



# Funding Opportunities for Affordable Housing

April 18, 2024

# Agenda

- Introductions
- Affordable Housing Funding Opportunities
- Proposition 123 Compliance Preview
- Keeping up with Housing Needs
- Breakout Session



# Introductions



**Andrew Paredes**

**DOLA**

Director of Housing  
Finance and Sustainability



**Andy Hill**

**DOLA**

Community Development  
Office Director



**Hilary Cooper**

**OEDIT**

Director of Innovative  
Funding for Housing  
Programs



**Kathryn Grosscup**

**CHFA**

Housing Tax Credit  
Manager



# Department of Local Affairs

Andrew Paredes

Director of Housing Finance and  
Sustainability

Andy Hill

Community Development Office Director



**COLORADO**

Department of Local Affairs

## The Colorado State Housing Board and Division of Housing supports:

- Increasing and preserving Colorado's inventory of affordable housing through **grants and loans**
- Managing **rental assistance vouchers**
- Collaborative approaches to make **homelessness rare, brief**
- **Regulating mobile home parks** & the construction and installation of **factory-built structures**
- **Improving accessibility** through review/approval of home modifications
- **Housing recovery** from natural disasters



## Housing Development Specialists

- Connect potential applicants with funding opportunities.
- Guide applicants through planning and application.

## Asset Managers

- Analyze, negotiate, and advise on state contracts.
- Train, monitor, and manage a set of contracts.
- Support administering federal and state contracts.



# Affordable housing grant and loan programs



Source	Grant and Loan Programs	Available Funds
Federal	The HOME Investment Partnership Program Community Development Block Grants National housing trust fund	\$14 million for fiscal year 2024-2025
State	Housing Development Grant Fund Vendor Fee Proposition 123 Senate Bill 22-159	\$117 million for fiscal year 2024- 2025

# Bridging Gaps in Affordable Housing



## Gap Funding Mechanism

- DOH acts as a "gap funder" for affordable housing projects across the state.
- Typically, applicants secure 85-95% of funding, with DOH filling the remaining gap.

## Awards Structure

- Awards are generally structured as grants (for nonprofits) and loans (for for-profits), dependent on underwriting.

## Underwriting Considerations

- Local support and funding commitments
- Costs per unit/square foot
- Operating expenses
- Market demand

## Awards Ranges

- \$50K/unit for urban projects
- \$55K/unit for rural projects
- \$60K/unit for supportive housing projects

## Supported Housing Projects

- Rental housing
- Homeownership initiatives
- Supportive housing programs
- Shelter projects



# Proposition 123 dedicates \$59 million for fiscal year 24-25 towards homeownership initiatives.



## Development of Homeownership Projects

- Community Land Trusts
- Habitat for Humanity
- Rural Homes
- Other Affordable Housing Developers



## Down Payment Assistance (DPA) Program

Assist qualified low-to moderate-income families in purchasing a home.

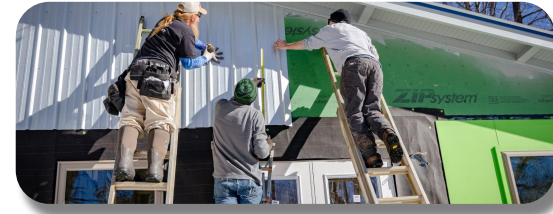
- 8 active agencies statewide
- 82 loans facilitated in 2023



## Single Family Owner Occupied Rehabilitation (SFOO) Program

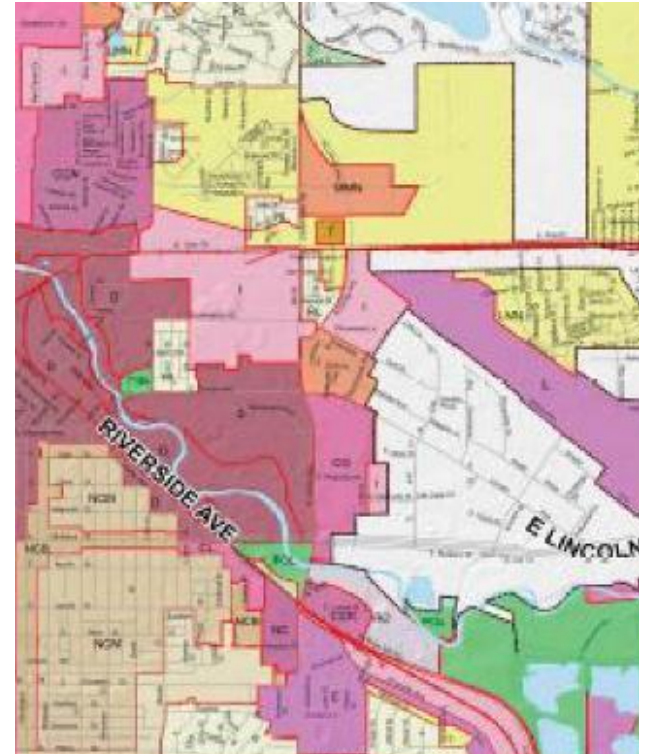
Address deficiencies, hazards, code violations, accessibility, and energy efficiency in owner-occupied housing.

- 11 active agencies statewide
- 37 loans provided in 2023



## DLG's Local Planning Capacity Grant Program

- \$2.6M awarded in March 2024
- approx \$6 M available 2024-2025
- Next funding rounds: May, Sept, Feb
- Priority: “Fast Track” + capacity for planning efforts to achieve Prop 123 goals (planning, strategies, implementation, tracking, documentation)



## Resources

- Recording of webinar from April 11, 2024
- Schedule a Pre-Application meeting to discuss proposed project and get technical assistance
- All application materials on LPC Program Website

## Contact Information and Website

Robyn DiFalco

[robyn.difalco@state.co.us](mailto:robyn.difalco@state.co.us)



# Office of Economic Development and International Trade

Hillary Cooper

Director of Innovative Funding for Housing  
Programs



Summit Co Justice Center Workforce Housing, Breckenridge



**A strong economy must include an adequate supply of housing affordable for all income levels.**

## **Proposition 123 / Affordable Housing Financing Fund**

- Land Banking, Concessionary Debt, Equity
- CHFA is Program Administrator

## **IHIP - Innovative Housing Incentive Program**

- Grants & Loans for innovative/modular housing manufacturers

## **HPTC - Historic Preservation Tax Credit**

- Option to include residential units

## **Colorado Creative Industries (CCI) - Space to Create & Community Revitalization Grants**

- Support for affordable live-work and commercial space

## **MIHA - Middle Income Housing Authority**

- Tax Exempt Bonds available to support 80% - 120% AMI workforce housing (with exceptions)





# OEDIT Housing Programs - Proposition 123



**OEDIT/CHFA Programs receive 60% of the total Prop 123 State Housing Fund**  
**Year 1 (actual): \$96 million / Year 2 (estimate): \$187 million**



## Land Banking

Grants and forgivable loans to acquire and preserve land for affordable housing development.

**113 applications / \$256M**

**Awarded 16 projects / \$25M 1380 units estimated**



## Equity

Equity investment to support the creation or preservation of low- and middle-income multifamily rental development.

**Applications: Mar 18 - Ap 18**  
**Available: \$38M**



## Concessionary Debt

Loans to support the creation and preservation of affordable housing.

**54 applications / \$138M**

**Awarded 10 projects / \$23M**  
**5000 units (modular - estimated)**

## Currently Proposition 123 / Moving towards all programs

- High-density - defined by local zoning/rural vs urban classification
- Mixed-income
- Environmental Sustainability - includes:
  - All Electric or Electric Ready & Water Wise
  - Transit - within ¼ mile
  - Walkable - to essential community services



## Developing Prioritization

- Innovative building techniques - modular, panelized, kit & 3D
- Child Care facilities included - home care units and commercial facilities



# what is chfa?

1973 to 2023



# about chfa

CHFA was established in 1973 by the Colorado General Assembly.

*financing the places where  
people live and work®*



**CHFA is not a state agency** and does not receive and direct appropriations.

Board of Directors: **11 Members**



**CHFA received authority to use bond proceeds** for economic development activities in 1982.



Approximately **\$35.3B** has been raised and invested in Colorado to date.

# chfa's role in homeownership

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CHFA is Colorado's trusted partner for affordable and responsible homeownership.



110 Institutions



30-Year, Fixed-rate Loans



Down Payment Assistance



Homebuyer Education



# chfa's role in business lending

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We know strong communities make strong economies and we are proud to play a role.



Direct Lender



New Markets Tax Credits



Capital Access Programs



Specialty Programs

# chfa's role in rental housing

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CHFA helps build and preserve affordable housing to strengthen Colorado communities.



Direct Lender



Housing Tax Credit Equity



Gap Funds



Compliance/HUD

# chfa's role in community partnerships

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CHFA engages regionally to expand local capacity, advance economic development and entrepreneurship, and strengthen community partnerships.



Regional CRMs



Corporate Sponsorships,  
Grants, and Donations



Technical Assistance



Partnerships



thank you

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# Proposition 123 Fast Track Guidance Preview

Andy Hill

Community Development Office  
Director





DOLA does not prescribe a specific approach but instead presents a list of strategies and approaches aimed at expediting the review process.



# Proposition 123 Webinars on Fast Track Requirement



**Local governments must adopt/implement a process for expedited review affordable housing to be eligible for Proposition 123 funds**

- Required by 2027
- Include in commitment by November 1, 2026
- Only for projects where at least 50% units are affordable (floor)

**DOLA stakeholder input process**

- Fall 2023 – Spring 2024

**Publish guidance on fast track requirement and hold informational webinars.**

- April 22 & 25, 2024

**Sign up for the webinars**



[cdola.colorado.gov/prop123fasttrack](https://cdola.colorado.gov/prop123fasttrack)

# Proposition 123 Expedited Review Guidance Highlights



**When a local government is the applicant in own review process - does not apply**

**Developer can choose to opt out.**

**Local government defines “complete application”.**

**Final decision (90 calendar days) - official approval or denial of application.**

**90 calendar day clock runs continuously (no pauses); extension options:**

- Developer-requested 90 day (one time, to allow time to comply with state law, court order, or address comments from approval agency)
- Local government initiated 30 day extensions (to address comments)



# Proposition 123 Expedited Review Guidance



## Expedited review requirements apply

Building permit, conditional use, development plan, site plan, special use or use by special review, variance, administrative modifications, alternative compliance



## Expedited review requirements may apply

Accessory use permit, civil/construction drawings, master plan, PUD, PUD amendment



## Expedited review requirements do NOT apply

Annexation, appeals, comp plan amendment, conceptual review, pre-application review, rezoning, or exemptions, zoning subdivisions



# Questions?

## Breakout Session

