

2022 CML Mayors' Summit

Creative Strategies for Workforce and Affordable Housing

Andrew Paredes

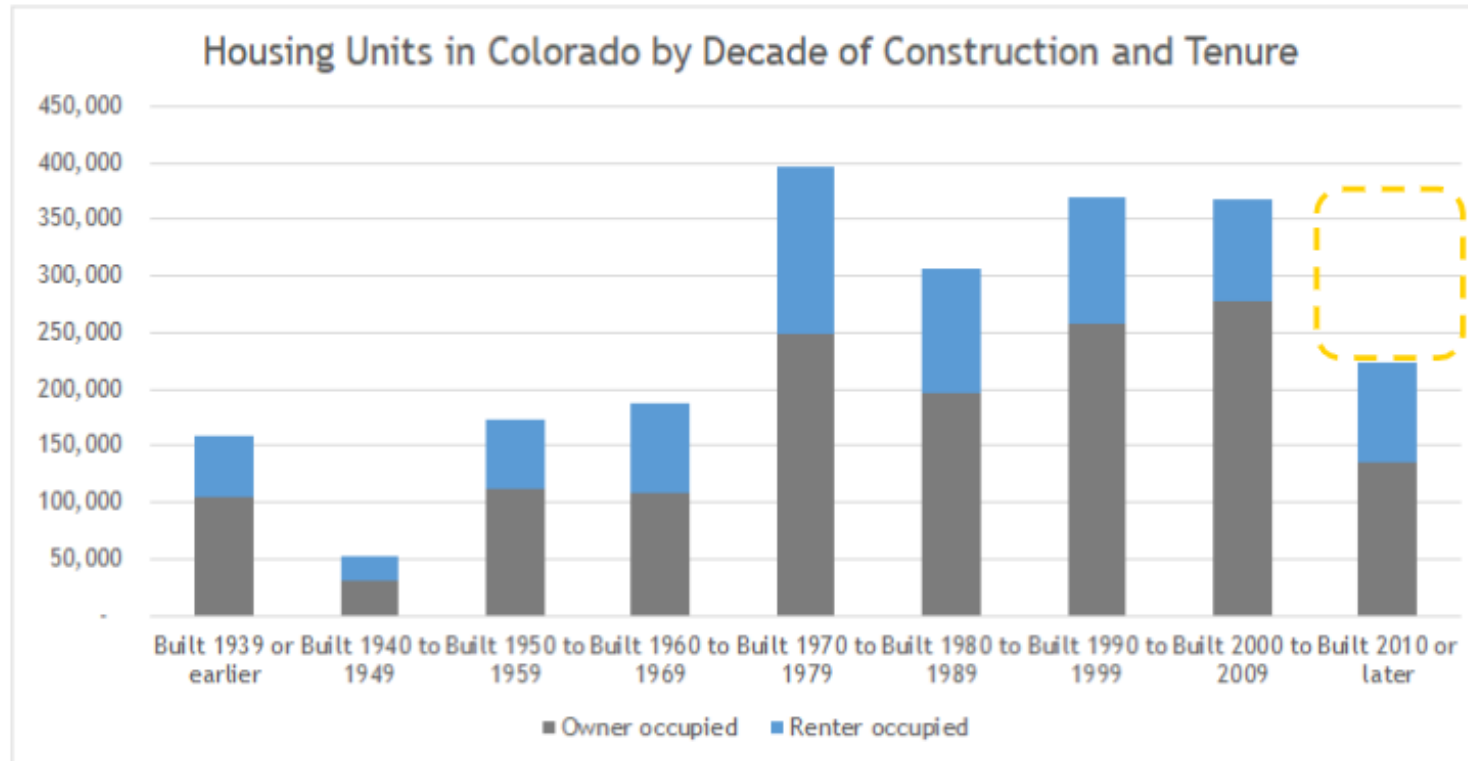
DOLA Division of Housing, Director of Housing Finance and
Sustainability



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Deficit of Construction of Housing

40% drop in housing production last decade



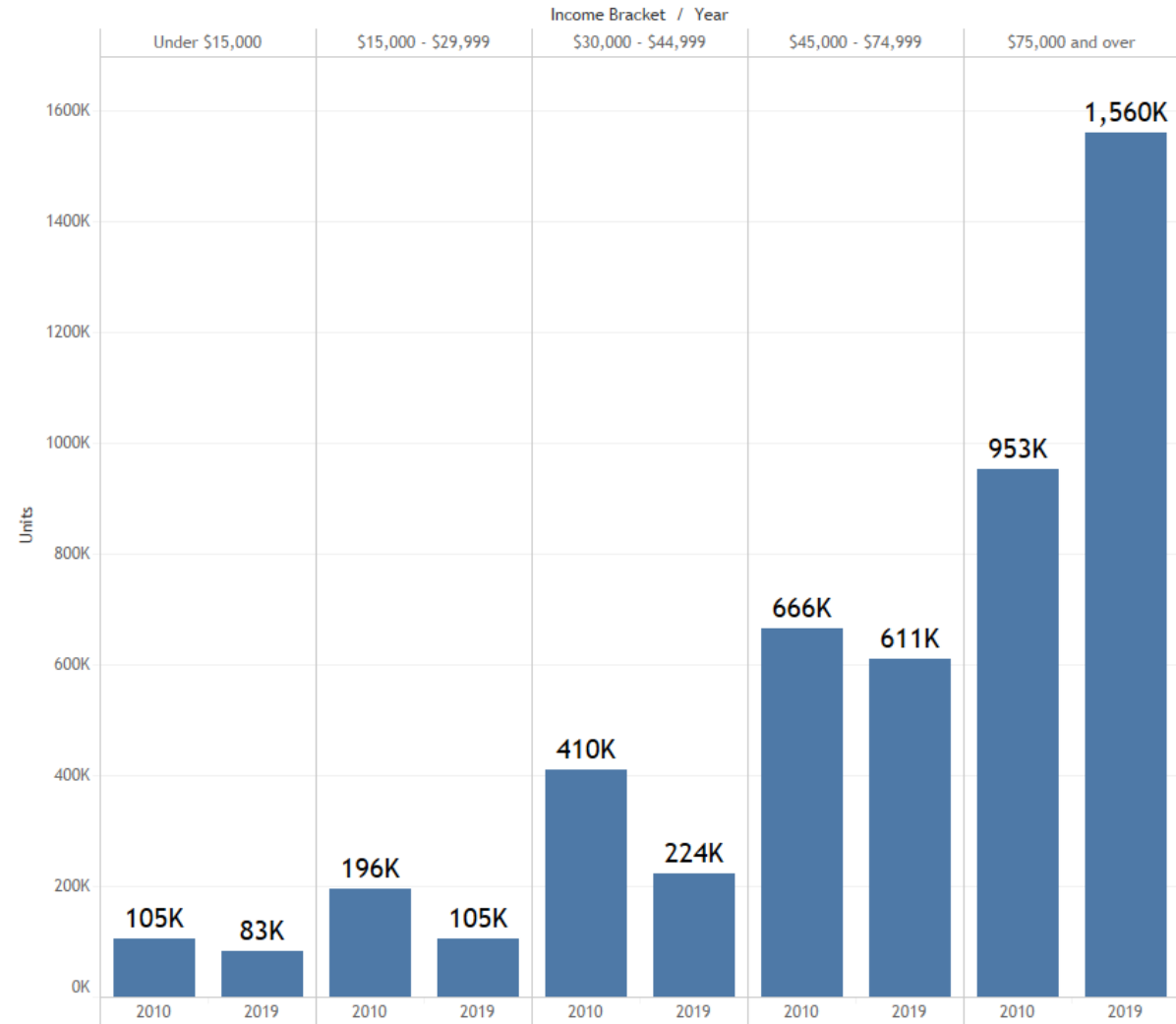
Source: ACS 1-year estimates, 2019



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Housing Stock - Trends

Housing Units in Colorado by Income Affordable To, Unit Type, and Year



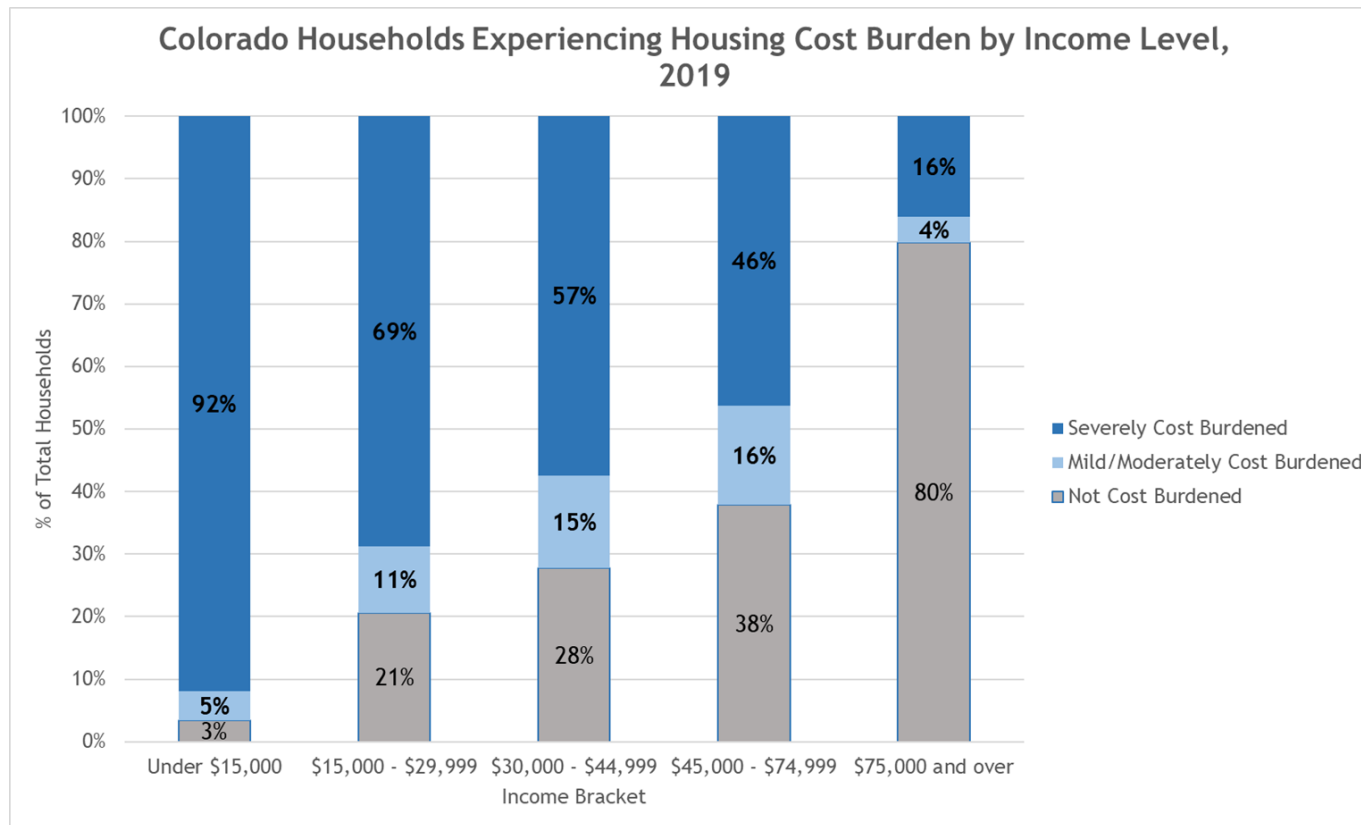
Source: Department of Local Affairs, Division of Housing tabulations of U.S. Census Bureau American Community Survey 1-Year Estimates for 2010 and 2019, dataset provided by IPUMS USA, University of Minnesota, www.ipums.org. Incomes and housing costs from 2010 inflated to 2019 real dollars using Consumer Price Index for All Urban Consumers, All Items in U.S. City Average provided by U.S. Bureau of Labor Statistics, republished by Federal Reserve Bank of Atlanta, FRED.

Notes: Much of the increase in home-ownership units affordable at and above \$75,000 in household income (about 340k) is likely due to home price appreciation and loss of stock affordable at low income levels, while about 190k is from new construction.



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Housing Needs - Income



www.ipums.org



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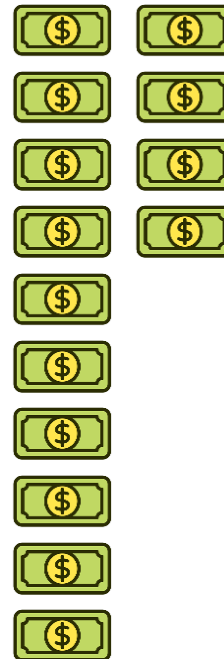
Disposable Income for Households Earning \$0-\$50k in CO, 2019

Not Cost Burdened
(0%-30% Income on Housing)



\$1,900

Mild/Moderate Cost
Burden
(31%-50% Income on Housing)



\$1,400

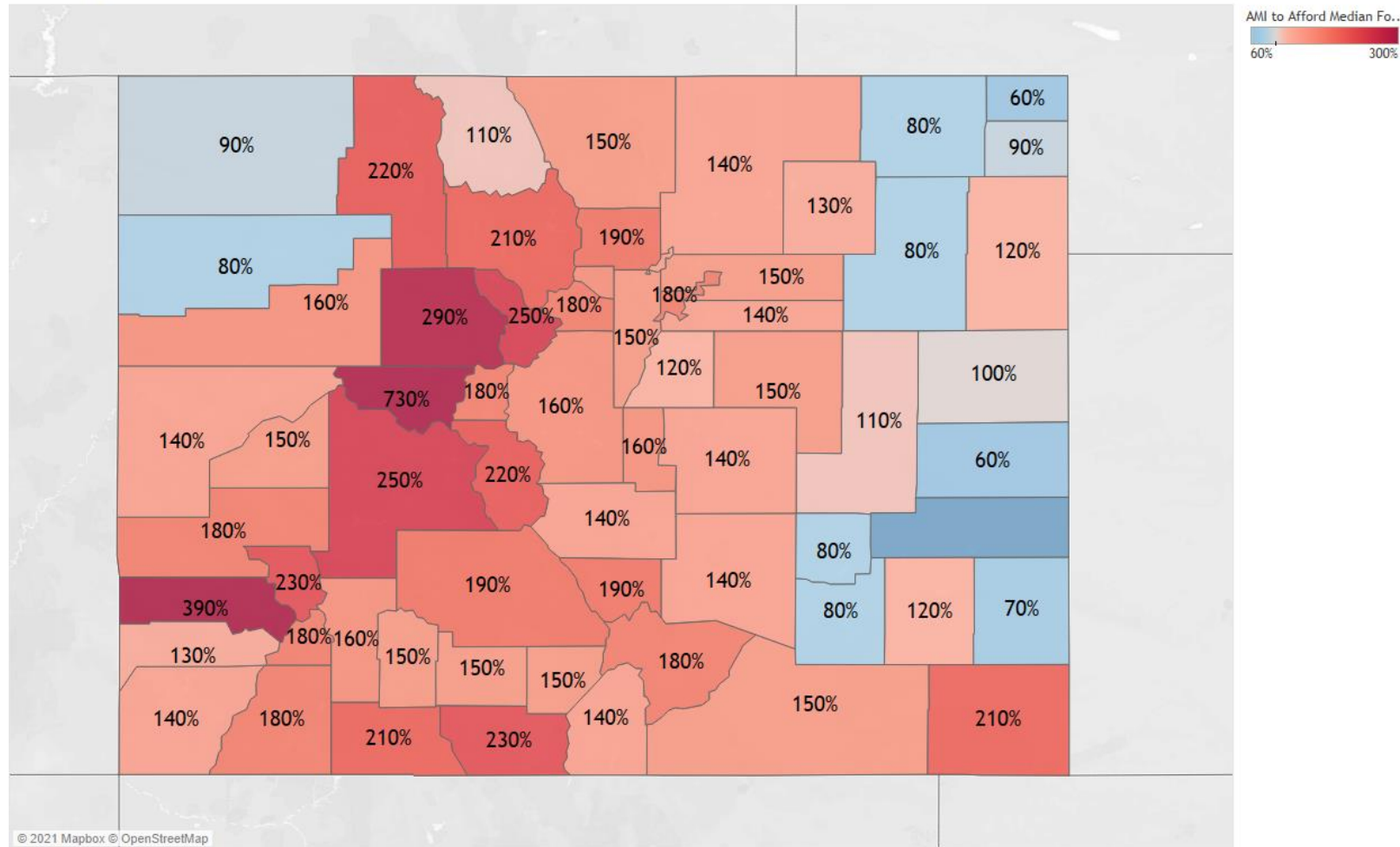
Severe Cost Burden
(50%+ Income on Housing)



\$200

Housing Affordability - Ownership

Estimated Income Required to Purchase Median Sale Price Home as Percent of Area Median Income by County, 2021



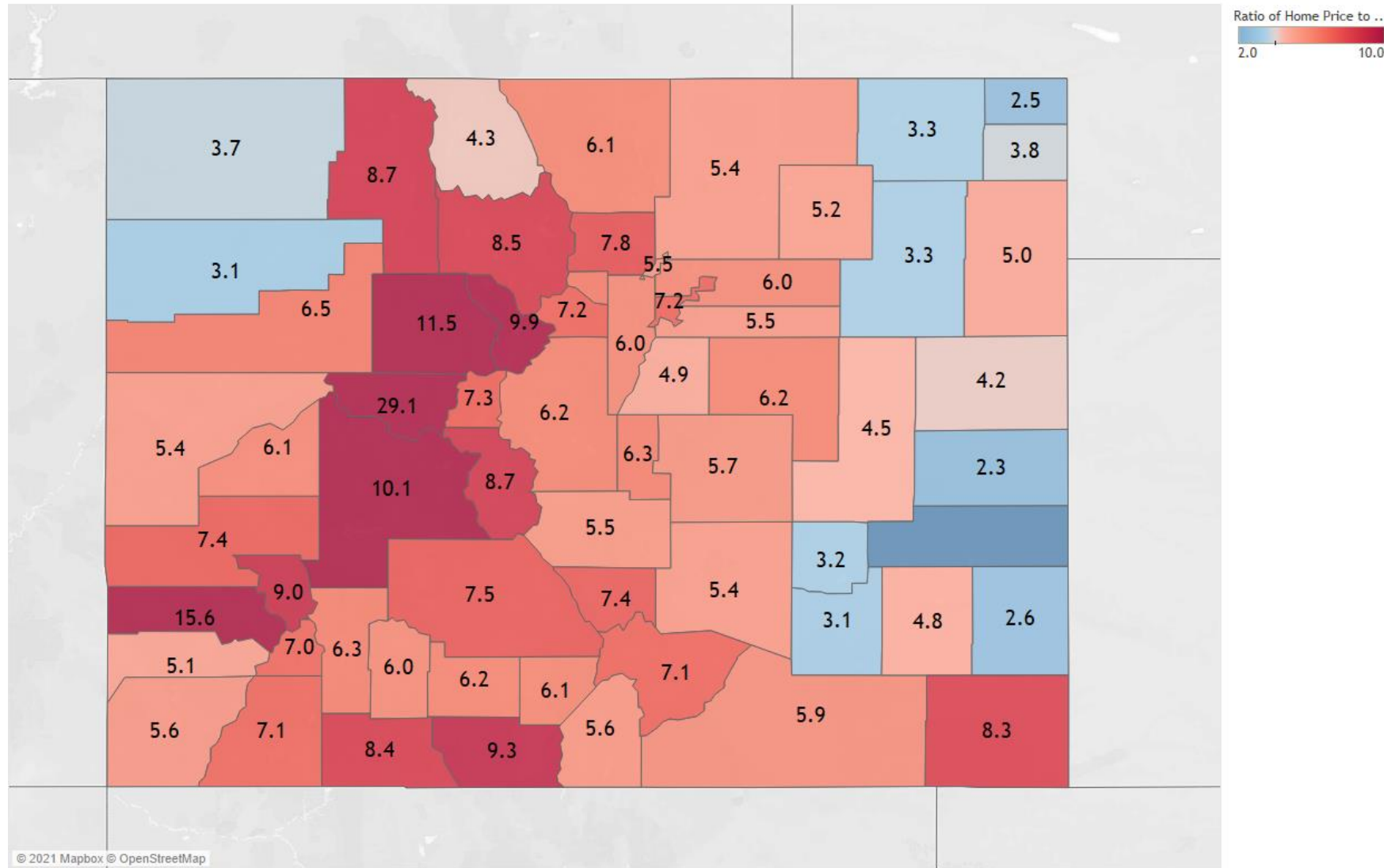
Source: Department of Local Affairs, Division of Housing tabulations of data provided by U.S. Census Bureau Small Area Income and Poverty Estimates Program 2019 and Colorado Association of Realtors. Data includes year-to-date home sales as of September 2021.



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Housing Affordability - Ownership

Ratio of Median Home Sale Price to Median Income by County, 2021



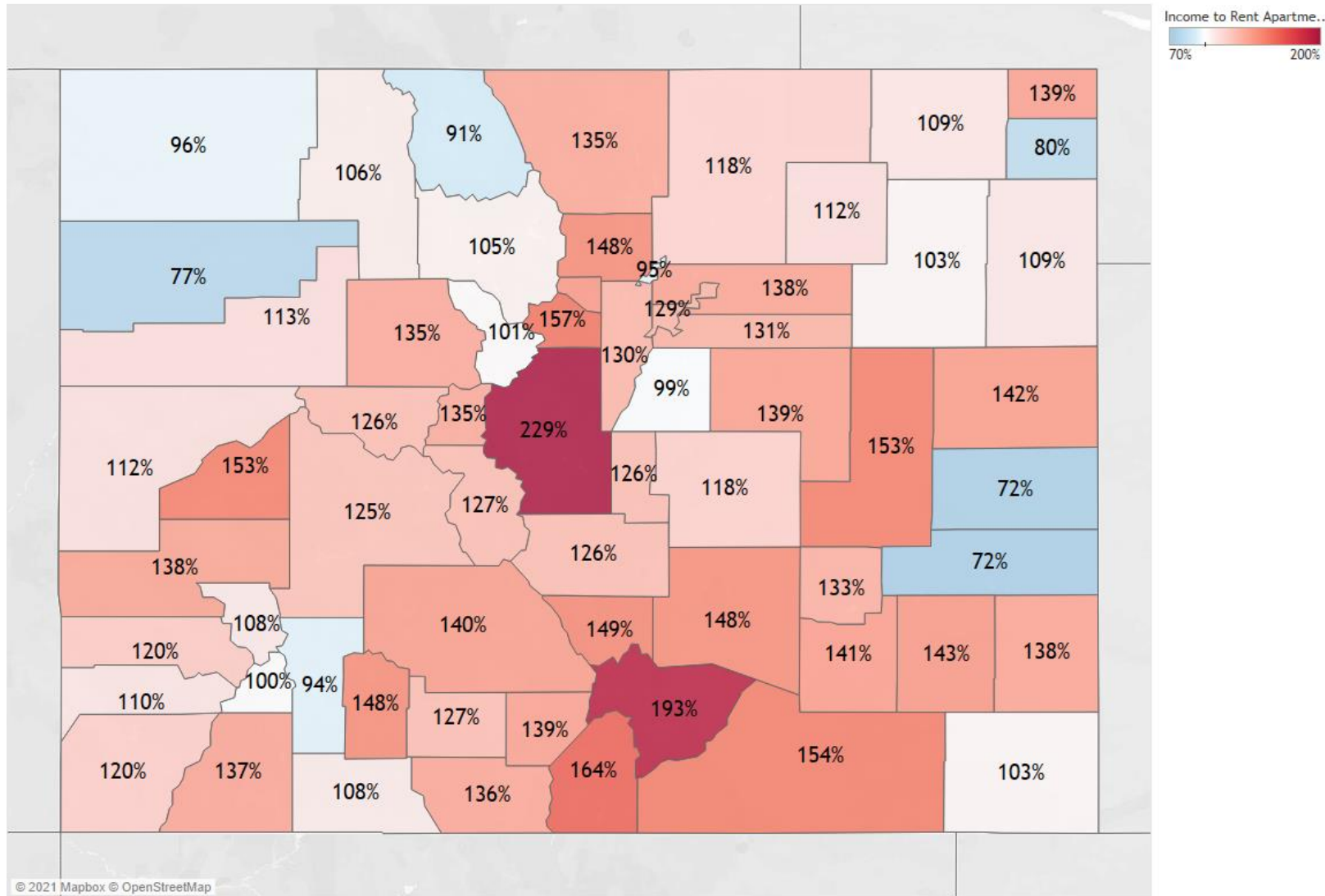
Source: Department of Local Affairs, Division of Housing tabulations of data provided by U.S. Census Bureau Small Area Income and Poverty Estimates Program 2019 and Colorado Association of Realtors. Data includes year-to-date home sales as of September 2021.



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Housing Affordability - Rentals

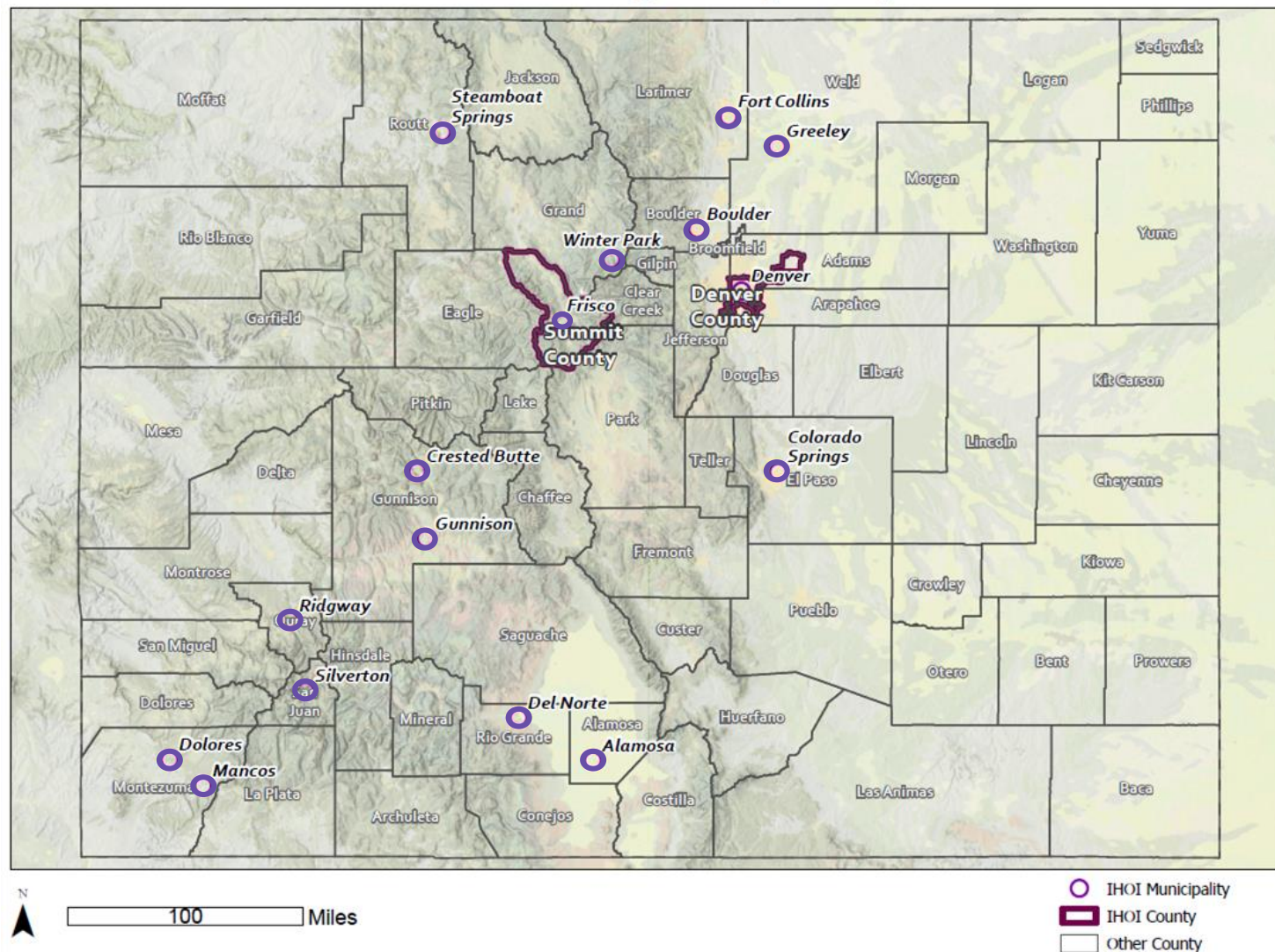
Income Required to Rent Median Apartment as Percent of Median Renter Income by County, 2021



Source: Department of Local Affairs, Division of Housing tabulations of U.S. Department of Housing and Urban Development 2021 Median Rents for 2-bedroom units and U.S. Census Bureau Small Area Income and Poverty Estimates Program 2019.



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Planning Grant Program Update

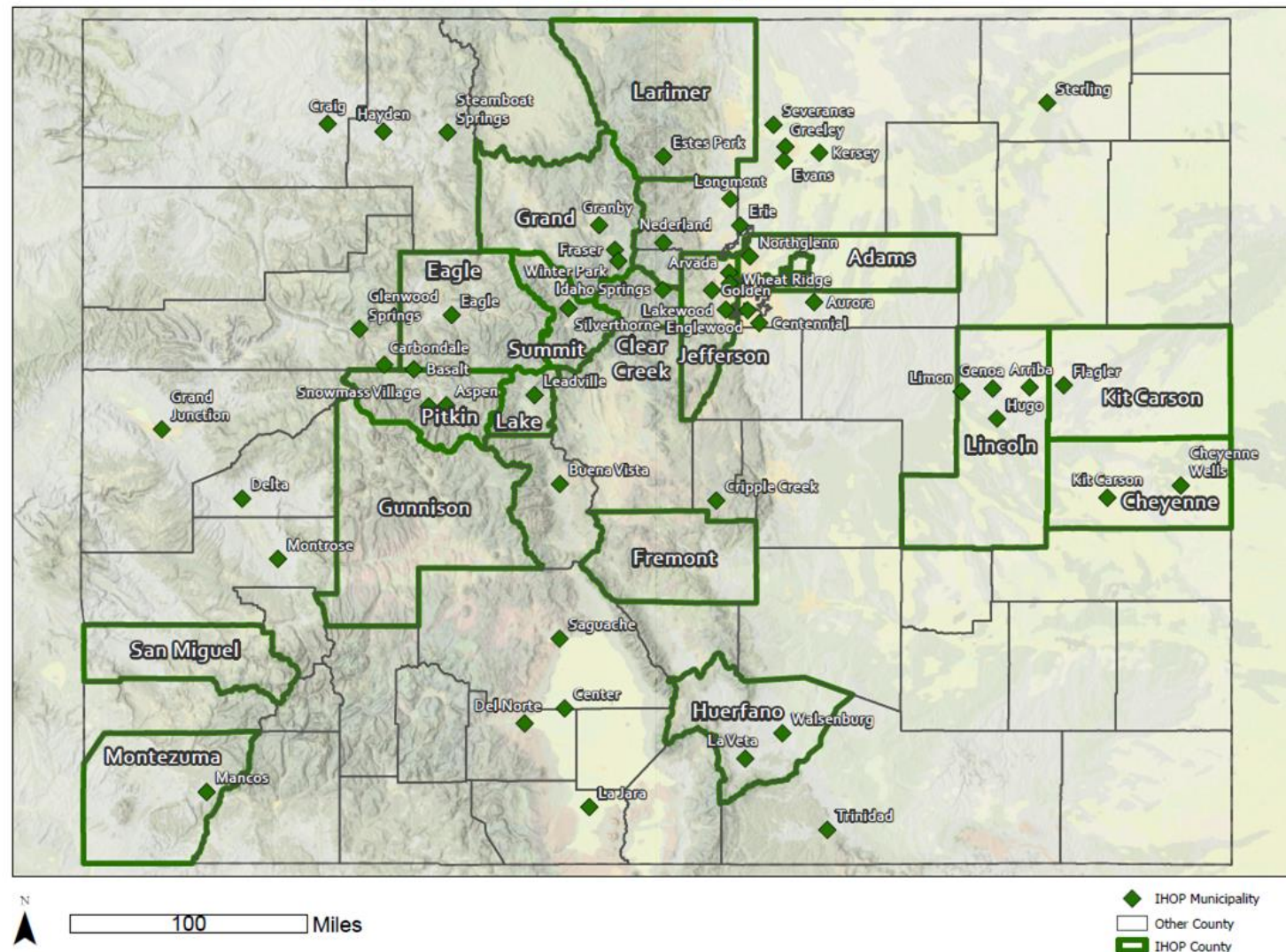
Round 1-6 Awards

- 47 Planning Grants
- \$4.25M Awarded
- 244 qualifying strategies pursued

Final Application Deadline: October 5th
– in review

- 16 Applications Received
- \$1.1M Requested

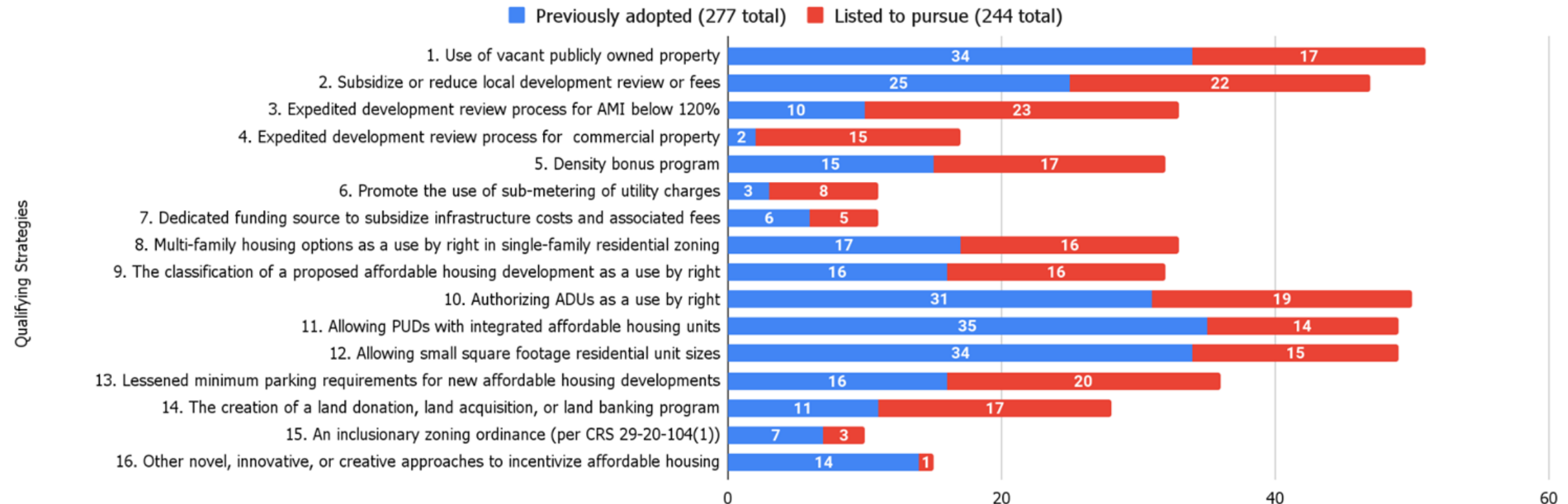
Planning Grant Program (IHOP) Grantees





Planning Grant Program - Initial Takeaways

1271 Qualifying Strategy Implementation



Affordable Housing Investment Funds (AHIF)

Funded through HB21-1329

State resources invested/loaned to 3rd party affordable housing finance partner agencies to further their lending goals and missions. Financing provided MUST support development, creation or preservation of affordable housing opportunities.

Awards made to 10 programs in 2022 totaling \$61.9M

CHFA (Healthy Housing, Preservation & Sf Construction) * MDIF * Impact Development Fund
Mercy Community Capital * Weave Social Finance * ECLT * CHT * HomesFund

Activities/Uses Supported

Preservation of NOAH * Construction lending * Healthy Housing Outcomes * Land Acquisition
Subordinate Financing * Long Term Perm Debt * Down Payment Assistance & Homeownership



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Operation Turn Key (OTK)

Funded through HB21-1329 & SB21-242

DOH direct loans/grants to affordable housing developers to quickly acquire properties to be used for affordable housing or affordable housing development. Additionally, grant funds available for rental and operating assistance to allow properties to be used as shelter type housing in the near term. Loans and grants are short term / bridge in nature, requiring development and repayment within 4 years.

Awards made to 18 programs statewide in 2022 totaling \$47M

Ouray * Fraser * Montrose * Grand Junction * Denver * Alamosa * Durango * Parachute * Arvada * Fruita *
Telluride * Ridgway * Gunnison

Activities/Uses Supported

Land acquisition * Acquisition of a school and church building or conversion to housing * Hotel/Motel acquisition for housing * Apartment acquisition * Shelter rental and operating assistance



Transformational Grant Programs

Affordable Housing, Homeownership, & Workforce Housing

Application Dates:

NOFA Release: November 15, 2022

Beginning Date: January 1, 2023 and on the first of every month thereafter

Expiration Date: June 30, 2024 or until all available funding is committed

and

Homelessness Response

Application Dates:

NOFA Release: November 15, 2022

Due Dates: Feb. 15, 2023 June 15, 2023 Oct. 15, 2023 & Feb 15, 2024

Draft Guidelines, Policies, & Procedures are posted for Public Comment

www.cdola.Colorado.gov/housing in the “What’s New” section



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Transformational Grant Programs

Affordable Housing, Homeownership, & Workforce Housing

Program Details:

Minimum Project Award: \$250,000

Minimum Project Award: \$10,000,000

Eligible Applicants: Local Governments and Community Partners/Non-profits

Eligible Activities:	Housing Infrastructure	Gap Financing	Homeownership
	Preservation	Conversion	Energy Improvements
	Land Banking	Mixed Use	

Geographic Designations

- Urban (80% AMI rental & 140% AMI homeownership)
- Rural (140% AMI rental & 140% AMI homeownership)
- Rural Resort (170% AMI rental & 140% AMI homeownership)

Of Note:

- Energy efficiency and accessibility requirements apply
- Source of funds: ARPA SLFRF - Revenue Replacement
- URA & 2 CFR 200 Federal requirements will apply
- Not subject to Davis Bacon & NEPA
- State and Federal reporting will be required



Transformational Grant Programs

Homelessness Response

Program Details:

Minimum Project Award: \$250,000

Minimum Project Award: \$5,000,000

Eligible Applicants: Local Governments and Community Partners/Non-profits

Eligible Activities: Supportive Services * Permanent Supportive Housing * Rental Assistance
Eviction Legal Defense * Energy Improvements * Emergency Homeless Shelters
Transitional and Bridge Housing * Recovery Care * Learning Opportunities
Data Collection/Analysis * Coordination of Systems

Of Note: Local Match will be required
Source of funds: ARPA SLFRF
2 CFR 200 Federal requirements will apply
Quarterly reporting to DOH will be required



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SB22-159 - Revolving Loan Fund for Investments in Transformational Affordable Housing

- Program Guidelines & NOFA to be rolled out Q4 2022
- \$150,000,000
- Local Governments, For Profit Developers, Community Partners (Non-Profits), or Political Subdivisions
- Geographic Designations
 - Urban (120% AMI rental & 140% AMI homeownership)
 - Rural (120% AMI rental & 120% AMI homeownership)
 - Rural Resort (140% AMI rental & 160% AMI homeownership)
- Eligible Activities
 - Housing Infrastructure * Gap Financing * Homeownership / For Sale Housing * Preservation
 - Energy Improvements * Property Conversions * Workforce Housing * Land Banking * PSH
- Loans made directly by DOH as well as 3rd party lending partners
- Flexible loan terms and low-interest and below market rates



SB22-160 - Mobile Home Park Revolving Loan and Grant Program

- Program Guidelines & NOFA to be rolled out Q4 2022
- \$35,000,000
- A group or association of mobile home (MH) owners or their assignees
- Loan Program administered by 2-3 third party lenders
 - Acquisition and capital improvement financing
- Grant Programs
 - Technical Assistance (TA)
 - Nonprofits to provide TA to eligible MH owners seeking to organize or purchase their park
 - Long term affordability (lot rent assistance)



HB22-1378 - Denver-Metro Regional Navigation Campus Grant

NOFA to be published Nov 15, 2022

- \$50,000,000
- Local Governments in Denver-Metro Area or a Community Partner (Non-Profit) in conjunction with local governments
- Activities:
 - Behavioral Health and Recovery-Oriented Services and Treatment
 - Medical and Dental Care
 - Shelter, Transitional Housing, and Supportive Housing
 - Vocational Rehabilitation and Employment Skills Training and Services
 - Benefits Enrollment
 - Services for Exiting Residential Facilities or At-risk of Homelessness



SB22-211 - Repurpose The Ridge View Campus

Converting the Ridge View Campus into a recovery-oriented community for individual adults without stable housing who wish to focus on recovery from a substance use disorder will provide low-barrier access to comprehensive care and treatments and will allow people to recover and heal in a safe and stable environment.

- \$45,000,000
- Activities:
 - Transitional Housing
 - Continuum of Behavioral Health Services and Treatment
 - Medical Care
 - Vocational Training and Skill Development



HB21-1271 - DOH Local Officials Toolkit

- DOH Toolkit will include:
 - Affordable Housing Development 101 Training - overview of affordable housing.
 - Affordable Housing Development for Local Officials - hour long deep dive focused classes ranging from development & financing to policies that can incentivize affordable housing in communities.
 - Online web resource - DOH hosted online resource focused on policies to incentivize affordable housing
 - Technical Assistance
 - Light touch - on demand call center for quicker/easier issues and questions
 - Heavy Touch - one on one TA provided to communities or local officials to help work through issues, problems and local needs.
- Timeline
 - Q1 2023 - 101 Trainings Available - Q1 2023
 - Q2 2023 - Local Officials Training Available - Q1 2023 and ononig
 - Q2 2023 - Web-Based Resource Available - Q1 2023
 - Technical Assistance
 - Light Touch available Q4 2022
 - Heavy Touch applications open Q1 2023

For more information, contact **Andrew Atchley** andrew.atchley@state.co.us



FY 2020 - FY2023 Funding Sources

Traditional DOH Gap Funding Programs

Source	FY2020	FY2021	FY2022	FY2023 <i>(projected)</i>
HOME	\$4.1M	\$5.7	\$6.7	\$7.4M
CDBG	\$3.3M	\$3.4	\$2.8	\$3.1M
HTF	\$3.3M	\$4.4	\$10.0	\$10.9M
HSP	\$15.3M	\$15.3M	\$15.3M	\$15.3M
HDG	\$9.2M	\$9.2M	\$9.2M	\$9.2M
HDG-EE (Nicotine)	\$0	\$11.1M	\$11.1M	\$11.1M
HDG-1245 (Vendor Fee)	\$0	\$11.2M	\$63.6M	\$72.0M
Total	\$35.2M	\$50.1M	\$118.7M	<u>\$129.0M</u>



Thank you!

Questions or Comments?

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Latest NOFAs and RFAs: <https://cdola.colorado.gov/open-request-applications-rfa>

Sign-up For DOH Updates:
<https://colorado.us13.list-manage.com/subscribe?u=1d97570d5b1d9d9b89bf4591b&id=6440f8d693>



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