


ADMINISTRATION MEMORANDUM
15-22

DATE: July 13, 2015

TO: Honorable Mayor Joyce Downing and City Council members

FROM: David Willett, Acting City Manager 

SUBJECT: CR- 98 – Contribution to Metro Area Landlord Incentive Fund

RECOMMENDATION:

I recommend that the Council approve a contribution of \$1,000 to the Metro Area Landlord Incentive Fund as a means of helping to combat homelessness throughout the metro area.

BACKGROUND:

The Metro Mayors Caucus is participating with the Metro Denver Homeless Initiative and Brothers Redevelopment in a Landlord Recruitment Campaign which is designed to help reduce homelessness by enlisting landlords in an effort to make more housing units available to the homeless population. The total amount of money that they hope to raise for this effort initially is \$50,000, which will be used to create a Landlord Incentive Fund. The Metro Mayors Caucus along with the cities of Aurora and Denver have already made substantial contributions to this fund.

The founding organizations hope to establish a network of landlords and property managers who can help provide safe, stable housing to individuals and families experiencing homelessness throughout the metro area. During the initial rollout, efforts will be focused on housing veterans experiencing homelessness. As the program becomes established it will facilitate the housing of all individuals and families experiencing homelessness to make the transition to permanent housing easier on tenants and landlords. The Fund will help offset certain expenses up to \$1,000 that a landlord might incur when leasing a unit through the program including minor repairs, short periods of vacancy while a suitable match is found and/or tenant damages to the unit.

The Metro Mayors Caucus has suggested a contribution from the City of \$1,000. They are also suggesting larger contributions from larger municipalities.

Attached are additional materials explaining this program.

BUDGET/TIME IMPLICATIONS:

Granting this request will have no budgetary impact. Funds were set aside this year in the budget to make such contributions to organizations to which the City is not currently making contributions.

STAFF REFERENCE:

If you have any comments or questions, please contact David Willett at dwillett@northglenn.org or at 303-450-8783.



Our Vision

Brothers Redevelopment has partnered with the Colorado Division of Housing (DOH) and the Metro Denver Homeless Initiative (MDHI) to implement Landlord Recruitment Campaign. This partnership is designed to provide assistance to individuals and families who hold housing vouchers to secure permanent housing in the seven-county metropolitan region surrounding Denver.

The people we are working with have fallen victim to the many myths surrounding housing vouchers, so this program also serves to quell the hesitations many landlords may have. Yet, we cannot do it alone—trustworthy and caring landlords are needed to provide safe, stable housing at a time when the rental market is extremely tight. Working cooperatively, we can create better housing opportunities for individuals and families who are ready to succeed.

The Plan

Along with providing supportive services to voucher holders, Brothers Redevelopment and MDHI seek to establish positive relationships with landlords. To assist us, Brothers Redevelopment and MDHI have gained general support from the Metro Mayors Caucus, more than 20 area non-profits, and city and county officials to provide landlords with a variety of resources and incentives. With additional funding, these incentives *could* include:

- Trainings: Will cover relevant information regarding Fair Housing, landlord/tenant relationships, code enforcement, local and federal subsidies
- Ready-to-house tenants: Landlords will be matched with tenants who undergo responsibility trainings, have case management or advocacy support, and financial assistance
- Risk reduction funds: Will cover the cost of damages, evictions, and deposit/application fees or rent
- Free advertisement: Landlords will be able to post listings that will reach potential tenants who are ready to be housed quickly
- Tenants with vouchers: Vouchers guarantee payment to the landlord
- Landlord Help Line: Landlords can call for assistance with tenant issues

How It Works

- Landlords commit to the program by offering available units to individuals with barriers
 - Barriers can include-past evictions, criminal records, low-income, lack of/bad credit
- Tenants undergo several trainings that prepare and certify them for permanent housing
- Available units are matched with ready-to-house tenants
- Appropriate funds/incentives are dispersed on a case-by-case basis
- Case management are provided to the tenant on a case-by-case basis depending on the client's needs
- Support services are provided as needed throughout tenancy

Where We're Heading

With your commitment to the program, we can establish a network of landlords and property managers who can help us provide safe, stable housing to individuals and families in the seven-county area surrounding Denver. Eventually, we hope to make the transition to permanent housing easier on tenants, as well as landlords.

**MMC HOMELESS COMMITTEE
METRO AREA LANDLORD RECRUITMENT CAMPAIGN**

Frequently Asked Questions

What is the Landlord Recruitment Campaign?

In our competitive housing market, there are far more vouchers than available rental units in which to house people experiencing homelessness. Colorado job growth continues to far outpace the nation, with an unemployment rate of a little more than half of the national average. Rental vacancy rates are as low as 1% and rents are far outpacing inflation. The Landlord Recruitment Campaign (**LRC**) is a collaborative effort, funded with a grant from the Colorado Division of Housing, spearheaded by the Metro Denver Homeless Initiative (**MDHI**) and Brothers Redevelopment, Inc. (**Brothers**). The LRC will help to identify and elicit the participation of metro area landlords in providing units to allow those experiencing homelessness re-enter the housing market. Using a web-based platform, the program will match individuals and families with vouchers to available units and supportive services as needed and facilitate the effort to create a comprehensive metro database of affordable units. The Metro Mayors Caucus (**MMC**) is supporting the LRC by providing seed money for a Landlord Incentive Fund (**Fund**). Focused on customer service, the Fund will provide up to \$1,000 on a case-by-case to offset specific costs that a landlord might incur including unit damages, a short period of vacancy, and/or minor repairs to ensure the unit meets quality standards.

What are the benefits to a landlord for participating in the LRC?

Many caring people see homelessness as an overwhelming challenge and are unsure how they can make a difference. This program gives landlords both an incentive and an opportunity to give those experiencing homelessness a hand-up while assuring that the individual or family being housed will have both the necessary services and education to be a good tenant. Given fluctuations in demand in the rental market, a landlord who opts to stay in the program upon lease expiration will also have a predictable revenue stream (adjusted annually by HUD to reflect Fair Market Rents or “**FMR**”) and will not have to deal with costs associated with filling vacancies.

The LRC is part of a Housing First approach...what does that mean?

The Housing First model centers on providing people experiencing homelessness with housing as quickly as possible – and then providing services if needed. Housing First has been demonstrated to be **both less costly and more effective** than treating people experiencing homelessness through provision of “emergent” public services. The City and County of Denver found that the average annual cost to the city for to provide services to it’s high utilizers of public services is between \$39,381 if only the marginal jail costs are considered and \$43,214 if the full jail costs (fixed and marginal) are taken into account. Denver projected that over a six years, these high utilizers cost the City approximately \$76.8 million when only considering the marginal costs. In contrast, a “Housing First” intervention for a high utilizer has an annual per person costs of approximately \$18,000. Denver’s study projected that using the proposed triage

and supportive housing intervention, the city would begin seeing a 4.3% annual cost savings with only a 50% reduction in use of services by the target population. The good news is that for many people experiencing homelessness, rapid re-housing is all that is needed to get them back on their feet. For this population intensive services are not necessary and initial assistance with housing is all that is needed. Housing these people, many of whom are families with children, is key to breaking the cycle of homelessness.

How many units are needed in the region?

The initial goal of the LRC is to provide stable housing - in many cases with services - to veterans experiencing homeless. To house veterans currently experiencing homelessness in the region, **approximately 600 units are needed**. Eventually the program seeks to match all persons identified through the Coordinated Assessment and Housing Placement (CAHP) survey with stable housing. For many, this will be paired with services to address on-going challenges that place them at greater risk for recurrent homelessness. Services may include job training, case management and/or treatment for substance abuse and mental or physical illnesses.

What is the need for units in my area?

The most recent HUD mandated Point-in-Time (PIT) survey asks respondents two key questions that illustrate the regional nature of homelessness. The first is, “where were you last permanently housed,” and the second is “where did you sleep last night?” The responses tell us that individuals and families experiencing homelessness are often forced to leave their communities to seek shelter and supportive services in neighboring cities. We know that the survey gives an incomplete picture of the total need in the metro area because it doesn’t capture every person experiencing homelessness and because HUDs definition does not include those at-risk of homelessness including those living doubled or tripled up, or temporarily staying with friends or relatives. That said, the 2015 PIT for the metro area surveyed 3,978 persons experiencing homelessness, and counted **6,130 homeless men, women and children. 47.8% of those surveyed were households with children. A total of 586 of those surveyed are veterans.** Data on homelessness by county can be found within the report: http://mdhi.org/wp-content/uploads/2015/06/FINAL-DRAFT-06.05.15.hf_.pdf

Is there a cap on the rents for participating units?

HUD establishes the Fair Market Rents (**FMR**) for the region and for individual counties within the region. To read how HUD calculates FMR see this link: http://www.huduser.org/portal/datasets/fmr/fmrs/FY2015_code/2015summary.odn

In our region, the FMR is as follows:

- Efficiency... \$723
- One-bedroom...\$893
- Two-bedroom...\$1,156
- Three-bedroom...\$1696
- Four-bedroom... \$1,967

Why should my city support this effort?

The 41-member Metro Mayors Caucus adopted Homelessness & Hunger as priority issues for regional action in 2014. By contributing to the Fund, your city is helping to encourage landlords from across the metro area to step-up and address our regional challenge of ending homelessness. Your jurisdiction can further accelerate this effort by direct outreach to landlords in your community who may have an interest in participating in the LRC with units. Finally, in the long-term, there may be opportunities to align community based incentive programs (energy efficiency or water efficiency grants for example) with the program to further incent landlords to provide units. If your city has a program that might be a good fit, please send information to Catherine@MetroMayors.org

What is the suggested contribution for a city of my size?

MMC’s executive committee approved a \$10,000 contribution on behalf of the Caucus to help start the fund. The cities of Aurora and Denver have also committed funds (\$10,000 and \$15,000 respectively). With the above mentioned contributions, we have raised approximately 50% of our target of a \$50,000 incentive fund. Some of our larger member cities are considering contributions of \$6-8,000. Smaller cities are asked to give what they can. We would appreciate contributions of even \$1000 and welcome larger contributions reflective of the high level of need in our region. We understand that many of you are in the process of budgeting for 2016 and hope that you will include a contribution to the LRC fund in 2016. We will be holding a joint press conference with MDHI, Brothers, HUD and other partners in the LRC on August 5 at the MMC meeting to publicize the availability of funding and would love to be able to reference your city’s individual 2015 or 2016 commitment as well at that time.

How do we contribute?

Cities interested in supporting the fund should reach out to Catherine Marinelli. MMC will invoice individual cities for their voluntary contribution and provide the proceeds MDHI who will administer the fund and approve requests for reimbursement from Brothers, the 501(c)3 non-profit which will handle the day to day operations of the LRC.

For more information, please contact us!

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Caucus
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Gary Sanford
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Denver Homeless Initiative
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Jeff Martinez
President, Brothers
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(303) 685-4222
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MMC HOMELESS COMMITTEE

Mission: *Remove barriers to collaboration and support efforts to reduce homelessness in the metro area.*

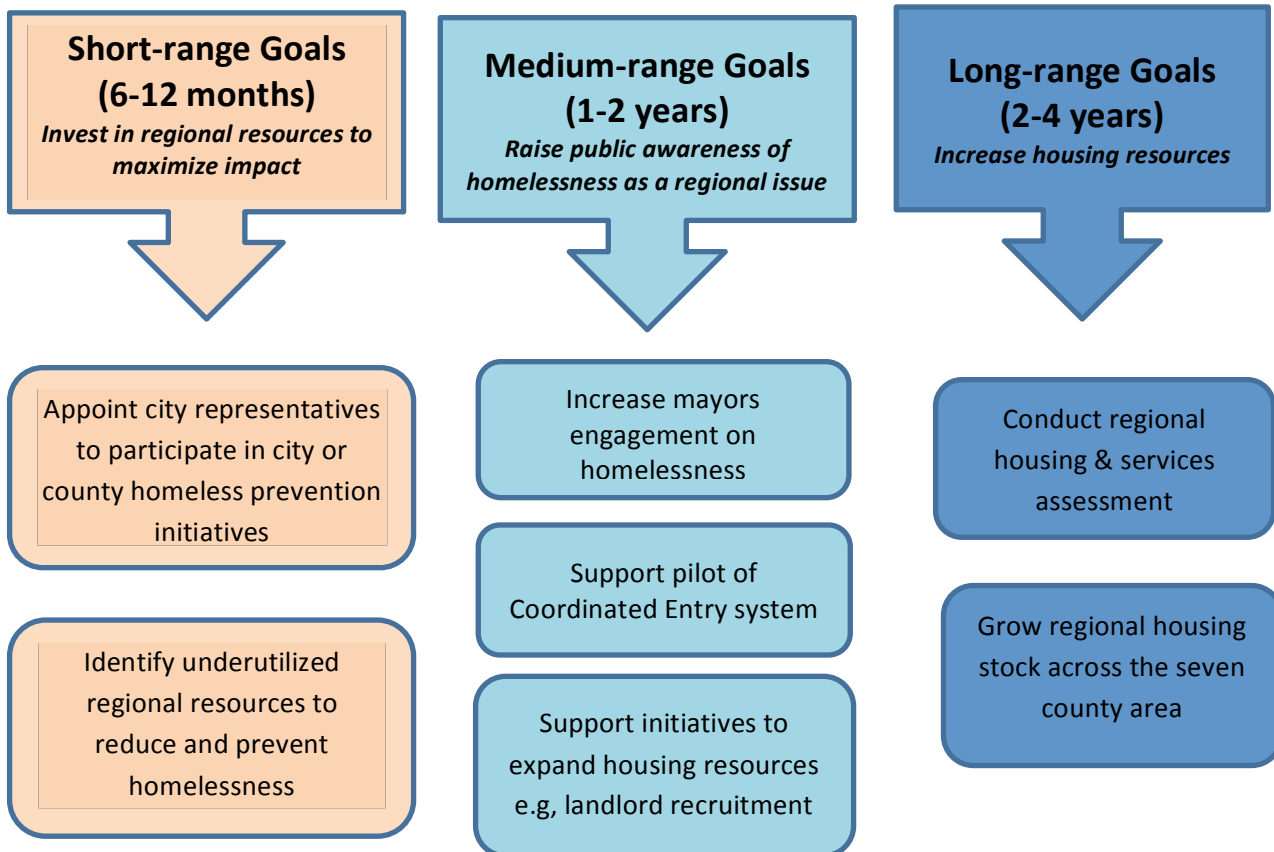
The **Metro Mayors Caucus Homeless Committee (MMC-HC)** has met monthly since March to study the issue of homelessness in metro Denver. MMC-HC has worked closely with the region’s HUD designated Continuum of Care provider, the **Metro Denver Homeless Initiative (MDHI)** to better understand the many facets of the issue and how the mayors may expand, accelerate or otherwise add value to efforts to both new and ongoing efforts to reduce metro area homelessness. MMC-HC & MDHI have agreed on the below common definition of homelessness and are developing several proposed areas for MMC engagement on which we are seeking feedback from the Caucus.

Homelessness in Metro Denver

MMC-HC has adopted the broader MDHI definition of homelessness that includes vulnerable citizens in unstable circumstances. This expanded definition incorporates families and individuals on the verge of homelessness as part of a more holistic and proactive long-term approach to reducing homelessness in the metro area. Included in the MMC-HC/MDHI definition are those in the following circumstances:

- Sleeping in places not meant for human habitation (i.e., cars, parks, or abandoned buildings)
- Sleeping in an emergency shelter
- Living in transitional housing or a hotel or motel
- Living temporarily with family members or friends
- Transitioning out of jail, prison, halfway house, foster care, hospital, detox or other types of residential programs without stable, permanent housing
- Facing eviction from permanent housing
- Loitering and congregating in public places due to a lack of a permanent residence

MMC-HC and MDHI have proposed the following initiatives for consideration of MMC



MMC HOMELESS INITIATIVES

April 2014

Short-range Goals

*Invest in regional resources
to maximize impact
6-12 months*

ID City Reps for County
Homeless Prevention
Initiatives

MMC Survey
Fall 2014

ID Regional Resources
for Homeless Reduction
& Prevention

Full Caucus Updates

Increase Mayors
Engagement on
Homelessness

Monthly Committee
Meetings

Support Housing
Resource Expansion
Initiatives

Landlord Recruitment
Campaign

Support Pilot of
Coordinated Entry

Public Will Building
Campaign

Conduct Regional
Housing & Services
Assessment

Supportive Housing
Voucher Deployment

Long-range Goals

*Increase housing resources
2-4 years*

Grow Regional Housing
Stock

IBM Smarter Cities
Grant Submitted 2/14

PUBLIC AWARENESS PARTNERS

Metro Denver Homeless Initiative
Denver's Road Home
Veteran's Administration
The Denver Foundation
Department of Local Affairs
Spark Policy Institute
Denver Homeless Out Loud
IBM?
Metro Area County Commissioners
3rd Sector Communication Strategies
Office of Governor John Hickenlooper

MID-RANGE GOAL: RAISE PUBLIC AWARENESS OF HOMELESSNESS IN REGION

MMC Update: 4/1/2015

OBJECTIVE 1: INCREASE MAYORS ENGAGEMENT ON HOMELESSNESS

- STRATEGY – EDUCATE MEMBERS ON HOMELESS ISSUES AND APPROACHES:
 - Action: Updates & Presentations at Full Caucus Meetings
 - Action: Weekly Digest Items focused on new data and approaches to reducing and preventing homelessness
- STRATEGY – PARTICIPATE IN HOMELESS MEETINGS & EVENTS:
 - Action: Regular meetings of Homeless Committee
 - Action: Participation in special events
 - Sock It To 'Em – Sock Day – December 10, 2014
 - Supportive Housing Toolkit Presentations – January 14, 2015
 - Denver's Bridging the Gap Forum – February 6, 2014
- STRATEGY – COMMUNICATE WITH REGIONAL CONSTITUENCY:
 - Action: Public Will Building (PWB) Campaign
 - Help to develop, launch and sustain PWB campaign on homelessness. Mayor Hogan and MMC staff participate in PWB Development Team meetings monthly – kicked-off March 17, 2015
 - Work with foundations, providers, business community and advocates, among others, on multi-year campaign to:
 - Raise awareness of the underlying causes and issues related to homelessness
 - Build individual commitment to long-term solutions to address and prevent homelessness in the metro area
 - Share Metro Homeless Survey Results with Mayors – March 20, 2015 Weekly Digest

How can YOU help the Public Will Building Campaign?

1. *Identify media contacts who might act as resources*
2. *Participate in the campaign when launched*
3. *Identify forums for messaging*

OBJECTIVE 2: SUPPORT EFFORTS TO EXPAND HOUSING RESOURCES

- STRATEGY – PARTICIPATE IN LANDLORD RECRUITMENT CAMPAIGN:
 - Action: Support MDHI & Brother's Redevelopment Landlord Recruitment Campaign
 - Homeless and at-risk persons with vouchers outnumber the available units

- Landlords are needed that will accept homeless tenants in this competitive rental market
- Work is underway to address landlord concerns including creation of a regional fund to address any damage that may occur and/or reserve available unit until applicant can be approved

How can YOU help the Landlord Recruitment Campaign?

1. *Contribute to local and regional messaging to recruit landlords*
2. *Participate in public campaign launch in May*
3. *Reach out to landlords in your community & share information about campaign*
4. *Contribute to regional or county based fund to indemnify landlord losses due to tenant damage or brief vacancy*

OBJECTIVE 3: SUPPORT PILOT OF COORDINATED ASSESSMENT & HOUSING PLACEMENT (COORDINATED POINT OF ENTRY) SYSTEM

- STRATEGY – APPLY FOR SMARTER CITIES CHALLENGE TO REFINE & EXPAND CAHP PILOT
 - Action: Proposal Submitted in February
 - Notified that we are semi-finalists March 25, 2015
 - Application team will participate in phone interview in mid-April
 - Notification if selected in May
- STRATEGY – SUPPORT THE CURRENT PILOT IN INTERIM OR IF NOT SELECTED FOR SCC GRANT
 - ACTION: If the grant proposal is not successful we will work with existing Coordinated Assessment and Housing Placement model developed via the U.S. Department of Veteran’s Affairs “25 Cities Initiative” and support implementation of refinements as they arise

How can YOU support the CAHP?

1. *Identify and recruit partners to serve as local city entry points*
2. *Work with your police department and/or county human services providers to identify frequent users of local public systems*
3. *Help formulate strategies to get frequent users assessed and cued up in CAHPS*
4. *Work with local providers to ensure housing/services are in place*

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-98
Series of 2015

Series of 2015

A RESOLUTION APPROVING A CONTRIBUTION TO THE METRO AREA LANDLORD INCENTIVE FUND

WHEREAS, homelessness is a national problem that exists in rural areas, small towns, suburban neighborhoods, and big cities; and

WHEREAS, with support from the Metro Mayors Caucus, Brothers Redevelopment has partnered with the Colorado Division of Housing and the Metro Denver Homelessness Initiative to implement the Metro Area Landlord Recruitment Campaign, designed to provide assistance to individuals and families who hold housing vouchers to secure permanent housing in the seven-county metropolitan region surrounding Denver; and

WHEREAS, the City Council wishes to encourage landlords from across the metro area to provide stable, safe housing to individuals and families in an effort to end homelessness, and desires to support the Metro Area Landlord Incentive Fund by providing a monetary donation.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The City Council of the City of Northglenn, Colorado hereby approves a contribution of \$1,000.00 to the Metro Area Landlord Incentive Fund.

DATED at Northglenn, Colorado, this ____ day of _____, 2015.

JOYCE DOWNING
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney