



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
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Andy Hill

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OEDIT

Director of Innovative
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Kathryn Grosscup

CHFA

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Andy Hill

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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

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

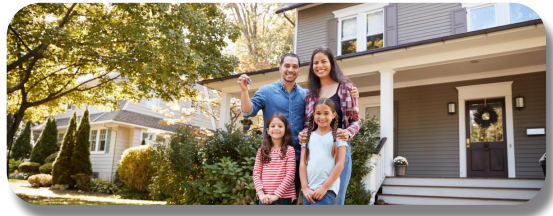
- Rental housing
- Homeownership initiatives
- Supportive housing programs
- Shelter projects

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

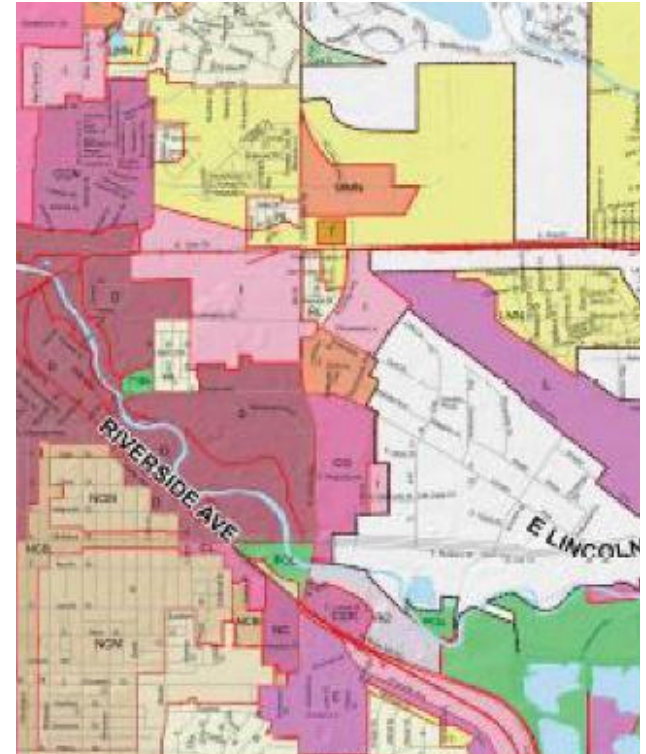
Address deficiencies, hazards, code violations, accessibility, and energy efficiency in owner-occupied housing.

- 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

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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

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

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

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

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

Kathryn Grosscup
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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

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)



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

