



Land Use & Housing Resources

April 27, 2023



COLORADO
Department of Local Affairs



COLORADO
Office of Economic Development
& International Trade

Agenda

- Division of Housing Local Officials Toolkit
- Land Use and Infrastructure resources
- Prop 123 baseline and commitment and planning capacity
- Prop 123 OEDIT/CHFA programs
- Additional DOH resources



Affordable Housing Toolkit for Local Officials



Affordable Housing Toolkit for Local Officials

Affordable Housing Development 101

- 1-hour live, in-person or remote high level training covering the basics of affordable housing
- Presented 6 times through the end of fiscal year 2024
- Also available on the toolkit website for use by local officials

Affordable Housing Toolkit for Local Officials

Affordable Housing Development for Local Officials

- Virtual and remote trainings, offered 10 times per year
- Will include a variety of topics related to incentivizing and the creation of affordable housing
- In-person trainings focused on regional issues will be scheduled beginning in the spring

Affordable Housing Toolkit for Local Officials

Technical Assistance

- In-depth technical assistance for a minimum 12 communities
- Tailored to each participating community's needs
- Competitive application process, next deadline May 1 ,2023
- Application materials can be found on the toolkit website

Affordable Housing Toolkit for Local Officials

Online Web Resource

<https://officials-housing-toolkit.cdola.colorado.gov/>

Resources from Division of Local Government

- 1271/Innovative Affordable Housing Strategies (IHOP, IHOI - funds awarded)
- Strong Communities (\$40M) - webinars next month
 - Land Use Planning grants - accepting grant applications this summer
 - Infill infrastructure grants- up to \$4M
 - 140% AMI owner/rental or 160% ownership rural resort
 - Accepting LOIs this fall
- EIAF More Housing Now & Land Use Initiative (\$20M)
- Prop 123- Local Planning Capacity Development Grants - this summer

Prop 123 - State Affordable Housing Fund

March 2023 Forecast

- Fiscal Year 2022-2023 - \$151.8 million
- Fiscal Year 2023-2024 - \$310 million

DOH receives 40% of funds. Affordable Housing **Support** Fund for DOH is estimated to be:

- Year 1: \$60.72 million - up from \$58 million
- Year 2: \$124 million - up from \$116 million

OEDIT receives 60% of funds. Affordable Housing **Financing** Fund for OEDIT is estimated to be:

- Year 1: \$91.08 million - up from \$87 million
- Year 2: \$186 million - up from \$175 million

Affordable Housing Support Fund

DOH will utilize its 40% of the funds for:

1. Affordable Home Ownership Program - up to 50% (down payment assistance, grants/loans)
 - \$30.36 million of the anticipated funds in year 1 and \$62 million in year 2
2. Program Servicing Persons Experiencing Homelessness - up to 45% (rental assistance, housing vouchers, eviction defense assistance, grants/loans for supportive housing)
 - \$27.32 million of the estimated funds in year 1 and \$55.8 in year 2
3. Local Planning Capacity Development Program - up to 5% (processing land use, permitting and zoning applications for housing projects)
 - \$3.04 million of the estimated funds in year 1 and \$6.2 in year 2

Local Planning Capacity Development Program

Grants to local governments to increase capacity of local govt planning departments responsible for processing land use, permitting, and zoning applications for housing projects (up to 5%; \$3 M in Year 1 and \$6.2 M in Year 2).

- Fast-track and other streamlining development processes and systems/technologies
- Land use code amendments that effectively streamline development review
- Staff or contractor assistance to review aff housing applications within expedited timeline
- Once first commitment accepted, future commitment development

DLG's next steps, in partnership with DOH:

- Additional outreach and engagement for input on grant program guidelines
- Engage planners and developers to create Fast-Track guidance, templates
- Assistance needed to develop this first commitment?



Local Government Commitments & Baselines

Deadlines for municipalities and counties for unincorporated:

- Initially by November 1, 2023
- Subsequent 3-year cycles also by November 1st

Required to first develop a baseline of affordable housing:

- The American Community Survey (ACS)
- Comprehensive Housing Affordability Strategy (CHAS) - HUD retabulations of ACS
- DOH method - if the two above will not work

“Affordable Housing”

- Rental units:
 - Costs less than 30% of the monthly income for a household at or below 60% of the median income.
- For-sale units:
 - The mortgage payment costs less than 30% of the monthly income for a household at or below 100% of the median income.
 - The unit could be purchased by a household at or below 100% of the median income.
- The annual 3% commitment target required in the proposition must be based off of the local jurisdiction's AMI.
- A local government may petition DOH for use of an adjacent jurisdiction's calculation for a baseline of affordable housing or to apply the state median income in its baseline calculation.

Petition Process & Commitment Goal

Petition:

- Neighboring county's AMI
- State Median Household Income

Objective:

- Increase baseline # of affordable housing by 3% each year
 - New construction or converted from unaffordable
 - Must increase by at least 9% by December 31, 2026

Compliance

- ★ November 1, 2023 - deadline to file commitment
 - Ineligible for funding 2024 calendar year
 - May file a 2-year or 1-year commitment to finish out 3-year cycle

- ★ December 31, 2026 - deadline to meet 9% increase
 - New housing - permitted
 - Existing housing - permitted and fully funded
 - Ineligible for funding 2027 calendar year
 - May file a 2-year commitment by 11/1/27 and be eligible for funding again in 2028

- ★ Fast-track Approval Process - must be in place for 11/1/26 commitment and on

Engagement Site

| | | |
|---|-----------|--|
| 1 | Education | <ul style="list-style-type: none">• Articles• Frequently Asked Questions• Key Dates |
| 2 | Service | <ul style="list-style-type: none">• Submit questions• Links for commitment submission (coming soon) |
| 3 | Feedback | <ul style="list-style-type: none">• Comments• Polls |

engagedola.org/prop-123



Future Engagement Opportunities

→ Housing Colorado, DOH, CHFA Summer Engagement

◆ Grand Junction - Wednesday, July 12

◆ Durango - Thursday, July 13

◆ Pueblo - Tuesday, July 18

◆ Fort Collins - Wednesday, July 26

◆ Frisco - Friday, July 28

◆ Denver - Tuesday, August 8



overview of proposition 123

CCCMA Conference
April 27, 2023



proposition 123

State Affordable Housing Fund

\$151.8M FY22-23

\$311M FY23-24



Affordable Housing Support Fund

DOH (\$124.4M/40%)



Affordable Housing Financing Fund

OEDIT/CHFA (\$186.6M/60%)

Affordable Housing Financing Fund

Office of Economic Development and International Trade (OEDIT), Administered by CHFA

Land Banking



Equity Financing



Debt Financing



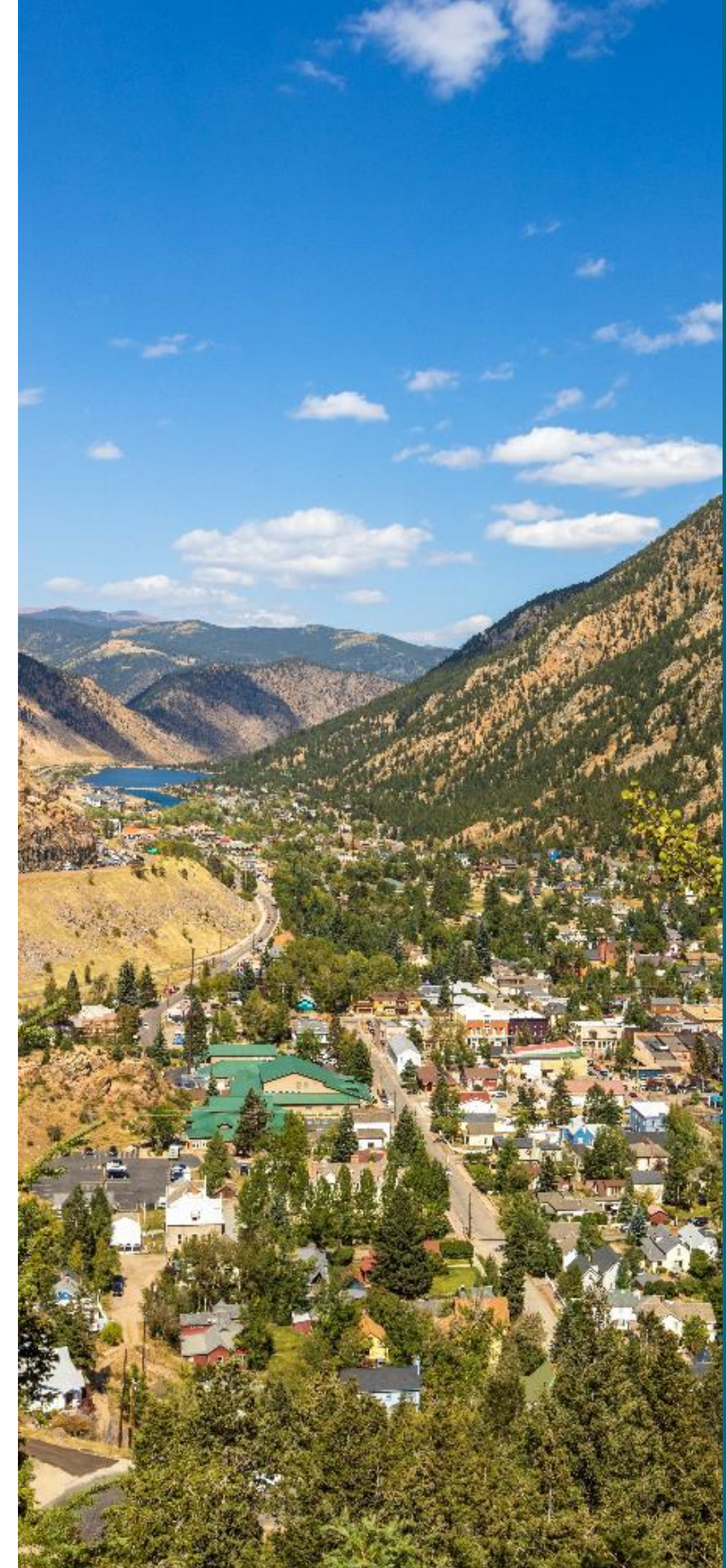
financing fund



land banking program

requirements

- Provide grants to local governments
- Provide forgivable loans to nonprofit organizations with a demonstrated history of providing affordable housing
- Mixed use development is allowable if the predominate use is affordable housing

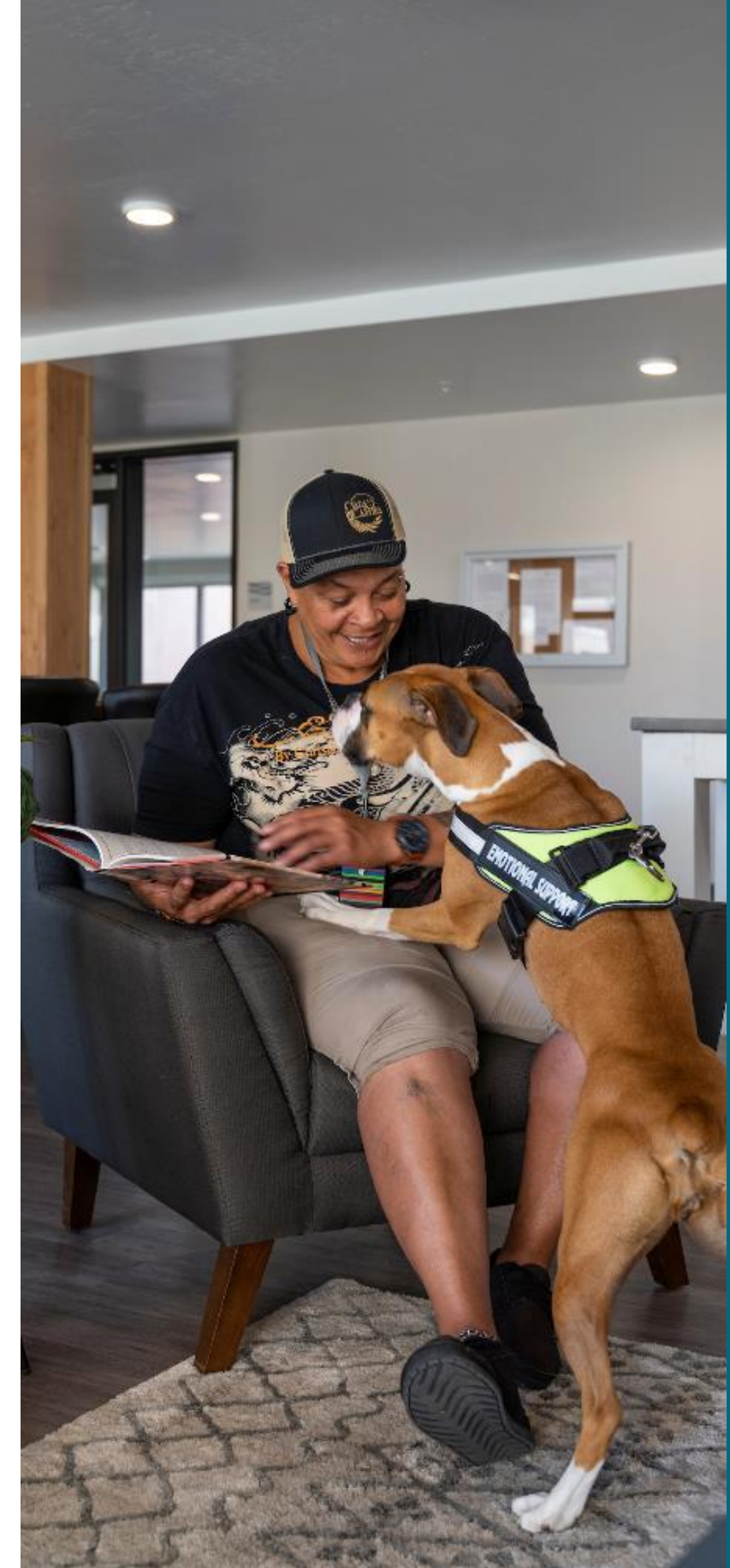




equity program

requirements

- Provide “below market rate” equity investments in low and middle income multifamily rental developments or existing affordable housing projects
- Below market rate is undefined
- The measure requires developments that receive equity financing to have a Tenant Equity Vehicle (TEV)





concessionary debt program

requirements

This program has four (4) components, though there is no requirement of how to allocate funding between the four components.



AMI Served - Average of 60%, unless secondary source of funding

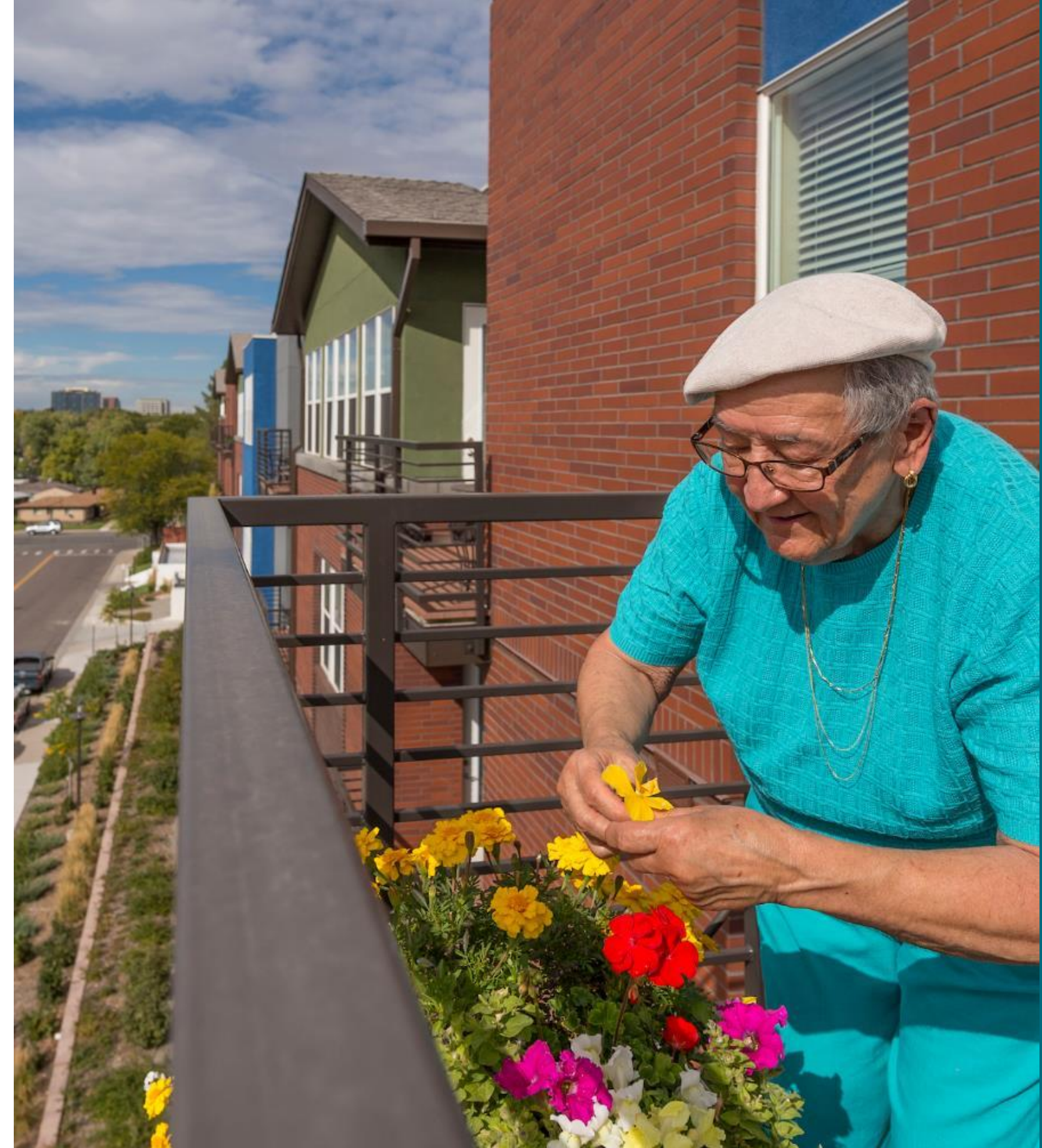
- Debt financing for low- and middle-income multifamily rental developments;
- Gap financing in the form of subordinate debt and predevelopment loans for projects that qualify for LIHTCs;
- Debt financing for existing affordable housing projects for the purpose of preserving existing affordable multifamily rental units; and,

Debt financing for modular and factory-build housing manufacturers

January 2023

priorities

Projects that achieve high-density housing, mixed-income housing, and projects consistent with the goal of environmental sustainability will be prioritized.



next steps

- stakeholder meetings
- program development
- July 1, 2023





thank you!

Key Highlights from 2022 legislative session

➤ Transformational Programs (HB22-1377 and HB22-1304) - up to \$243M

- Affordable Housing, Homeownership, and Workforce Housing
 - As of Feb 18 DOH received 65 applications requesting nearly \$400M, and 108 LOIs requesting in excess of \$575M
 - Serves AMIs up to 170%
 - [Applications December 31, 2022](#) and [Applications January 31, 2023](#)
- Homelessness Response Grant Program
 - As of Feb 15, DOH received 75 applications with over \$207M in requests
 - Second and final round, LOIs due May 15 and applications due June 15

➤ Mobile Home Park Resident Technical Assistance and Stabilization (SB22-160) - up to \$35M

- Loan funds provided to Administrators to assist residents acquire their parks
 - Serves AMIs half 80% AMI, thirty percent up to 120% and up to twenty percent unrestricted
 - As of Feb 15, DOH received three applications to Administer funds
- TA funds to assist residents as with acquisition and rent stabilization
 - As of Feb 15 DOH received one LOI requesting in excess of \$5M

Key Highlights from 2022 legislative session (cont)

➤ Transformational Affordable Housing Revolving Loan fund Programs (SB22-159)

- Affordable Housing Investment Fund 2023 (AHIF23)
 - As of Feb 15 DOH received 15 LOIs requesting \$98M+
 - Serves AMIs up to 160%
- Transformational Housing Loan Fund (THLF) - DOH direct lending
 - Term Sheet posted on DOH website
 - Applications start May 1 on a rolling monthly basis

➤ Middle Income Access Program Expansion w/ CHFA (SB22-146)

- Serves AMIs between 80% and 120%
- CHFA will continue to administer this program
- Overseen by DOH



Thank you!

