

The combined leadership team of the Denver Housing Authority, the City's Department of Human Services and the Denver's Road Home (DRH) Commission was established in 2009 to join forces to manage the level of effort required for reaching the Mayor's aggressive goal for ending homelessness in Denver.

The primary focus of the leadership team includes managing the grants and coordinating partnerships with a host of community organizations, the private sector, non-profits, faith-based groups, foundations and local housing providers. The various community partners share in their commitment to creating permanent affordable housing to meet the needs of the transitional homeless – through new construction, expansion of rental subsidies, housing acquisitions and rehabilitation.

DHA has been an active member of the DRH Commission since its inception, creating over 1,500 new units of housing for the city's homeless. DHA continues to provide 90 units annually of rental housing for those homeless with incomes of 0-30 percent of AMI.



Stimulating Denver's Economy

In a remarkable accomplishment, the Denver Housing Authority was awarded five of five competitive HUD grants for American Recovery & Reinvestment Act (ARRA) stimulus funds. The grants will allow DHA to invest over \$35 million in new construction, modernization and energy efficiency improvements to our affordable housing portfolio, leveraging over \$100 million in total investments.



Major Capital Improvements

More specifically, these capital improvement dollars will fund the following DHA construction projects:

John R. Mulroy Apts. & Community Center: Interior and exterior improvements to the Mulroy Community Center and enhancements to improve pedestrian access to its future neighborhood Light Rail station.

Westwood Homes: Renovation of this 192-unit public housing community including interior and exterior upgrades, energy efficiency improvements, solar and other renewable energy installations.

Park Avenue, Block 5B: Construction of a new 90-unit, multifamily property that will include 30 public housing units.

Park Avenue, Block 4B: Complete construction of Park Avenue Hope VI redevelopment.

South Lincoln: New construction of a 100-unit public housing property serving seniors and the disabled. This project is the first phase of the South Lincoln Homes at 10th & Osage Transit Oriented Development (TOD).

Outreach to Small Businesses

DHA launched the ARRA stimulus program by hosting an outreach session with several local business leaders, Chamber presidents and business partners to present an overview of the upcoming projects and the use of our automated E-Procurement notification system.



Providing the Catalysts for Change

The Denver Housing Authority is committed to preparing residents to compete for meaningful employment and opportunities for upward mobility. By teaming with an assortment of local government agencies, nonprofit organizations and private businesses, we are able to play a critical role in not only effectively addressing Denver's affordable housing needs, but also empowering our residents to succeed and grow.

Building Sustainable Lives

Home Ownership Fair

In recognition of National Homeownership Month in June, 2009, DHA sponsored a Home Ownership Fair developed for prospective homebuyers, current homeowners and homeowners facing foreclosure or near home loan delinquency.

Over 300 attendees walked through the doors of the PPA Center in northwest Denver to meet with more than 45 resource providers and DHA community partners. Many attendees also took advantage of several free workshops on such topics as credit repair, how to qualify for a home loan and home repair.



DHA sponsored a Home Ownership Fair developed for prospective homebuyers.

Youth Employment Academy

Nearly 388 Denver Housing Authority youth successfully completed their academic achievements and summer work experiences through the Youth Employment Academy (YEA). Employment training opportunities through the program included the DHA Catering Company – a hands-on culinary training and work experience that accepts catering jobs from clients across the city. The YEA program also offers a Pre-Professional Occupations in Healthcare track, which exposes youth to a variety of careers in the healthcare field while they earn certifications such as Healthcare Provider CPR and First Aid.

YEA is a program established for youth ages 16-21 committed to providing underserved and at-risk Denver youth with opportunities to improve their economic situation by providing employment, education, career exploration, life skills and financial supportive services.

In addition to YEA, approximately 50 youth participated in the Green Technology and Computer Science work experiences developed by the Math Literacy Project, a DHA partner. We also joined with the City of Denver's Office of Economic Development to create the healthcare work experience as well as many other paid work experiences throughout the summer for over 50 youth in 2009.



Resident Employment & Opportunity Program

The Denver Housing Authority is deeply committed to and energetically supports HUD's Resident Employment & Opportunity Program (24 CFR Part 135). This critically important program has been developed to maximize training, employment and business opportunities in order to create economically sustainable futures for our residents by partnering with our contractors.



Empowering Residents With Jobs

The goal of DHA's Resident Employment & Opportunity Program is to create economic self-sufficiency for public housing residents through the creation of:

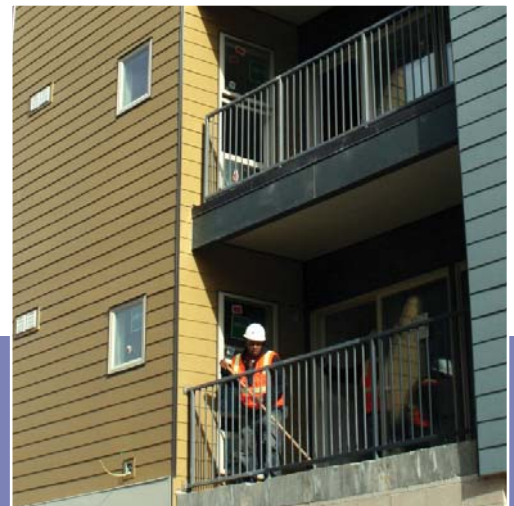
- ◆ Jobs and long-term employment opportunities
- ◆ Training and educational opportunities
- ◆ Contracts and business opportunities

DHA provides companies interested in developing a Resident Employment & Opportunity Program with a staff person to assist them with designing a successful program and with job referrals and job placement support. Companies that have included a Resident Employment & Opportunity Program plan as part of their proposal also receive preference when competing for DHA contracts.

As a result of the HUD program, 55 public housing residents received employment opportunities on DHA's construction projects during 2008-2009.

Jobs for Residents at Benedict Park Place

Milender White Construction Company, DHA's general contractor at the Benedict Park Place construction site, hired 15 public housing residents during 2008 through our Resident Employment & Opportunity Program. In addition, the company provided employment opportunities at the site for 45 young DHA residents through the Mile High Youth Corps.





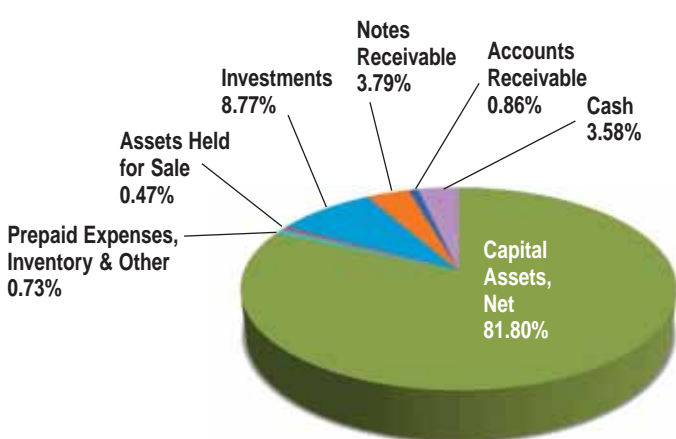
Local Resident Council

Twelve DHA Local Resident Council organizations accepted a \$2.3 million HUD grant for the coordination of education, job training, employment, home ownership counseling, health, wellness and independent living services in their local community.

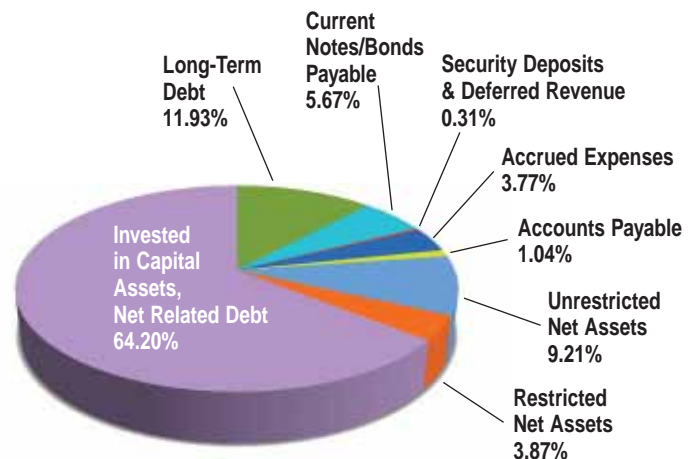
DHA is one of only a few housing authorities in the country to receive the multiple Resident Opportunity and Self-Sufficiency (ROSS) Service Coordinator grants for local resident council organizations. Local resident councils are elected to represent the residents of their respective housing developments.

Financial Statements - DHA Consolidated

	FY2009	FY2008
Assets		
Cash	\$ 13,552,667	\$ 5,697,006
Accounts Receivable	3,257,851	2,202,917
Notes Receivable	14,361,278	15,139,258
Investments	33,188,056	34,956,922
Assets Held for Sale	1,799,000	1,799,000
Prepaid Expenses, Inventory and Other	2,747,413	2,059,211
Capital Assets, Net	309,649,481	298,568,555
Total Assets	\$ 378,555,746	\$ 360,422,869
Liabilities		
Accounts Payable	\$ 3,920,249	\$ 5,718,629
Accrued Expenses	14,264,699	6,212,745
Security Deposits & Deferred Revenue	1,187,289	1,178,603
Current Notes/Bonds Payable	21,471,073	27,671,674
Long-Term Debt	45,149,635	48,497,374
Total Liabilities	\$ 85,992,945	\$ 89,279,025
Net Assets		
Invested in Capital Assets, Net Related Debt	\$ 243,028,773	222,399,507
Restricted Net Assets	14,660,467	13,802,998
Unrestricted Net Assets	34,873,561	34,941,339
Total Net Assets	\$ 292,562,801	\$ 271,143,844
Total Liabilities & Net Assets	\$ 378,555,746	\$ 360,422,869

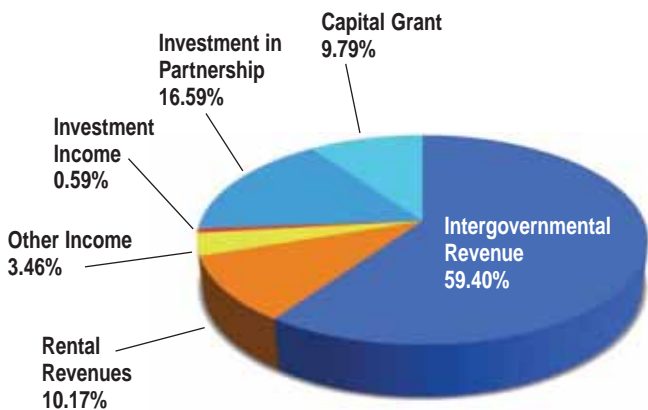


Assets FY 2009

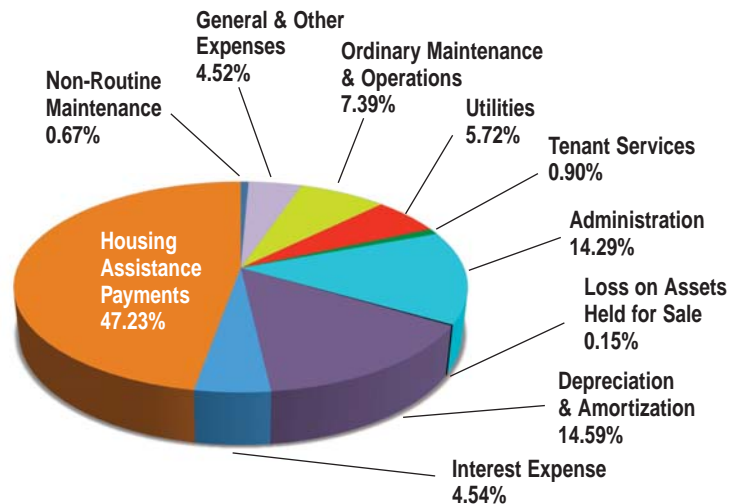


Liabilities and Net Assets FY 2009

	FY2009	FY2008
Revenue		
Rental Revenues	\$ 12,910,841	\$ 11,778,650
Intergovernmental Revenue	75,380,558	69,895,578
Capital Grant	12,415,782	13,040,616
Capital Contributions from General and Limited Partners	21,049,621	4,661,099
Investment Income	747,512	2,555,984
Other Income	4,387,431	5,289,130
Total Revenues	\$ 126,891,745	\$ 107,221,057
Expenses		
Administration	\$ 15,076,107	\$ 11,797,792
Tenant Services	953,235	1,051,105
Utilities	6,034,343	6,545,651
Ordinary Maintenance and Operations	7,798,343	6,372,317
General and Other Expenses	4,761,580	6,841,172
Non-Routine Maintenance	707,568	642,018
Housing Assistance Payments	49,811,669	48,699,692
Interest Expense	4,791,035	3,172,530
Depreciation and Amortization	15,383,135	13,364,857
Loss on Disposition of Assets	155,773	686,578
Total Expenses	\$ 105,472,788	\$ 99,173,712
Change in Net Assets	\$ 21,418,957	\$ 8,047,345



Revenue FY 2009



Expenses FY 2009

Making It Work Together

DHA's guiding principle is to be a leader in forming strategic partnerships that lead to maximum leveraging of financial, human and organizational resources. We deeply appreciate the various collaborations with the following organizations that continue to support us in reaching our goals.

Building Sustainable Partnerships

A Promising Future	Metropolitan State College
Boys & Girls Club of Metro Denver	MiCasa Resource Center
Catholic Charities	Microsoft Corporation
Cleo Parker Robinson Dance Studio	Mile High Montessori
Coats for Colorado	Mile High United Way
Colorado Housing & Finance Authority	Mile High Youth Corps
Colorado Housing Assistance Group	NEWSED
Colorado I Have a Dream	Office of Economic Development
Community College of Denver	Parks & Recreation Department
Conflict Center	Rocky Mountain SER
Del Norte Neighborhood Development Corporation	Seniors, Inc.
Denver Area Youth Services	Servicios de la Raza
Denver Community Credit Union	Sherwin Williams Paint Company
Denver Urban Renewal Authority	Third Way Center
DU Bridge Project	Total Long Term Care
Fairview Elementary School	Toys 4 Tots
HealthSET	Universal Loans – 1st Priority Lending
Housing & Neighborhood Services	University of Denver – BRIDGE Project
Gang Rescue and Support Project	US Bank
Innercity Parish	Vail Resorts
Key Bank	Volunteers of America
Knowledge Stream	Wells Fargo
Math Literacy Project	

For information about the Denver Housing Authority or to download a copy of this Biannual Report, please visit our Web site at www.denverhousing.org.



Denver Housing Authority

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