

affordable housing resources

CML Affordable Housing Summit
November 9, 2016



about chfa

- CHFA was established in 1973 by the Colorado General Assembly.
- CHFA received authority to do commercial loans in 1982.
- Three lines of business

homeownership

affordable
rental housing

business finance



mission

We strengthen Colorado by
investing in affordable housing
and community development.



vision

Everyone in Colorado will have the
opportunity for housing stability
and economic prosperity.



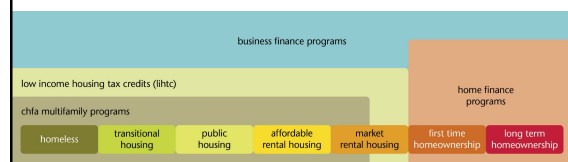
chfa's work since 1973

- Invested \$12.2 billion into Colorado's economy
- These resources have helped:
 - 88,695 Colorado households achieve homeownership
 - 106,809 households attend homebuyer education classes held statewide
 - 60,513 affordable rental housing units be developed or preserved
 - 4,081 businesses access capital to support 54,448 jobs



(as of 12.31.2015)

how chfa serves colorado's housing continuum



what is affordable housing?

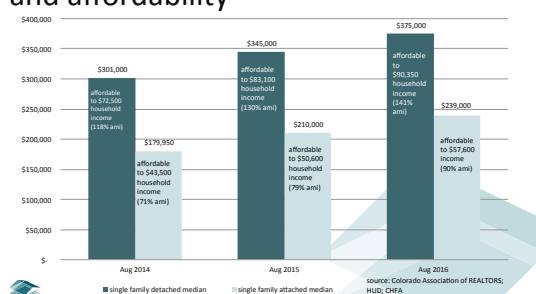
- You should spend no more than 30% of your gross income on housing costs
 - Homeownership
 - principal, interest, taxes, and insurance
 - Rent
 - rent and utilities



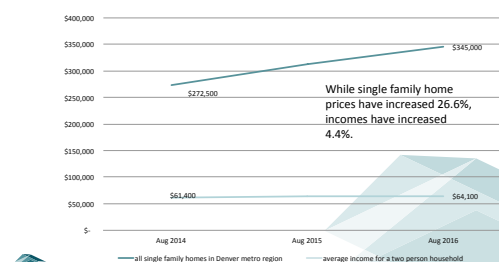
for-sale housing trends



denver metro median home price and affordability



denver metro area single family home price and income increases



chfa's resources to support affordable homeownership



affordable homeownership

- Investor in single-family mortgage loans
 - First and second mortgage loans; refinance
 - 30-year, fixed rate
 - Network of over 100 participating lenders statewide
 - Over 500 lender/realtor trainings held statewide
- Optional down payment and closing cost assistance
 - 3, 4, or 5 percent of mortgage loan amount



single family beneficiaries

- 71% increase in production (2014 – 2015)
 - \$732.4 million as of Aug. 2016
- 11% increase in average loan amount (2014-2015)
 - \$214,417 as of Aug. 2016
- 57% of customers are Millennials
- highest growth areas (Aug. 2014 – Aug. 2016)
 - Colorado Springs
 - Aurora
 - Brighton
 - Grand Junction
 - Westminster
 - Littleton



homebuyer education

- Sponsor of in-person and online Homebuyer Education via 29 providers statewide
 - 9,048 households supported in 2015
 - Highest enrollment on record
 - 7,091 households as of 8.31.2016



rental housing trends



regional rents

region	median rent Q2 2015	median rent Q2 2014	median rent Q2 % increase in rent	household income needed to afford median rent	AMI needed to afford median rent (2 person)	apartment vacancy Q2 2015	apartment vacancy Q2 2014
Boulder / Broomfield	\$ 1,398	\$ 1,235	13%	\$ 55,931.20	70%	5.3%	4.3%
Colorado Springs	\$ 867	\$ 822	6%	\$ 34,695.60	59%	4.6%	5.5%
Denver Metro	\$ 1,225	\$ 1,068	15%	\$ 48,997.20	77%	4.5%	4.7%
Fort Collins / Loveland	\$ 1,249	\$ 1,124	11%	\$ 49,964.80	80%	2.1%	2.8%
Grand Junction	\$ 559	\$ 576	-3%	\$ 22,352.40	46%	3.7%	6.9%
Greeley	\$ 891	\$ 758	18%	\$ 35,642.40	67%	1.6%	4.1%
Pueblo	\$ 577	\$ 572	1%	\$ 23,088.20	48%	5.9%	6.6%
statewide	\$ 1,165	\$ 1,065	9%	\$ 46,580.40	78%	4.4%	4.8%



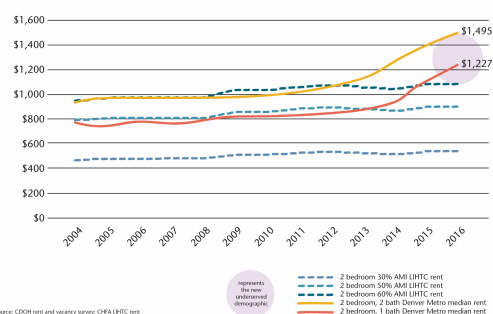
Source: apartment vacancy and rent report (Throupe and Von Stroh)

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median rent comparison

q1 2004 to q1 2016

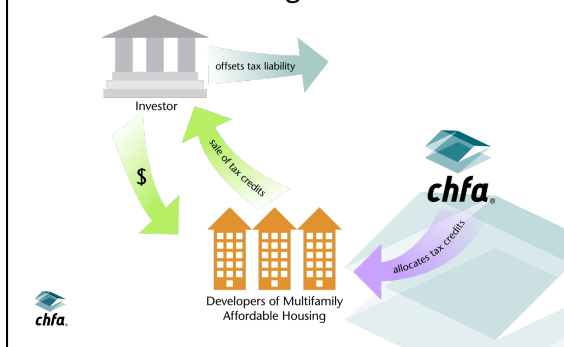
2 bedroom • denver metro vs. lihtc rents



chfa's resources to create affordable rental housing



low income housing tax credits



types of lihtc

- Federal 9% competitive LIHTC
- Federal 4% noncompetitive LIHTC
- State LIHTC

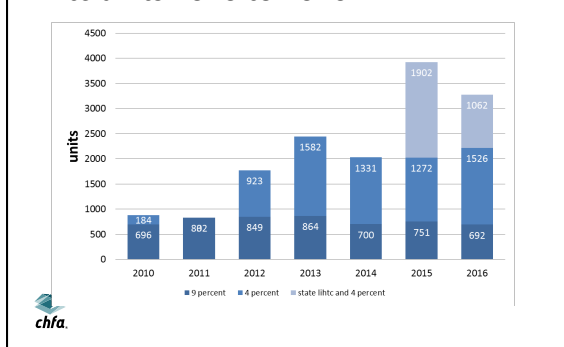
federal lihtc

- **9 percent competitive**
 - Designed to subsidize approximately 70 percent of an affordable development's costs
 - Consistently oversubscribed
 - Most recent round: \$13 to allocate, \$41 million requested
- **4 percent noncompetitive**
 - Designed to subsidize approximately 30 percent of an affordable development's costs
 - Paired with tax exempt bonds and gap resources

colorado state lihtc

- Modeled after federal LIHTC
- Originally created 2001-2002; renewed in 2014 and 2016
- 2016 bill sponsors: Rep. Crisanta Duran, Rep. Jon Becker, Sen. Jessie Ulibarri, Sen. John Cooke
- Extensive coalition including housing, business, and human services community, and CML
- \$5 million in state LIHTC in 2017-2019

lihtc units 2010 to 2016



2016 lihtc allocation

- 40 developments supported; 3,280 units
 - 5 flood recovery – Boulder, Fort Collins, Greeley, Longmont
 - 23 Denver Metro area
 - Other cities: Basalt, Buena Vista, Cañon City, Colorado Springs, New Castle, Pueblo
- 3 Transit-Oriented Developments; 8 Senior; 4 Permanent Supportive Homeless Housing
- All affordable units are 60% AMI or below; 30-40 year affordability
- Historically actual median income is 33% AMI
 - \$17,196 in Adams County; \$12,828 in Pueblo (2 person household)

centennial park apartments, longmont

- 140 disaster recovery units
- \$876,289 in 4% LIHTC, \$1.2 million in state LIHTC



private activity bonds

- PABs are a tax-exempt bonding authority to support community development.
- Administered by the Colorado Department of Local Affairs-Division of Housing (DOLA-DOH)
- Direct allocations are made on a per-capita basis to locations with at least 20,000 residents, at \$50 per person.
- Populations < 20,000 are able to apply from the statewide fund through DOLA-DOH.



private activity bonds

- Purposes
 - First time homeownership programs, financing of multifamily affordable housing, support for manufacturing businesses, etc.
- Partner with CHFA
 - Improve the overall time and cost efficiency for your community to leverage PAB for housing
 - No cost for a city or town to transfer PAB to CHFA for future issuance



questions

