

Attachment 1. Plan Essential Elements

Violence Against Women Act (VAWA) (Denver Housing Authority ACOP 2017)

The Violence against Women Act (VAWA) provides special protections for victims of domestic violence, dating violence, and stalking who are applying for or receiving assistance under the public housing program. For a more in depth explanation please review DHA's Violence Against Women Act Procedure which is available upon request from DHA Staff and is available on DHA's Website.

Colorado Law. Landlords are obligated to comply with State Laws that provide protection for victims of domestic violence. Specifically, C.R.S. § 38-12-402 and its revisions, if any.

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. (Denver Housing Authority ACOP 2017)

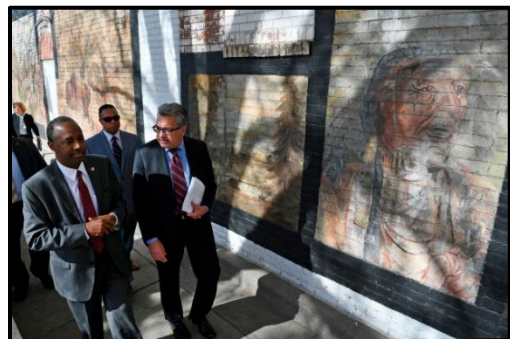
The Housing Authority adopted the revised Admissions and Continued Occupancy Policies on 02/01/2017. The Admissions and Continued Occupancy Policies ("ACOP") is DHA's written statement of policies used to carry out the housing program in accordance with federal law and regulations, HUD requirements, and state and local laws. All issues related to public housing not addressed in this ACOP are governed by the federal regulations, the Department of Housing and Urban Development ("HUD") handbooks and guidebooks, HUD notices, and applicable state and local laws.

DHA will review and update the ACOP as needed to reflect changes in regulations, DHA operations, or when needed to ensure staff consistency in operation. If DHA and ACOP conflict with the regulations listed above then, HUD regulations will have precedence.

Deconcentration Policy (Denver Housing Authority ACOP 2017)

It is the policy of DHA to provide for the deconcentration of poverty and encourage income mixing by bringing higher income families into lower income developments and lower income families into higher income developments, pursuant to current HUD regulations, and any subsequent amendments. Toward this end, DHA has instituted local preferences and will continue to affirmatively market our housing to all eligible income groups. Lower income residents will not be steered toward lower income developments and higher income people will not be steered toward higher income developments.

Prior to the beginning of each DHA fiscal year, staff will analyze the income levels of families residing in each of our developments. Based on this analysis, and the then current HUD regulations, DHA will determine which, if any, DHA developments are above, within, or below the DHA Established Income Range (EIR). Any developments above the EIR will be designated as high-income. Any developments with incomes below the EIR will be designated as low-income. Based on this analysis, DHA will determine the marketing strategies and whether or not additional incentives will have to be developed and implemented to deconcentrate poverty.



Deconcentration Strategies (Denver Housing Authority ACOP 2017)

DHA may, in its sole discretion, utilize one or more of the following strategies to encourage applicant families whose income classification would help to meet the deconcentration goals of a particular development: 1) incentives designed to encourage families with incomes below the EIR to accept units in developments with incomes above the EIR, and vice versa; 2) target investments and capital improvements; and 3) continue use of working family preferences. These strategies may be used at different times, or under different conditions, but will always be used in a consistent and non-discriminatory manner. Deconcentration incentives may apply to Mixed Income Developments applicant families at the sole discretion of the Owner.

Financial Resources (Denver Housing Authority 2020 Annual Budget)

The adopted budget for 2020 is \$267,191,908. As in prior years, majority of DHA's operating revenues is coming from federal financial assistance to provide low-income housing. Nondwelling rental revenues are budgeted higher in 2020 due to new commercial space. Developer fees are budgeted higher than in 2019 due to the timing of construction of new properties. Other income is budgeted higher due to the acquisition of the Power Purchase Agreement (PPA) and also from income from Special Limited Partnerships (SLPs). Sales proceeds is budgeted higher due to planned sales of land and property in 2020. Insurance proceeds from hail damage were budgeted for 2018 and 2019. No insurance proceeds were estimable for 2020. Interest income is budgeted higher due to higher balance of investments from the bond proceeds. Use of reserves (program income) of \$5,545,525 are budgeted to be used for Housing Choice Voucher (HCV), Denver Housing Program (DHP), Resident Services and Component Units. Capital financing is projected to be lower due to use of bond proceeds in 2020. Debt service/Interest expense is budgeted higher than in 2019 due to new debt obligations (Energy Performance Contract (EPC) payoff for Sun Valley, bond debt payment, PPA debt and Vida debt). General expenses increased due to increases in insurance costs and the addition of two new properties (Vida and 1035 Osage). Replacement reserves funding increased in 2020 due to additional units place in service. Contributions to operating reserves (program income) is budgeted to be lower in 2020 due to decreased net income.

The highlights of the 2020 budget and the assumptions used in developing DHA's 2020 Operating Budget are as follows:

- The FY 2020 DHA Comprehensive budget is for \$268,062,581, an increase of \$16,161,986 (6%) from FY 2019.
- The major Capital projects for 2020 are: Gateway/Sun Valley, 655 Broadway/Studebaker and Shoshone developments.
- Use of \$5,545,524 of reserves for HCV (administrative), DHP (administrative and capital), Resident Services (administrative), and Component Units (administrative) are budgeted.
- Administrative fee revenue is budgeted at 78% for HCV.
- HCV Housing Assistance Payments (HAP) are budgeted at 100%.
- 90% lease-up is budgeted for the DHA HCV program in 2020.
- DHA will administer 7,004 HCV vouchers in FY2020. This is an increase of 49 HCV vouchers.
- DHA is budgeted to manage 5,499 rental units in 2020 between the public housing and other DHA HUD and non-HUD programs. This increase of 167 units from 2019 is due to the Vida and Platte Valley Homes coming online.
- Operating subsidy for the public housing program is budgeted at 95% funding in FY2020.
- 97% occupancy is projected for DHA's established rental developments.

- Use of \$5,545,524 of reserves are budgeted for:
- DHA investments are budgeted to earn an average of 1.43% in 2020.
- The 2020 budget projects 324 regular full-time employees. This is due to 41 temporary positions in Executive and Resident Services converted to positions. Regular positions were added in the following departments: Finance, 2; and Housing Management, 5.
- Merit increase in salary of 3% is budgeted for eligible regular full-time staff in 2020.
- Per DHA's Union contract and Personnel Policy for 2020, DHA is budgeted to absorb 60%, 70% or 80% of health insurance premiums based on the types of plan chosen by employees. DHA's health insurance premiums increased by 2.5% from 2019 to 2020.

2020 BUDGET SUMMARY				
COMPARATIVE SUMMARY OF REVENUES AND EXPENSES				
	2018	2019	2020	Increase (Decrease)
	Budget	Budget	Budget	From Prior Year
Revenues				
Rental income	\$25,001,079	\$27,398,744	\$28,702,818	5%
Nondwelling rental income	819,312	1,350,117	2,865,370	112%
Management fees	1,166,669	1,293,061	1,082,086	(16%)
Developer fees	2,256,845	5,494,783	7,817,990	42%
Federal financial assistance	99,658,548	123,688,388	125,294,349	1%
Other intergovernmental contributions	7,441,213	8,199,865	9,130,814	11%
Other income	5,545,988	4,327,664	5,251,227	21%
Sales proceeds	11,768,000	4,200,000	7,263,464	73%
Insurance proceeds	6,500,000	2,000,000	-	100%
Interest income	1,877,356	1,945,049	4,154,685	114%
Use of bond proceeds	-	-	33,583,580	100%
Use of reserves (program income)	2,519,774	5,078,374	5,545,525	9%
Capital financing/Tax Credit Equity	52,728,771	66,924,550	36,500,000	(45%)
Total	\$217,283,555	\$251,900,595	\$267,191,908	6%
Expenses				
Administration	\$27,553,491	\$30,068,769	\$30,920,972	3%
Rent to owners	68,822,688	77,499,731	83,926,249	8%
Utilities	7,439,870	8,047,827	8,133,997	1%
Maintenance	15,864,512	18,236,425	20,146,545	10%
Debt service/Interest expense	7,631,795	7,842,756	18,431,498	135%
General	3,313,059	3,770,114	4,913,484	30%
Replacement reserves	956,550	1,016,179	1,267,897	25%
Contributions to Operating Reserves	4,002,263	9,396,853	5,909,596	(37%)
Capital Investments	81,699,327	96,021,941	93,541,670	(3%)
Total	\$217,283,555	\$251,900,595	\$267,191,908	6%
Net of interfund transfers and interfund revenues and expenses				

Substantial Deviation

Substantial deviation is defined as: 1) discretionary changes in the plans or policies of the housing authority that fundamentally change the mission, goals, objectives, or 2) plans of the agency which require formal approval of the Board of Commissioners or the addition of any large capital item to the Capital Fund 5-Year Action Plan. Large capital items are defined as any work item that is 10% or more of the average annual Capital Fund Grant award.

Significant Amendment or Modification



Significant amendment or modification is defined as: 1) discretionary changes in the plans or policies of the housing authority that fundamentally change the mission, goals, objectives, or plans of the agency and which require formal approval of the Board of Commissioners or 2) the addition of any large capital item to the Capital Fund 5-Year Action Plan. Large capital items are defined as any work item that is 10% or more of the average annual Capital Fund Grant award.