

March 2023



**COLORADO**  
Department of Local Affairs  
Division of Housing

# DOLA'S DIVISION OF HOUSING

# DOLA'S Division of Housing

Created in statute in 1970, the Division of Housing (DOH) within the Department of Local Affairs (DOLA) partners with local communities to:

*create housing opportunities for Coloradans who face the greatest challenges to accessing affordable, safe and secure homes*



# DOLA's Division of Housing

Working with the Colorado State Housing Board, DOH supports projects ranging from homelessness prevention to homeownership:

- 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 & installation of factory-built structures
- Improving accessibility through review/approval of home modifications
- Housing recovery from natural disasters



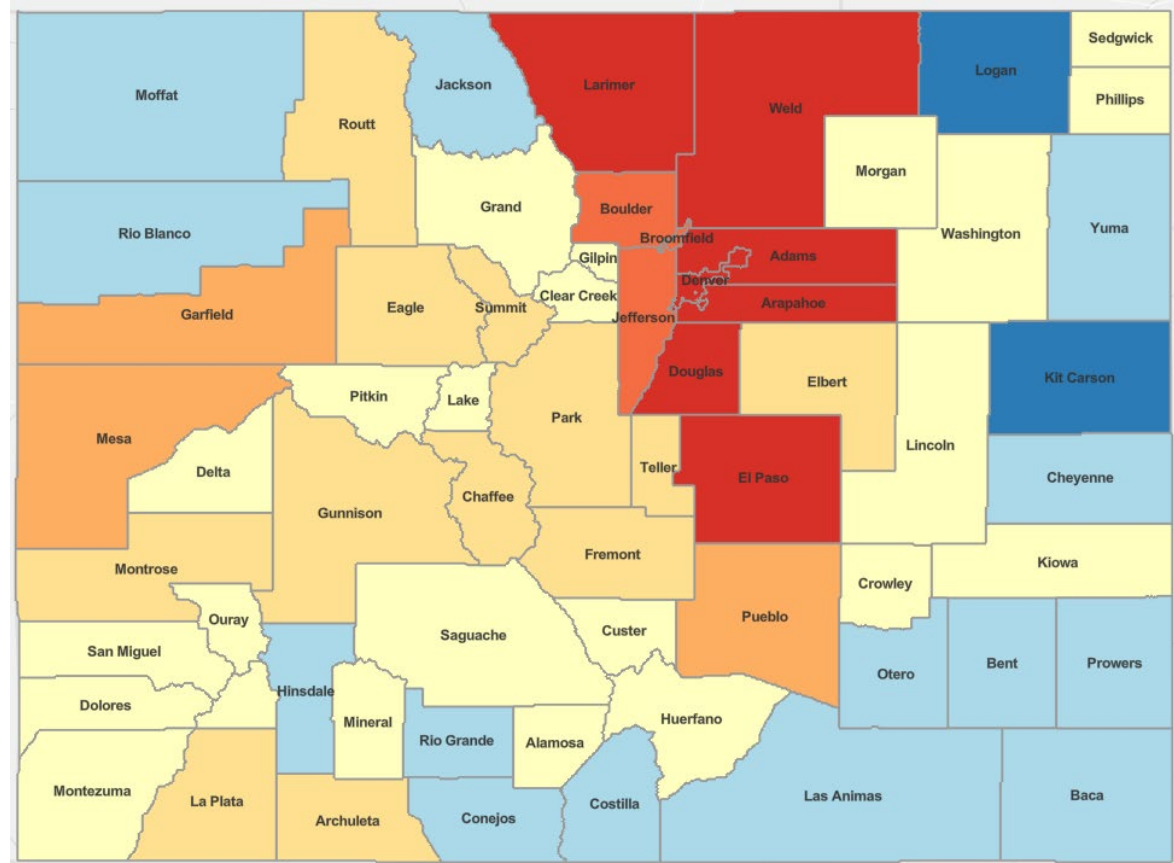
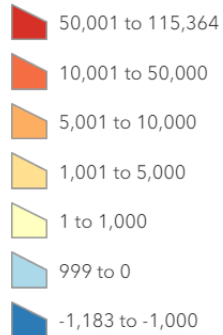
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# Change by County 2010 to 2020

Map by the Colorado Demography Office 2022

## Colorado Counties

2010 to 2020  
Population Change



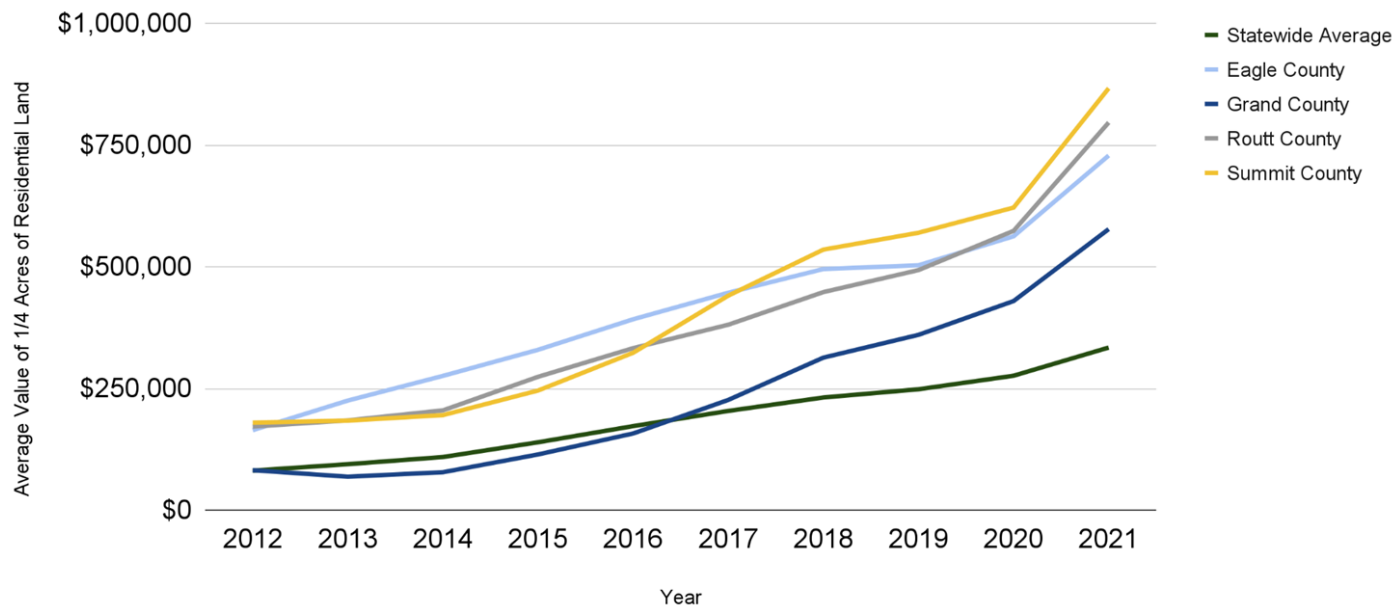
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# Estimated Average Value of a 1/4 Acre of Residential Land by County and Year

## Land

Rising land values  
adds pressure to  
Affordability

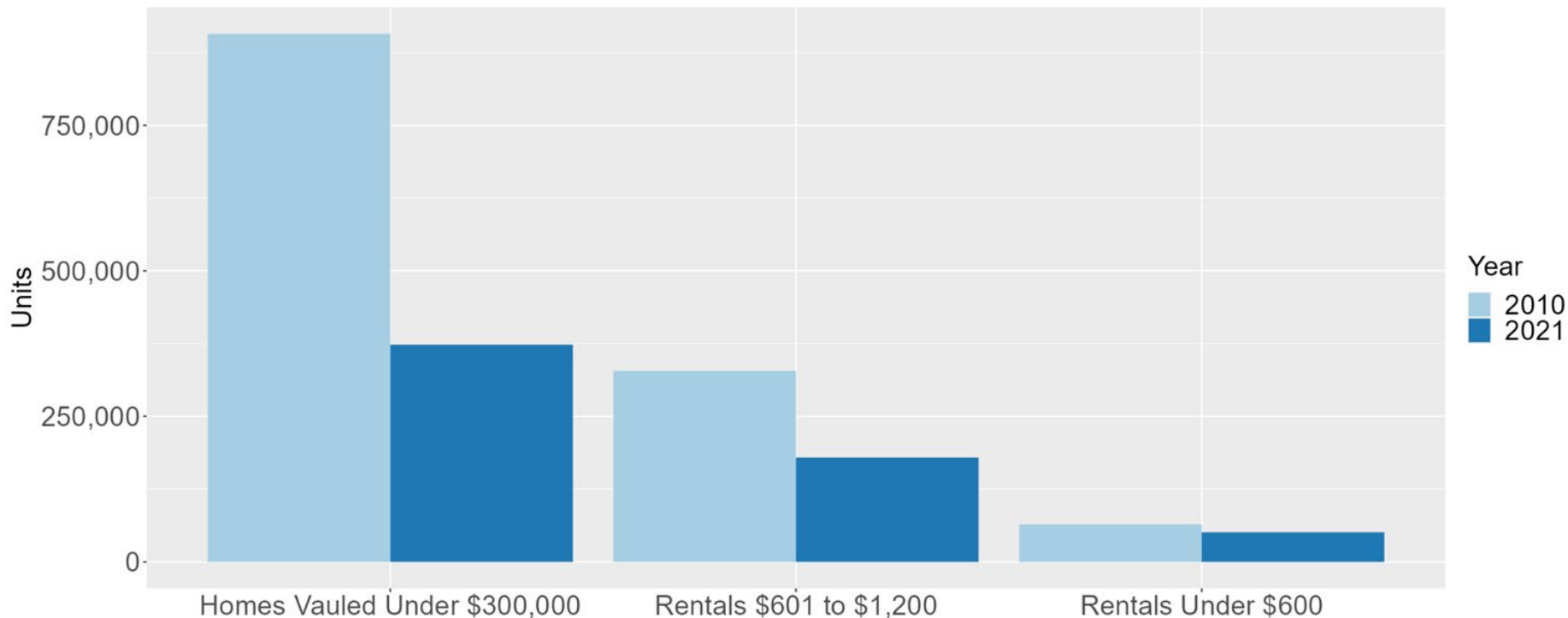


Source: FHFA Experimental Dataset For Prices of Land, Larson et al. 2023.

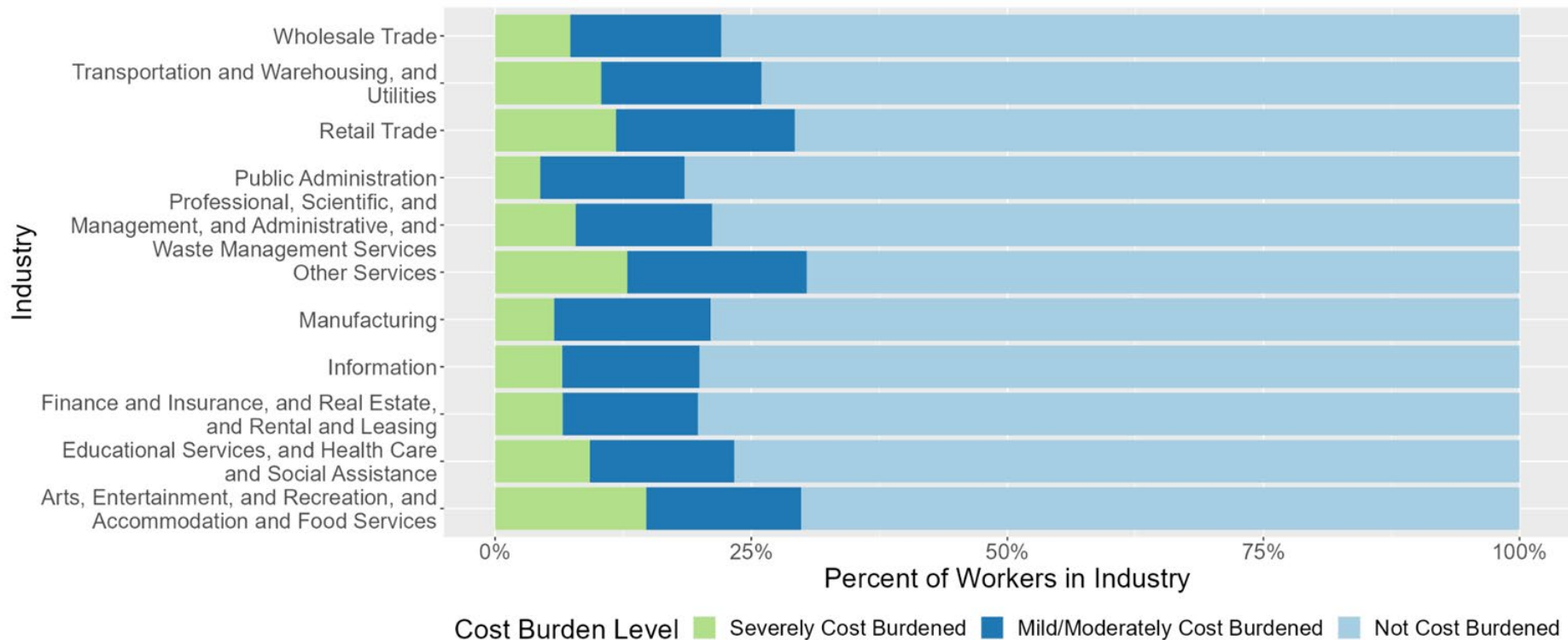


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# Amount of Housing Units at Selected Price Ranges in Colorado, 2010 to 2021 (Inflation Adjusted)



# Percent of Workers by Cost Burden Category and Industry, Colorado 2019 Estimates



# Division of Housing's Impact in Colorado

DOH funding generally makes up 10% of the total capital stack of a housing project. This means that **every \$1 of state and federal funds awarded by DOH is leveraged by about \$10 in other funds.**

During SFY22, [DOH capitalized on a 500% increase in funding through historic investments](#) at the state and federal levels to award nearly \$245M to help local communities create nearly 13,000 affordable housing units.



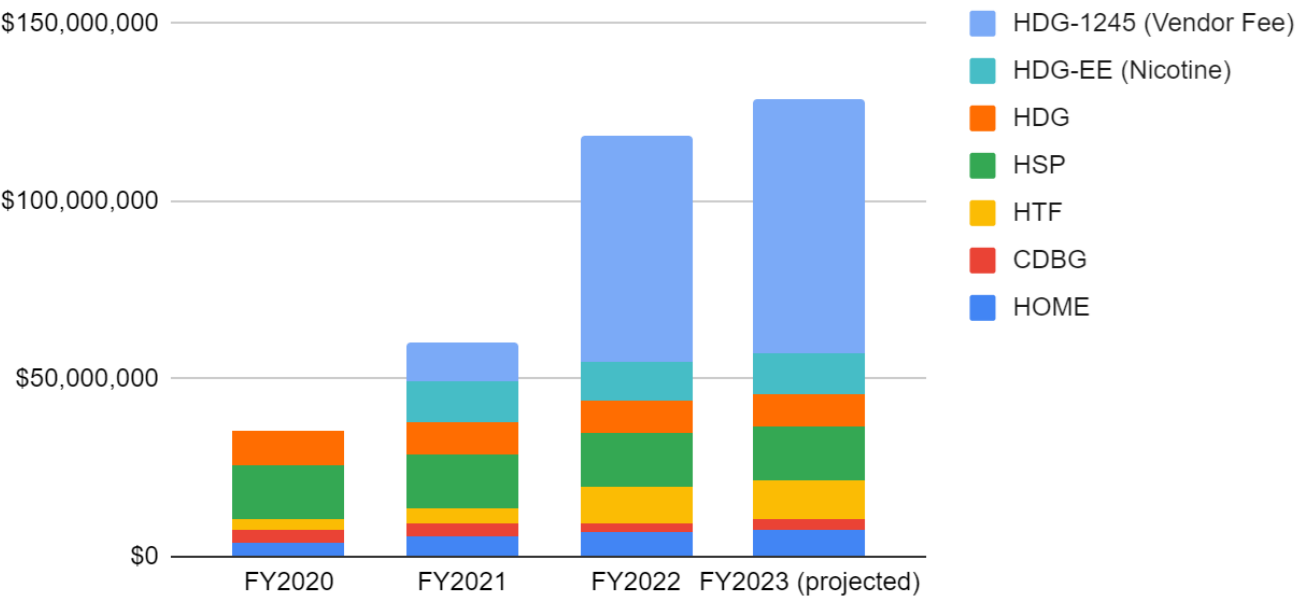
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# DOH Annual Development Funding

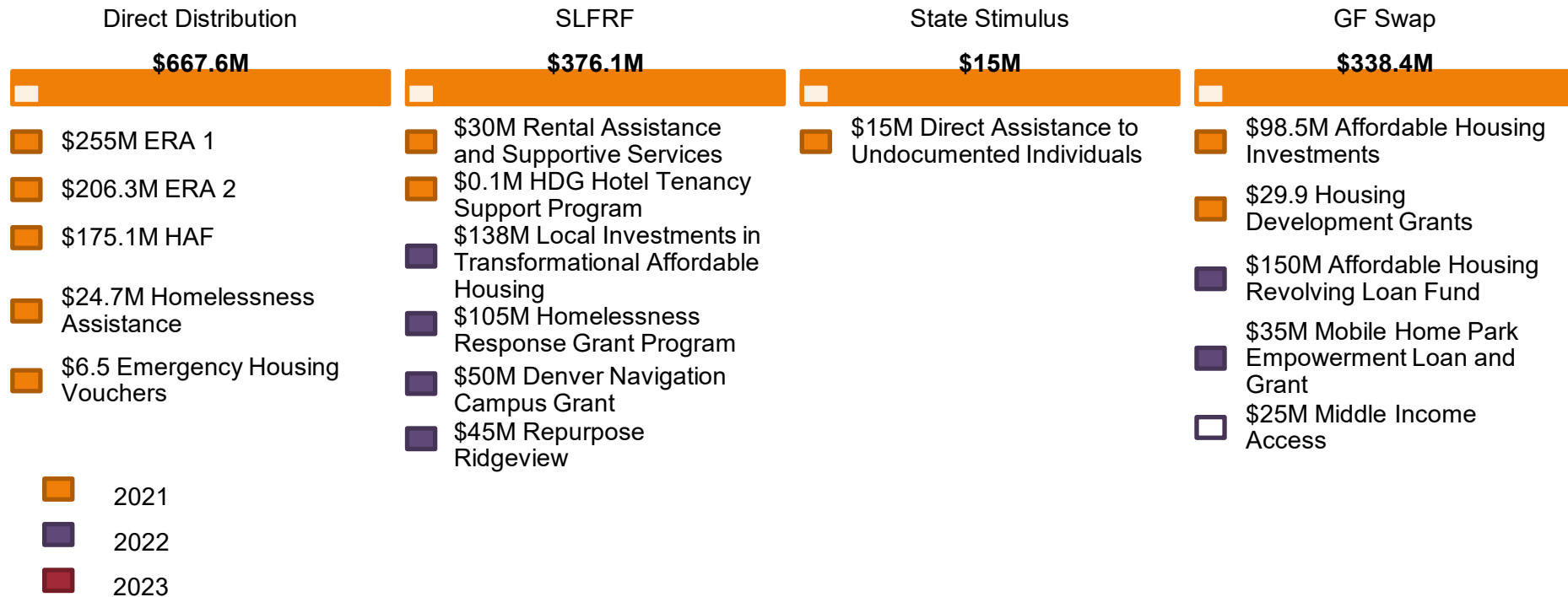
FY2020, FY2021, FY2022 and FY2023 (projected)



Source by Fiscal Year



# DOH Stimulus/Transformational Funding



**\$1.4B**



# Key Highlights from 2022 legislative session

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

- Affordable Housing, Homeownership, and Workforce Housing
  - As of Jan 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 22, DOH received 77 applications

## ➤ 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



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# Proposition 123: Affordable Housing Support Fund

With the passing Proposition 123, DOH receives 40% of funds annually starting on July 1, 2023. The portion for DOH is estimated to be:

- \$58 million from 2022-23 budget year (transferred July 1, 2023)
- \$116 million from 2023-24 budget year (transferred July 1, 2024)

DOH will utilize funds for:

- Homeownership; Homelessness; Local planning capacity thru Division of Local Government (DLG);
- Local Government Affordable Housing 3-yr Commitment baseline assessment and ongoing process

*60% of Proposition 123 funds will be administered through OEDIT/CHFA: Affordable Housing Financing Fund*



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# Proposition 123: Local Government Commitments

- Determining a Baseline

Local governments (municipal or county) are responsible for setting their own baseline and communicating it with DOH. Proposition 123 clarifies that a county's baseline is only applicable for the unincorporated areas of the county. In order to assist local governments, DOH has **tabulated an estimate of what the affordable housing baseline for each jurisdiction may be**. This information is a starting point and may be used as reference materials as localities consider their upcoming affordable housing commitments and determine their own baselines







# Proposition 123: Finalizing and Communicating the Baseline

*Opting into Proposition 123 funding is a two step process*



**1. Each interested jurisdiction must set a baseline and finalize it with DOH.**

- The governing body of a local government may do so by using the locality's AMI as referenced in either the ACS or CHAS tabulations, or
- If your jurisdiction chooses to use a dataset managed by your local government, or would like to use a neighboring jurisdiction's AMI or the state-wide AMI, that decision and an explanation for why this alternative baseline better reflects the needs of your community must be communicated to DOH.

A local government is required to communicate its decision to DOH before proceeding to step 2 below by sending an email to DOH's dedicated inbox at [DOLA\\_Prop123@state.co.us](mailto:DOLA_Prop123@state.co.us).

**2. Once the jurisdictional baseline is set, your jurisdiction must notify DOH of your commitment to adding 3% affordable housing to your baseline each year for the next three years.** This must occur before November 1, 2023, for the jurisdiction or any development in the jurisdiction to be eligible for Proposition 123 program funds in the 2024 calendar year.

# DOH Homeownership Programs

- New Construction
- Acquisition
  - Programmatic Acquisition Contracts
- Land Trusts
- Affordable Housing Investment Funds (AHIF)
- Revolving Loan Programs (RLF) programs
  - Down Payment Assistance
  - Owner Repair Programs



# DOH Homelessness Programs

- **Supportive Housing:** Long term rental assistance with voluntary supportive services for those with long lengths of homelessness and complex needs.
- **Rapid Re-Housing:** Short to medium term housing financial assistance with progressive, housing-focused case management.
- **Housing-focused and Low-barrier Shelter:** Remove eligibility and program requirements while maintaining safety; flexible to individual and household make-up and needs; focused on rapid exit to permanent housing.
- **Services Philosophies:** Housing First, Harm Reduction, Trauma-informed Care, Motivational Interviewing, etc. prioritize securing housing and staying safe while working on improved well-being and self-sufficiency.
- **Regional Coordinated Approach:** Create and coordinate solutions across city and county lines.
- **Match to Need:** Prioritize and match resources based on individual need, not first come or most ready.



# DOH Rental Programs

- Mixed income developments from 6 units to 250
- New Construction
- Acquisition
- Rehabilitation
- Land Trusts
- Rental Assistance
- Homelessness Solutions
- Affordable Housing Investment Funds (AHIF)
- Training:
  - “Local Officials” Toolkit
  - “Developers” Toolkit
  - Hammering out the Deal



# LOCAL OFFICIALS Toolkit

## Local Officials Toolkit will include:

- 101 Training
- Hour long deep dive focused classes on policy, development & financing
- Online web resource [LIVE](#)
- Technical Assistance
  - Light touch - on demand call center
  - Heavy Touch - one on one technical assistance

## Timeline

- Q1 2023 - 101 Trainings Available
- Q2 2023 - Local Officials Training Available
- Q2 2023 - Web-Based Resource Available
- Technical Assistance
  - Light Touch available
  - Heavy Touch applications open



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Affordable Housing Toolkit for Local Officials



# Making it happen and getting involved

- Sign up for the [DOH Newsletter](#)
- **Proposition 123 outreach**
  - February - May 2023: Kick off with Local Government Commitments
  - April 2023 and ongoing: Programmatic stakeholdering
- **Summer Engagement Sessions** with Housing Colorado and the Colorado Housing and Finance Authority



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**Thank You!**

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