



DRAFT  
2011-2012 Consolidated  
Annual Performance  
Evaluation Report

State of Colorado  
Department of Local Affairs

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## Table of Contents

GENERAL.....	3
Executive Summary .....	3
General Questions .....	10
Managing the Process.....	21
Citizen Participation.....	21
Institutional Structure.....	22
Gaps in Institutional Structure: .....	22
Strategy to Overcome Gaps .....	22
Monitoring .....	23
DOLA Monitoring of Consolidated Plan Goals and Objectives .....	26
Lead-Based Paint .....	31
Energy-Efficient Design and Construction .....	33
HOUSING .....	35
Housing Needs .....	35
Specific Housing Objectives .....	35
Public Housing Strategy.....	36
Barriers to Affordable Housing.....	36
HOME Program.....	37
HOMELESS.....	40
Homeless Needs .....	40
Specific Homeless Prevention Elements .....	40
Emergency Shelter Grants (ESG) .....	41
COMMUNITY DEVELOPMENT .....	44
Community Development.....	44
Antipoverty Strategy .....	48
NON-HOMELESS SPECIAL NEEDS.....	50
Specific HOPWA Objectives.....	50
OTHER NARRATIVE .....	52
Appendix A .....	HOME Program Annual Performance Report
Appendix B .....	HOME Match Report
Appendix C .....	2011 Housing Opportunities for Persons With AIDS Report
Appendix D .....	Neighborhood Stabilization Program Report as of 3/31/2012
Appendix E.....	Homelessness Prevention and Rapid Re-housing Program Report as of 3/31/2012
Appendix F.....	Community Development Block Grant Performance and Evaluation Report, Fiscal Years 2006-2012



# Second Program Year CAPER

The CPMP Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations.

## GENERAL

### Executive Summary

#### Introduction

In 2011, the Colorado Department of Local Affairs (DOLA) used a variety of tools to strengthen Colorado communities and enhance sustainability in Colorado. Responding and attending to the changing landscapes of state and local government, economic development, and housing markets are the keys to successfully creating a suitable living environment, expanding economic opportunity and providing decent housing.

Through financial and technical assistance to local governments, economic development strategies and programs addressing affordable housing and homelessness, our Department works in cooperation with local communities. Through those efforts we learn first hand how to build on the strengths, unique qualities and priorities of Colorado and share that knowledge.

#### Reporting Period

DOLA is the lead agency overseeing development of the Consolidated Plan and Annual Action Plans. This Consolidated Annual Performance Report (CAPER) for the period of April 1, 2011 – March 31, 2012 summarizes progress made towards meeting Plan goals and objectives.

#### Major Initiatives

The most commonly cited obstacles to meeting the needs of the under-served are

- 1) the lack of sustainable grant funding, and
- 2) the knowledge and capacity to apply for and administer federally regulated programs and projects by the smallest towns and most sparsely populated counties.

To address these obstacles the State continued its collaboration efforts with the Colorado Department of Public and Health and Environment and the USDA Rural Development to address community development opportunities and provide specialized technical assistance for local governments to increase their knowledge of and access to available State and federal community development programs and resources. For sub-recipients the Department provided technical assistance and training with every contract awarded.

DOLA served all rural counties with its Business Loan Funds. The Department reached out to businesses by hosting a regional business finance forum in June, 2011 in Golden, Colorado. The State advertised its infrastructure grants to municipal, county and economic development officials.

DOLA led efforts to fund programs that could become models for communities throughout Colorado. DOLA continues to manage a Community Challenge Grant from HUD and the U.S. Department of Transportation for its Colorado Sustainable Main Streets Program

The Division of Housing (DOH) employed many strategies to meet the needs of the underserved, including the following:

(1) Promoted the development of low-income units by providing HOME and/or CDBG resources to fill gaps on the housing development side of a project, while using project-based Section 8 Housing Choice Vouchers to create innovation on the revenue side.

DOH project based section 8 in three locations in the last year and half: 50 vouchers to Colorado Coalition for the Homeless' Westend Flats, 25 VASH vouchers to Fourth Quarter/Bo Matthews Center; and 16 VASH Vouchers to Monteray Apartments operated by Posada.

(2) Established a Veterans Housing Initiative to assist veterans who are experiencing homelessness, providing VASH vouchers as indicated in strategy (1).

Together, CDOH and SHP currently administer 531 vouchers, of which 356 have been leased or issued. In addition, there are 50 vouchers from Aug 2011 for which we have not yet begun getting referrals.

(3) Created an initiative to ensure linkage between housing and Medicaid, SAMHSA, TANF and other mainstream human service assistance;

DOH is partnering with Health Care Policy and Financing (HCPF) to assist persons with disabilities in moving from nursing homes and other long term care into homes in the community as part of a \$22 million dollar grant from the U.S. Department of Health and Human Services. The name of the program is Colorado Choice Transitions (CCT). CCT will be moving at least 500 people into the community in the next five years. The grant provides intensive supportive services and DOH is providing staff and resources to assist with this project.

DOH is partnering with AspenPointe Health Services (the mental health service provider in Colorado Springs) to provide intensive outreach, supportive services and housing to chronically homeless individuals. This project is funded through a grant from the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Administration. The project is currently serving 41 individuals who were previously homeless. More than half of the participants in this project are housed through our Shelter Plus Care Program.

(4) Worked with key stakeholder groups to make progress toward recognizing and treating the long-term effects of addiction and alcoholism as a disabling condition;

Both CCT and the project in partnership with AspenPointe Health Services provide services to persons with disabilities including persons with Substance Issues. It is extremely important to coordinate case management, substance abuse treatment and housing to ensure that the participants in this program

are going successfully transition in to permanent supportive housing in the community.

In another key part of this strategy, DOH created the Colorado - Second Chance Housing and Reentry Program (C-SCHARP), a collaborative effort between the Colorado Department of Local Affairs Division of Housing, Colorado Department of Corrections and local mental health providers. C-SCHARP focuses on high-risk prisoners suffering with co-occurring substance abuse and mental illness that are reentering their communities without subsequent housing. Using the Housing First and Assertive Community Treatment (ACT) models, this program provides immediate rental assistance and intensive case management to parolees. The coupling of housing with wrap-around supportive services works to stabilize the program participants, resulting in reducing recidivism. To date, this program has served 56 parolees. A new grant application has been submitted to the Department of Justice to expand the program to serve an additional 40 parolees. With state prison costs driven mainly by recidivism, programs like C-SCHARP, which guide newly released prisoners to the supportive services they need in addition to providing them with stable housing, are a key component to reducing the recidivism rate.

(5) Coordinated HEARTH ACT services with Continuums of Care and local jurisdictions to ensure that it funds projects and programs to meet the greatest homeless needs.

As part of this strategy, DOH created the Next Step Housing Program as a pilot project designed to increase the housing stability, independence and well-being of families identified as homeless by the McKinney-Vento Act.

Mesa County/Grand Junction in northwestern Colorado and Boulder County near Denver are the programs selected as vanguards for this effort. This cutting-edge collaboration includes school districts, housing authorities, workforce centers and homeless services agencies that will provide stable housing, case management services, employment training and educational opportunities to the families. Boulder County, the newest program, expects to achieve outcomes similar to those of Mesa County which enrolled forty-one (41) families from October 2010 through March 2012 and achieved the following results:

- 61% of children in the Next Step program increased their grades;
- 55% of children in the Next Step program increased their attendance;
- 14 clients secured employment;
- 22 clients secured other income including Social Security or child support;
- Six (6) clients are working towards a GED; and,
- Seven (7) clients are enrolled in higher education.

A primary housing program designed to reduce dependency on public assistance is the Housing Choice Voucher program. Prior to July 1, 2011, Colorado's Housing Choice Vouchers were administered by two separate PHAs, one in the Department of Local Affairs and one in the Dept. of Human Services. During the reporting period, these two administrative groups were combined under the Department of Local

Affairs Division of Housing. This new section, still consisting of 2 separate PHAs, administers a total of 7,067 Housing Choice, Shelter Plus Care, VASH and Family Unification Program Vouchers statewide.

During the reporting period Governor Hickenlooper's office created a new statewide approach to deal with homelessness called Pathways Home Colorado. As part of this initiative, the Division of Housing has a new team to deal with homelessness prevention. The team will oversee and coordinate homelessness prevention programs including programs for youth, for people with disabilities, for families and for people with special needs such as veterans and ex-offenders.

The Division of Housing (CDOH), worked to create and preserve units of affordable housing in Colorado through workshops designed to provide technical assistance and build capacity among nonprofit housing developers, local governments and housing authorities, workshops to promote appropriate implementation of HUD regulation; and training that enables grantees to maximize program effectiveness and funding to projects that meet our underwriting requirements.

Major changes in the Colorado housing market this year were marked by lower numbers of both foreclosure filings and foreclosures sales, and an increase in the number of households seeking rental housing.

During 2007, Colorado's foreclosure rate increased substantially. While the most obvious effect of the foreclosures is that people are driven out of their homes and that lenders lose money on foreclosed properties, there are wider effects as well. New home building and multi-family rental construction slowed substantially. Lenders greatly tightened their lending criteria making credit scarce, and low-income housing tax credits lost about 25% of their value. Some apartment owners faced foreclosure as well, with the result that some of their tenants lost places to live. Property values in areas with high foreclosure rates were reduced, a situation exacerbated as foreclosed properties were allowed to physically deteriorate. Local governments lost income based on lower property value as well as from fees normally charged for new development. People who lost their houses to foreclosure were driven into the rental market or, in some cases, temporary homelessness.

To address the single-family home foreclosure issue, CDOH developed the capacity of the Foreclosure Prevention Hotline through the Colorado Foreclosure Prevention Task Force, a collaborative effort by government, industry and community groups. The Hotline was designed at the highest level to increase borrower contact with their lender and create positive outcomes for clients dealing with foreclosure. The Task Force launched the Hotline on October 11, 2006. From inception to May 2012, more than 155,000 calls had been placed to the Hotline. Four out of five of those who proceeded with face-to-face counseling reached a positive resolution.

In addition to the Foreclosure Hotline, DOLA prepared Substantial Amendments to the 2008 Consolidated Plan Action Plan to participate in the Neighborhood Stabilization Program, the Homelessness Prevention and Rapid Re-Housing Program, and CDBG Recovery Act program. Our strong working relationships with local governments and housing organizations enabled us to create coordinated efforts to use these additional funds as effectively as possible. Results of these efforts are reported in the Appendices.

As homeownership became a less attractive and accessible housing option, overall rental vacancy rates in Colorado decreased. According to the Colorado Statewide Vacancy and Rent Survey, the combined statewide vacancy rate declined to 5.2% in the first quarter of 2012 from 5.5% in the first quarter of 2011. This is the lowest first-quarter vacancy rate recorded since 2001, and the third quarter of 2011 remains the only quarter since 2001 to post a statewide vacancy rate below 5.2 percent. During the same period, the statewide average rent in Colorado increased 4.6 percent from 2011's first quarter to 2012's first quarter, rising from \$873 to \$914.

The Division emphasized increasing affordable housing inventory, and actively sought to increase the number of units available to those in the below 40% of AMI income bracket.

CDOH provided one-on-one technical assistance to increase the capacity of Community Housing Development Organizations (CHDOs) and other housing providers.

At the same time, CDOH worked to increase the agency capacity of homeless shelters and service providers that assist families and individuals in need, and worked to prevent homelessness.

As a result of these efforts, the Division of Housing funded the production of affordable housing with HOME and CDBG as summarized below:

- New construction of rental units = 294 units
- Rental Acquisition and Rehabilitation = 180 units
- Single family Rehabilitation = 81 households
- Homebuyer Assistance = 59 households
- New Construction of Ownership Units = 76 homes
- Community Housing Development Organization Operating Grants = 10 grants

See the table on pages 10 and 11 to compare all Annual Action Plan Housing Goals with actual accomplishments for the program year.

HOME funds totaling \$ 6,209,558 were used to create new affordable housing, to rehabilitate rental units, create senior housing, to fund tenant-based rental assistance, assist homebuyers, and fund capacity-building activities for community development housing organizations (CHDOs).

ESG provided \$1,002,626 in funding for shelters, transitional housing and homeless prevention to 62 nonprofit agencies across the state.

HOPWA provided \$411,965 in funds for tenant-based rental assistance and supportive services for people living with HIV/AIDS to regions of the state outside the Denver Metro Area.

**Community Development Block Grant State Program (CDBG):** Colorado received its 2011 CDBG allocation of \$8,702,775, of which \$8,341,692 was available for local projects. The State set aside \$2,780,564 each for housing, public facilities and economic development projects. All projects receiving funds are awarded on a competitive basis.

The State contracted \$3,698,500 in public facility projects and \$1,483,000 in economic development projects during this reporting period. A detailed list of these projects is included in the program report. The Division of Housing contracted \$1,733,779 for rental and single-family owner-occupied home rehabilitation programs.

### **Other Programs Administered by the Department**

**Community Services Block Grant Program (CSBG):** During this reporting period, the State received its 2011 CSBG allocation of \$5,876,415, of which \$5,288,774 was distributed to 40 local governments serving all 64 Colorado counties.

**Energy and Mineral Impact Assistance Fund (EIAF):** In 2011, the program was identified as a source of funding to help offset the budget challenges facing Colorado. Our ability to award grants has been suspended temporarily since August 2010. \$

**Local Limited Gaming Impact Fund (LLGIF):** In 2011, the awarded over \$3.8 million to 35 grantees.

**State Housing Development Grants and Loans:** DOH received Housing Development Grant (HDG) funds of \$2,200,000 for the state fiscal year July 1, 2011 – June 30, 2012. These State funds are the most flexible of the Division's resources, and allow tailored community solutions to help ensure that the poorest families in Colorado have an increasing supply of rental units affordable to them. During the time period that overlapped the reporting period, DOH used \$944,164 to rehabilitate 67 rental units. Thirty-four of the units provide supportive housing for people with disabilities, twenty are housing for seniors, and 13 are part of a housing project that has been severely damaged by moisture. All but 8 of these units are affordable at or below 50% of AMI.

**Housing Choice Voucher Program:** Beginning July 1, 2011, the two state-operated Public Housing Authorities that distribute Housing Choice Vouchers were combined under the Division of Housing. Eight related programs are administered by this new section of CDOH: Family Unification Program for homeless youth 18-21; Section 8 Homeownership; SRO Moderate Rehabilitation; VASH-Veterans Affairs Supportive Housing for homeless veterans; Welfare to Work for homeless families; the Project-Based Assistance Program; Project Access for persons exiting nursing homes or other institutions and the Shelter Plus Care program.

**Colorado Second Chance Housing and Re-Entry Program (C-SHARP):** The Division of Housing used HOME funds to provide tenant based rental assistance to newly released prisoners receiving re-entry services through a U.S. Dept. of Justice Second Chance program grant. The re-entry model used provides prisoners released from state prisons "as homeless," and who have also been diagnosed with serious mental health and substance abuse issues, with housing and supportive services based on the "Housing First" model. Sixty-one formerly incarcerated persons are

receiving housing and services through this program. Additional funding was supplied by state Housing Development Grant funds and the Department of Justice.

**Homeless Prevention and Rapid Re-Housing Program:** The Division of Housing received a grant of more than \$8,000,000 through the HPRP portion of the ARRA program. These funds were granted to the three Continua of Care in Colorado to be used statewide for homeless prevention and rapid re-housing. The most recent annual report shows that over 7,500 people from 2,961 households have benefitted from this program through March 31, 2012. Over 90% of the homeless who received assistance and left the program found permanent, stable housing, as did 79% of the households that received homelessness prevention assistance.

**Neighborhood Stabilization Program I and III:**

In 2009, Colorado was awarded Through NSP1, the State of Colorado was granted over \$53 million. These funds are to be used to mitigate the neighborhood effects of foreclosures in areas of greatest need. In addition, the Dodd-Frank Wall Street Reform and Consumer Protection Act allocated more than \$17 million in NSP3 funding to the State of Colorado in 2011. The State program's portion of these funds was \$39,11,875.

The Neighborhood Stabilization program is an effort to mitigate the neighborhood effects of foreclosures in areas of greatest need. NSP funds help stabilize the property values in targeted communities by decreasing the rate of decline in property values. Information on NSP performance during the reporting period is included in the appendices.

## General Questions

- 1. Assessment of the one-year goals and objectives:**
  - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.**

The Colorado Department of Local Affairs established 14 goals in its 2011-2012 Consolidated Plan Action Plan. Those goals and our progress toward them are listed below:

1. Preserve the existing statewide supply of affordable rental or homeownership housing.
2. Increase the statewide supply of affordable "workforce" rental housing and homeownership in high need areas.
3. Increase the capacity and stability of local housing and service providers statewide.
4. Increase statewide pre-purchase homeownership counseling for low/moderate income and minority households.
5. Prevent and eliminate homelessness.
6. Increase statewide supply of housing coupled with services to increase or maintain independence of persons with special needs.
7. Provide rental subsidies statewide for low-income households who would otherwise have to pay more than 30% of their household income for housing.
8. Project base Section 8 vouchers to provide a revenue source for housing units and HOME and CDBG funding to fill gaps in development of units for the homeless and people with disabilities.
9. Assist low-income renters and owners with energy-efficiency upgrades.
10. Ensure the statewide safety and habitability of factory built/manufactured structures through program services that are efficient and effective.
11. Provide assistance to qualified small businesses to start or expand operations, and partner with local banks to fill gaps in financing packages, so that 51% of jobs are created or retained by persons of low-to moderate-income.
12. Assist communities with the installation of public infrastructure that will benefit start-up and expanding businesses that create or retain jobs, at least 51% of which will be or are filled by persons of low- to moderate income.
13. Provide financial assistance to rural communities to implement community development and capital improvement activities.
14. Increase the capacity of local governments to administer Federal grants that facilitate the development of sustainability activities.

**b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.**

**2011-2012 Production and Grant Funds Spent Compared to Targets**

HUD Program Goal & Objective	DOLA Strategy	DOLA Annual Target	Actual Performance 2011-2012	Funding Amount and Sources
Decent Housing/ Availability	Preserve the existing statewide supply of affordable rental or home-ownership housing.	348 rental 140 owner units	188 rental 103 owner units	<input checked="" type="checkbox"/> CDBG \$1,253,779 <input checked="" type="checkbox"/> HOME \$2,003,670 <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$
Decent Housing/ Affordability	Increase the statewide supply of affordable "workforce" rental housing and home-ownership in high need areas.	425 rental 190 owner Units	302 Rental 135 Owner Units	<input checked="" type="checkbox"/> CDBG \$480,000 <input checked="" type="checkbox"/> HOME \$3,776,190 <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$
Decent Housing/ Sustainability	Increase the capacity and stability of local housing and service providers statewide.	5% of HOME funds used for CHDO operating	5% of HOME funds used for CHDO operating	<input type="checkbox"/> CDBG \$ <input type="checkbox"/> HOME \$412,698 <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$
Decent Housing/ Affordability	Increase statewide pre-purchase homeownership counseling for low/moderate income and minority households.	10 programs	7, including all homeownership programs.	<input checked="" type="checkbox"/> CDBG \$86,000 <input type="checkbox"/> HOME \$ <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$
Suitable Living Environment/ Availability	Prevent and eliminate homelessness	10 new shelter beds; Operations/Essential Services for 4000 persons; Homeless prevention 700 households; 75 units permanent supportive housing	0 shelter beds; Ops/Ess.Svcs for 24,483  Homeless Prev for 15,718 92 Units	<input type="checkbox"/> CDBG \$ <input checked="" type="checkbox"/> HOME \$1,250,000 <input checked="" type="checkbox"/> ESG \$1,005,346 <input type="checkbox"/> HOPWA \$
Decent Housing/ Affordability	Increase statewide supply of housing for persons with special needs coupled with services that increase or maintain independence.	95 housing units 90 persons with HIV/AIDS maintain housing stability	262 Units 69 persons	<input type="checkbox"/> CDBG \$ <input checked="" type="checkbox"/> HOME \$1,840,000 <input type="checkbox"/> ESG \$ <input checked="" type="checkbox"/> HOPWA \$411,965
Decent Housing/ Affordability	Provide rental subsidies statewide for low-income households who would otherwise pay more than 30% of their household income for housing.	140 households	61 households	<input type="checkbox"/> CDBG \$ <input checked="" type="checkbox"/> HOME \$162,500 <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$
Decent Housing/ Affordability	Project base Section 8 vouchers to provide a revenue source for housing units and HOME and CDBG funding to fill gaps in development of units for the homeless and disabled populations	Project base at least 50 Section 8 vouchers	50 vouchers	Non-CPD Funds
Decent Housing/ Affordability	Assist low-income renters and owners with energy-efficiency upgrades.	75% of units produced will meet energy star or other efficiency standards.	80% of all rental units	<input type="checkbox"/> CDBG \$ <input type="checkbox"/> HOME \$ <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$

HUD Program Goal & Objective	DOLA Strategy	DOLA Annual Target	Actual Performance 2011-2012	Funding Amount and Sources
<b>Decent Housing/Affordability</b>	Ensure the statewide safety and habitability of factory built/manufactured structures through program services that are efficient and effective.	<u>Reduce commercial and residential plan review turn-around time (days)</u> Benchmark: 15 days <u>Meet manufacturer plant inspection request dates</u> Benchmark: 100%	Both Benchmarks were met.	Non-CPD Funds
<b>Economic Opportunity/Sustainability</b>	Provide assistance to qualified small businesses to start or expand their operations, and partner with local banks to fill gaps in financing packages, so that 51% of jobs are created or retained by persons of low-to moderate-income.	# of jobs created or retained Benchmark: 100	During this program year, 31 businesses, 153 jobs have been created, 126 were low/mod, or 82.35% LMI	<input checked="" type="checkbox"/> CDBG \$3,242,000 <input type="checkbox"/> HOME \$ <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$
<b>Economic Opportunity/Sustainability</b>	Assist communities with the installation of public infrastructure that will benefit start-up and expanding businesses that create or retain jobs, at least 51% of which will be or are filled by persons of low- to moderate income.	# of jobs created or retained Benchmark: 100	No projects funded this year, no requests received	<input type="checkbox"/> CDBG \$ <input type="checkbox"/> HOME \$ <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$
<b>Suitable Living Environment/Sustainability</b>	Provide financial assistance to rural communities to implement community development and capital improvement activities.	Number of persons served as a result of the public facility improvements or construction Benchmark: 400	Project funded are benefitting 3,300 persons, 2,298 are lowmod income	<input checked="" type="checkbox"/> CDBG \$2,018,666 <input type="checkbox"/> HOME \$ <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$
<b>Suitable Living Environment/Sustainability</b>	Increase the capacity of local governments to administer federal grants that facilitate the development of sustainability activities.	Number of local government that increased their capacity to administer federal grants	179 local governments participated in trainings offered by DLG	<input checked="" type="checkbox"/> CDBG \$ <input type="checkbox"/> HOME \$ <input type="checkbox"/> ESG \$ <input type="checkbox"/> HOPWA \$

**c. If applicable, explain why progress was not made towards meeting the goals and objectives.**

- *Suitable Living Environment/Availability* – No new emergency shelter beds were created because we received no requests for funding during the reporting period.
- *Economic Opportunity/ Sustainability* – No requests for funding were received for public infrastructure to improve economic opportunity.

**Describe the manner in which the recipient would change its program as a result of its experiences.**

We would better coordinate the Consolidated Planning and Analysis of Impediments to Fair Housing (AI) processes so that the AI could serve as a resource for the planning process and result in better coordinated goals and objectives.

## **Affirmatively Furthering Fair Housing:**

- d. **Provide a summary of impediments to fair housing choice.**
- e. **Identify actions taken to overcome effects of impediments identified.**

### **Summary of Impediments**

The Division of Housing designated a Fair Housing Coordinator during the reporting period, and drafted a new Analysis of Impediments that was finalized and submitted to HUD in October, 2011. The list of impediments listed below is taken from that update.

#### **Lack of Fair Housing Education and Coordination**

Review of survey responses and Analyses of Impediments from entitlement areas indicates that many residents and property managers do not have access to information about fair housing rights and responsibilities. Most of the following impediments appear to be related to lack of knowledge, so this appears to be an underlying problem.

#### **High Housing Costs Combined with Low Income/Wages**

Survey responses, entitlement-area Analyses of Impediments, and Colorado Division of Housing Rental Housing Mismatch report and American Community Survey data most frequently name the shortage of affordable units for households with low and very low incomes. The lack of affordable housing has a disparate impact on Black/African Americans, Hispanics, American Indians, women and people with disabilities because higher percentages of these protected classes are low income.

However, high housing cost is not, in and of itself, an impediment to fair housing. It is the actions that communities take to limit the types and locations of affordable housing that can represent impediments to fair housing when they cause or exacerbate existing segregation, whether or not that is the community's intent.

The shortage and cost of housing specifically suited to people with disabilities is an additional impediment, as is a shortage of apartments with more than three bedrooms, which makes it difficult to house large families who need to rent.

Among the causes of high housing costs are those imposed by local governments, such as impact development fees and planning, zoning and building regulations. Other causes involve high land costs, the cost of shipping building materials through the mountains.

#### **Impediments Specific to People with Disabilities**

This was the largest single source of fair housing complaints filed from 2006-2009, accounting for nearly half of all filings:

- Lack of appropriate, accessible housing that is also affordable.
- Failure of landlords/property managers to provide reasonable accommodations for tenants with disabilities.
- Communication issues, especially for people with mental disabilities.

#### **Community Resistance to Affordable and Special Needs Housing**

The "Not in My Back Yard Syndrome" is an impediment to fair housing because it discourages or may even prevent development of affordable housing that would

provide fair housing choice to protected classes. Twelve of the fourteen communities whose Analyses of Impediments were reviewed cited this as a major impediment.

**Lack of Fair Housing Enforcement**

The economic downturn and subsequent reductions in State and Federal revenue have led to a lack of funding for fair housing testing and enforcement. No non-profit organizations in Colorado have received fair housing Initiatives Program (FHIP) funding since 2007. Comments in our survey noted lack of enforcement and difficulty in assistance when experiencing discrimination. The Colorado Civil Rights Division is the lead state agency for fair housing enforcement.

**Predatory Lending and Foreclosures**

A study by the Colorado Civil Rights Division found that minorities, especially Blacks and Latinos, were targeted for subprime mortgage loans and that these groups consequently have experienced a disproportionate number of foreclosures.

**Language and Cultural Issues**

Persons who do not speak English well may be vulnerable to discrimination or unfair acts. Language barriers especially complicate landlord/tenant issues. Colorado’s population of low-English proficiency Spanish-speakers is 7.3%.

**Transportation**

Lack of public transit in many areas of the state as well as lack of affordable housing along existing transit routes impede fair housing choice. Housing patterns, location of employment opportunities and public transit are not coordinated so as to enable minorities and low income people to hold a job without having a car.

**Local Government Regulations**

Planning and zoning, definitions of “family,” land use plans, development fees, growth management programs and housing design specifications may increase the cost of housing and otherwise create impediments to fair housing choice.

**Actions taken to Affirmatively Further Fair Housing:**

Steps that DOLA has taken to affirmatively further fair housing since the last Analysis of Impediments include:

**Lack of Fair Housing Education and Coordination**

Action	Agency	Expected Outcome	Specific Action and Timeline
Develop program to educate landlords & property managers about Fair Housing, especially as it affects people with disabilities.	DOH Fair Housing Coordinator/ Management	Improved compliance resulting in fewer complaints	Workshop presented at Colorado HouSing Now Conference Oct. 13, 2011
Provide information on web site and through listserv on Fair Housing training provided by others, and about funding available for Fair Housing (NOFAs).	DOH Fair Housing Coordinator/Web site staff	Higher attendance at training; more applications for FH funding	Ongoing

Train DOH staff to improve fair housing service to the public and technical assistance to housing providers.	DOH Fair Housing Coordinator/ Management	Increased staff awareness resulting in improved provider compliance	One training for staff program presented 6/14/2011.
Further development of Fair Housing web page	DOH Fair Housing Coordinator/Web site staff	Continually improved access to Fair Housing information	Ongoing

**High Housing Costs Combined with Low Income/Wages:**

Action	Agency	Expected Outcome	Specific Actions and Timeline
Annually, publish "Affordable Housing: A Guide for Local Officials" as a tool for local governments in creating affordable housing and reducing regulatory barriers.	DOH Housing Initiatives Coordinator	Keep current AH and FH information available for local governments	Updated version is being prepared
Emphasize job creation under CDBG Section 3 requirements when working with developers to underwrite new projects.	DOH and DLG Housing Development Staff and DLG Regional Managers	Improved job creation for low/mod residents resulting in better access to housing	Ongoing

**Impediments Specific to People with Disabilities**

Action	Agency	Expected Outcome	Specific Actions and Timeline
Provide technical assistance to property managers on how to fill accessible units with people who need them.	DOH Housing Development Specialists and Asset Managers	Increased tenancy by people with disabilities in appropriate units	Have provided TA to
Encourage local housing and disability service agencies to conduct tenant training programs to increase client knowledge of fair housing rights.	DOH Asset Managers	Improved tenant understanding of Fair Housing rights.	As part of ongoing monitoring and technical assistance.
Combine administration of all housing voucher programs by transferring administration of HCVs for people with disabilities from Dept. of Human Services to the Division of Housing	DOH Legislature/ Department Managers	Improved delivery of vouchers to people in need, increased capacity of HCV contractors	SHHP and Division of Housing HCV programs were combined as of 7/1/2011; legislation was passed permitting consolidation of 2 PHAs in the 2012 legislative session.
Improve accessibility of information from Division of Housing by making key documents available in large print and	DOH Fair Housing Coordinator	Improved access to information about Division of Housing affordable and fair	Large print copies of Consolidated Plan, AI, PHA plans have been provided to people

accessible by screen readers; web site to meet ADA accessibility standards.		housing efforts; higher citizen participation in processes.	with disabilities upon request. The web site has been updated to meet ADA accessibility standards.
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**Community Resistance to Affordable and Special Needs Housing**

Action	Agency	Expected Outcome	Specific Actions and Timeline
Direct housing developers to Knowledgeplex.com for information on working with neighbors to allay unfounded fears about the economic and social effects of affordable and special needs housing.	DOH Housing Development Specialists & Web site coordinator	Improved ability for housing providers to respond to community resistance.	Done

**Lack of Fair Housing Enforcement**

Action	Agency	Expected Outcome	Specific Actions and Timeline
Seek out new sources of funding for testing	DOH Fair Housing Coordinator	New sources will be found and applied for.	Ongoing
Increase access to information and assistance about filing Fair Housing complaints.	DOH Fair Housing Coordinator	More complaints will result in increased enforcement.	Information posted on web site, brochures available at front desk.

**Language and Cultural Issues**

Action	Agency	Expected Outcome	Specific Actions and Timeline
Develop a list of Department employees who are bilingual and competent to act as interpreters and/or translators	DOH Fair Housing Coordinator	DOLA staff will have more ready access to interpreters when needed.	List developed and distributed on May 11, 2011.
Analyze needs of Limited English Proficiency persons in Colorado and adopt a Language Assistance Plan if the analysis proves it is needed.	DOH Fair Housing Coordinator	Need for a Language Assistance Plan will be determined and plan developed and implemented if needed	4-Step Analysis was completed. Language group size requires written translation. Volume of LEP calls does not warrant full Language assistance plan.
Offer access to translations of fair housing information into Spanish and other languages through web site links to HUD and CCRD.	DOH Fair Housing Coordinator/ Web site staff	Information will be readily available to LEP persons.	Web links already provided.
Release key documents in Spanish as well as English.	DOH/DLG Fair Housing Coordinator	Information will be readily available to Spanish speaking LEP persons.	Process of procurement for translation services has been started.

**Transportation**

Action	Agency	Expected Outcome	Specific Actions and Timeline
Continue to promote Sustainable Communities, which encompass transportation, and economic development as well as affordable housing.	DOLA/DOH and DLG staff members	Continued and improved access to transportation from affordable housing	Ongoing
Encourage development of affordable housing close to public transit, especially where it provides access to better employment opportunities.	DOH Housing Development Specialists	Continued and improved access to transportation from affordable housing	Ongoing
Encourage the development of affordable housing close to services and employment in places where public transportation is not economically feasible.	DOH Housing Development Specialists	Continued and improved access to transportation from affordable housing	Ongoing

**Local Government Regulations**

Action	Agency	Expected Outcome	Specific Actions and Timeline
Continue to educate local governments about barriers to affordable and Fair Housing.	DOH Initiatives and Research work group.	Reduction in regulatory barriers to affordable/fair housing.	Updated version of Affordable Housing: A guide for Local Officials by 7/1/2012.
Ensure that local government applicants have Fair Housing Plans in place and that they enforce them.	DOH Housing Development Specialists & Asset Managers	Compliance with AFHMP requirements	Ongoing

To address language and cultural barriers, Division of Housing has taken the following actions:

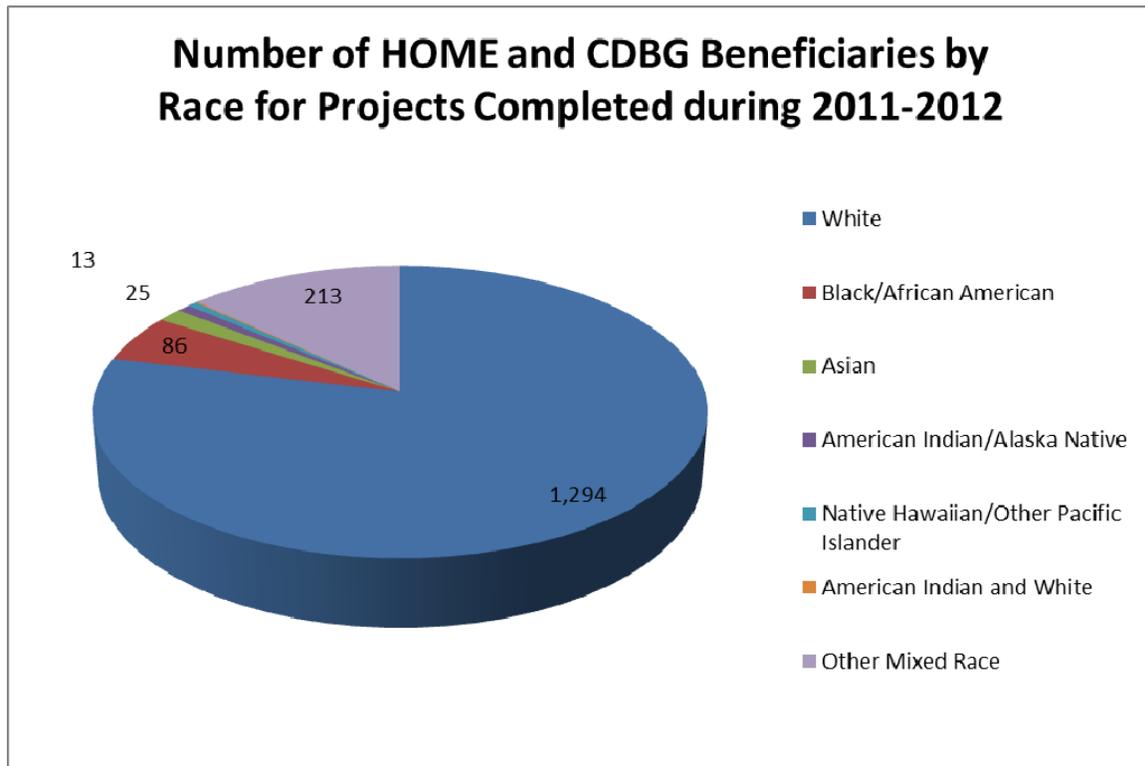
- Fair Housing posters/flyers are available in Spanish on our web site and in our offices, and are made available to all of our grantees.
- Emergency Shelter Grant agencies are provided with Fair Housing flyers with contact information in both English and Spanish
- The “Puzzle of Homeownership” training on the Division of Housing web site is available in Spanish.

To address segregation and concentration of poverty, the Department of Local Affairs has made efforts to revitalize known areas of racial segregation and high poverty. Out of 56 new rental construction projects undertaken since 2006, fourteen were undertaken in census tracts that exceeded the MSA’s median income and twenty-six in tracts with minority populations below 25%. Twelve of these projects were built in census tracts that are both low minority and high income.

Eight projects in high-minority census tracts (minority percentage greater than 75%) were in entitlement areas in Denver and Adams counties. Eight projects carried out in very low income census tracts (below 50% of MSA median) were also in

entitlement areas. Only six projects were located in census tracts that are both high-minority and very low income using 75% minority and 50% of MSA income as the cutoff points.

**An analysis of the racial and ethnic composition** of the initial residents of Division of Housing-funded projects that were completed during the reporting period is as follows:



The chart above shows raw numbers of beneficiaries reported at close out by our HOME and CDBG grantees. Broken down by percentages, 79% of the beneficiaries are white, 13% are Other mixed race, 5% are Black/African American, and 2% are Asian. The American Indian/Alaska Native and Native Hawaiian/Other Pacific Islander categories each represent 1% of the beneficiaries.

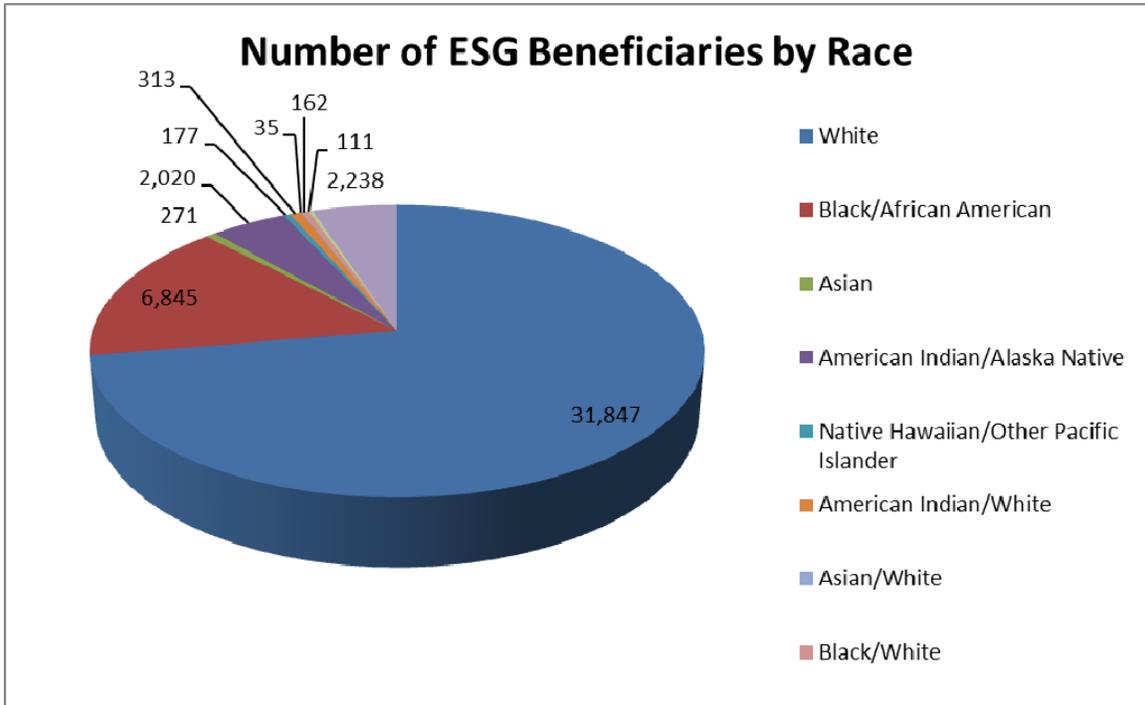
Of 1,642 reported beneficiaries, 380 or 23% were of Hispanic ethnicity. 87% of those reported as Hispanic are White, 12% are Other Mixed Race.

Compared to the racial and ethnic make up of Colorado's population in the American Community Survey 2006-2010 5-year estimates, Colorado's population is 83.5% White, 3.9% Black/African American, 1% American Indian/Alaska Native, 2.7% Asian and .1% Native Hawaiian/Other Pacific islander. 20.1% of the population is Hispanic (of any race) and 6.4% of the ACS respondents self-identified as "some other race."

Thus, beneficiaries of CDOH's HOME and CDBG programs do not directly reflect Colorado's population as a whole. We serve a greater percentage of Black/African Americans, Hispanics and Native Hawaiian/Other Pacific Islanders than their percentage of the population, and fewer Whites and Asians.

The Hispanic/Latino ethnic group is modestly over-represented among initial residents of CDOH funded housing. Out of 1,642 initial residents reported in IDIS, 380 (23.1%) were persons of Hispanic/Latino descent, compared to 20.1% of the general population.

Beneficiaries of Emergency Shelter Grant services diverge even more racially and ethnically from Colorado's population as a whole. The chart below displays the racial and composition of our ESG beneficiaries:



White ESG clients make up 73.2% of CDOH's ESG clients relative to 83.6% of the the state's population, while 15.6% of ESG clients are Black/African American compared to 3.9% of the the general population. All other racial categories combined constitute less than 12% of the state program's ESG beneficiaries.

The Hispanic/Latino ethnic group is also modestly over-represented among clients of emergency shelters. Out of 44,019 ESG beneficiaries reported in IDIS, 10,303 (23.4%) were persons of Hispanic/Latino descent, compared to 20.1% of the general population.

**4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.**

CDOH led efforts to fund programs that can become models for communities throughout Colorado. Because the Division's funding is primarily discretionary, it served as the catalyst for other supportive housing efforts. The Division of Housing financed hard assets such as housing construction or rehabilitation, and soft costs such as rental subsidies. The direct impact of housing development is improved housing quality and additional construction jobs for a community.

CDOH and CHFA, as well as other funding agencies, often coordinate their efforts in order to make affordable housing projects successful. CHFA and CDOH are also working in a collaborative manner to preserve affordable housing projects that have experienced financial issues due to the economic slow down, resultant vacancy issues and intense market competition.

CDOH received \$2,225,000 in Housing Development Grant funds for State fiscal year 2011 (July 1, 2010 to June 30, 2011.) When available, these state funds are the most flexible of the Division’s resources, and allow tailored community solutions to help ensure that the poorest families in Colorado have an increasing supply of rental units affordable to them.

The Colorado Community Interagency Council on Homelessness (CCICH) creates statewide collaboration among nonprofit corporations, state and Federal agencies. CDOH will actively participate in this collaboration to better link housing and services for low-income residents and homeless persons. Other topics of the CCICH include job training, education, employment, childcare, transportation, housing and food stamp benefits to assist poverty-stricken families in achieving economic self-sufficiency.

**5. Leveraging Resources**

- f. Identify progress in obtaining “other” public and private resources to address needs.
- g. How Federal resources from HUD leveraged other public and private resources.
- h. How matching requirements were satisfied.

During this Consolidated Plan Year, the Division of Housing awarded \$7,510,639 in HOME and CDBG funds, leveraging \$81,523,099 in private and other public funding, a ratio of 10.85:1. See the table below for details.

PROJECT NAME	LEVERAGING	CONTRACT AMT	FUND SOURCE
Fremont County/North Park II	\$6,342,969	\$480,000	CDBG
San Miguel County/Village Court Apartments	\$635,064	\$744,936	CDBG
Delta County/SFOO Rehab Program	\$246,729	\$105,226	CDBG
Boulder County/SFOO Rehab Program	\$109,918	\$40,593	CDBG
San Juan County/SFOO Rehab	\$72,800	\$363,024	CDBG
Longmont HDC/Hearthstone Rental NC	\$8,072,701	\$400,000	HOME
Housing & Work Connection Project	\$511,228	\$175,000	HOME
Douglas County/Down Payment Assistance	\$5,799,636	\$479,920	HOME
La Plata Homes Fund/Down Payment Assistance	\$609,557	\$381,770	HOME
Colo. Housing Assistance/Down Payment Asst.	\$3,470,900	\$210,000	HOME
Habitat for Humanity/Homeownership Const.	\$9,397,128	\$770,000	HOME
Rocky Mtn Community Land Trust/Homeowner	\$122,280	\$91,500	HOME
ACCESS Housing/Holly Gardens Acq. & Rehab	\$973,246	\$200,000	HOME
Pikes Peak Senior Apartments Rental New Const	\$9,151,900	\$350,000	HOME
Yale Station Rental New Constr	\$11,035,245	\$200,000	HOME
Accessible Space/Greeley Supportive Housing	\$2,660,201	\$340,000	HOME
Boulder County H.A./Josephine Commons	\$15,778,804	\$550,000	HOME

Longmont H.A./The Suites Rental Rehab	\$5,855,773	\$875,000	HOME
Housing Resources of Western CO/SFOO Rehab	\$550,000	\$156,670	HOME
Loveland HDC/SFOO Rehab	\$127,000	597,000	HOME
<b>Totals</b>	<b>\$81,523,079</b>	<b>\$7,510,639</b>	

## Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

The Department of Local Affairs took the following steps to ensure compliance:

- Extensively expanded our Oracle database to capture a greater amount of compliance information.
- Provided training to DOH Staff. DOH staff members attended the following training programs during the reporting period:
  - Fair Housing and the HOME program, 1 person
  - Building HOME, 6 people
  - 2011 NAHRO Conference, 7 people
  - National Development Council Rental Housing trainings, 3 people
  - COSCDA Homeless, Housing & Community Development, 1 person
  - NAHRO Housing Choice Voucher Training, 8 people
  - HOME Certified Specialist – Regulations Certification, 8 people
  - NSP/DRGR training, 1 person
  - ECS Users Connect, 1 person
  - 2011 Housing Colorado NOW conference, 12 people
  - NAHRO Housing Choice Voucher Homeownership, 1 person
- Reviewed and revised the DOH funding application.
- Reviewed and revised our contract templates
- Reviewed and revised our monitoring procedures
- Improved the CDBG monitoring tool
- Conducted monitoring training for staff.
- Provided training for grantees in the areas of financing affordable housing, ESG compliance, HCV compliance

## Citizen Participation

1. **Provide a summary of citizen comments.**

A draft of the Annual Performance and Evaluation Report was posted on the Dept. of Local Affairs web site for public comment from May 24, 2012 through June 25, 2012. Notice of the posting was posted on the Division of Housing's blog and distributed through CDOH's newsletter listserv.

An official public hearing notice was placed in the Denver Post and run on June 10 and June 17, 2012. The public hearing notice was also posted on the DOLA web site in both English and Spanish.

The hearing was held at 10:00 a.m. on June 25 at 1313 Sherman St., Denver, CO. No member of the public attended the hearing and no public comments were received.

## Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

### Gaps in Institutional Structure:

Colorado State government works with local governments, private industry, and nonprofit organizations to tackle the issues involved in providing affordable housing. The gaps remaining in the institutional structure in Colorado are educating the public and reducing the Not In My Backyard (NIMBY) phenomenon; developing better coordination and cooperation between special needs providers and the organizations that produce housing units; and continuing to educate local agencies to increase the production of affordable housing units statewide.

**Local nonprofit organizations and housing authorities:** Many nonprofits lack not only the funding to meet their community's housing demands, but also the staff expertise to expand or diversify existing services. CDOH works to improve agency capacity through technical assistance, workshops, training and monitoring efforts. These efforts will result in retention of existing housing and additional production of housing units where they are needed.

**NIMBY:** The problem of finding suitable sites for affordable housing continues to be a problem in Colorado. Many neighborhoods are unwilling to have even mixed income rental units nearby, let alone housing for persons with special needs. This lack of understanding about, and fear of affordable housing residents, also hampers efforts to expand Colorado's affordable housing inventory.

To overcome this issue, DOH development staff members routinely work with affordable housing providers and local jurisdictions to encourage early communications and informational meetings about affordable housing projects in their communities. In addition, DOH provides free copies of *Housing Colorado: A Guide for Local Officials* to elected and appointed officials. The Guide has a chapter about ameliorating the "Not in My Backyard" syndrome.

### Strategy to Overcome Gaps

The Colorado Department of Local Affairs continues to increase the coordination and involvement of state and Federal agencies, public and private nonprofits and others in the leveraging of funding sources, the planning and delivery of housing-related services, and the development of special initiatives to increase and preserve affordable housing. CDOH staff works with local governments and housing providers to increase their capacity to create new affordable housing units. The Division supplements this one-on-one technical assistance by statewide training including the Developer's Toolkit, *Affordable Housing: a guide for local officials*, Creative Finance, Managing Nonprofits in Tough Times, Basic Underwriting, Advanced Financing, application workshops and other interactive presentations that increase the capacity of Colorado's housing providers.

The Division of Housing also works with the Department of Human Services and local special-needs providers to encourage partnerships between special population service providers and housing development agencies. These partnerships are essential to increasing the supply of affordable, accessible housing for special-needs populations. Public education efforts increase the awareness of the need for rental

units affordable for those whose incomes are at or below 30% of AMI. The new Neighborhood Stabilization Program provides an opportunity for local governments and nonprofit agencies to stabilize housing markets through purchase and rehabilitation of foreclosed homes.

The state's interagency "Housing Pipeline" is comprised of key agencies that include the Colorado Division of Housing, Colorado Housing Finance Authority, U.S. Department of Housing and Urban Development and U.S. Department of Agriculture, Rural Development. These bi-monthly meetings provide coordination around multiple agency rules, various funding sources and an annual targeting of specific priority areas of the State in order to address immediate housing needs.

## **Governmental Coordination**

The Department of Local Affairs (DOLA) is the one agency in Colorado that deals almost exclusively with local governments on all levels of its mission. DOLA promotes cooperation and coordination and involves other state agencies in its efforts.

## **Low-Income Housing Tax Credits (LIHTC)**

The Colorado Housing and Finance Authority (CHFA) has the authority to allocate the LIHTC in Colorado. CHFA and the Division of Housing work closely together in using LIHTC to develop affordable housing. The staff of both agencies is in constant contact to discuss new and existing projects, and meet formally on a quarterly basis to update each other on pending projects. This system will continue during the next year. The annual plan for allocation of tax credits in 2010, approved by CHFA's Board of Directors and by the Governor, is on CHFA's website at [www.chfainfo.com](http://www.chfainfo.com). CHFA and the Division of Housing will continue their close coordination in using LIHTC, Federal, State, and private funds for project funding.

## **Monitoring**

### **1. Describe how and the frequency with which you monitored your activities.**

Colorado Division of Housing (CDOH) monitors to ensure that the affordable housing units it funds comply with applicable State and Federal guidelines. During the course of grant and or loan administration, Asset Managers (AMs) and other CDOH staff monitor project performance in a variety of ways. CDOH's monitoring plan describes the monitoring methods for the HOME, CDBG, and ESG programs. Monitoring for the Neighborhood Stabilization Program (NSP) takes place in accordance with CDBG standards, plus new requirements of the Housing and Economic Recovery Act of 2008. In addition, NSP 3 requires compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act (2010).

## **Project Performance Plan**

The Project Performance Plan (PPP) is individually developed for each project. It sets forth the goals and milestones that a project must meet for it to be successful and comply with Federal and State requirements. The PPP sets time lines and milestones to complete and manage the project. The PPP forms the basis for tracking and measuring the grantee's performance throughout the term of the contract. The PPP can include:

- Housing agency management capacity and production
- Construction time lines

- Appropriateness of financial management systems
- Development of a marketing plan
- Leasing and occupancy policies
- Risk management implementation

The PPP is an assessment of the project needs, milestones and goals, as determined by the CDOH Housing Development Specialist (DEVO) and Asset Manager (AM). The DEVO develops a first draft of the PPP; the AM then reviews it and suggests modifications. The grantee participates in the preparation of the PPP by providing feedback and input; the PPP is considered a working document.

Project Performance Plans vary, as do the different types of projects that CDOH funds. To ensure that the PPP includes all major milestones, CDOH has developed templates covering the different types of developments and projects. The templates are not intended to be all-inclusive, and each development team (DEVO and AM) has the ability to tailor the PPP to the individual projects. The PPP template contains a column that the Grantee can use to track quarterly performance. Because the PPP covers all critical milestones a project must meet, AM's are able to easily determine if a project is on track or if its plan needs revision. Some projects will have limited performance measures because the project has a high-functioning developer and/or another organization such as CHFA, Mercy Loan Fund, Rural Development, HUD or a private lender is involved in the project. These organizations often provide project oversight in such areas as construction monitoring, maintenance plans and property inspections. When other monitoring systems are in place, CDOH does not duplicate these efforts. Other projects will have a comprehensive and detailed PPP because they involve a first-time developer and/or there has been staff turnover.

CDOH also uses the PPP to plan when to provide training and technical assistance. A change in the PPP does not warrant a change letter or contract amendment. However, a contract amendment does require a change in the PPP.

## **Project Monitoring**

CDOH requires each project it funds to submit quarterly reports (monthly for NSP). The reports provide AMs and CDOH staff with a project update and alert the staff to potential or anticipated problems. The reports include a financial report and a report on milestones achieved or soon to be achieved. The financial report lists the full financial status of the project including fund balances of the loan or grant provided. The Grantee reports on Project Performance Plan milestones within the PPP document. The milestones to be completed in the near future are also listed and any problems or issues that have been encountered. AMs reconcile the performance reports against the PPP for the project to track milestones that need completion. AMs often contact the grantee or borrower on a monthly basis to track the project performance.

## **Contract Monitoring**

Near the end of the contract term, AMs monitor CDOH projects to ensure that the projects comply with the applicable Federal and State requirements. Because some projects need more attention than others, CDOH has developed a Risk-Based Monitoring approach. CDOH Risk-Based monitoring allows Asset Managers to focus more time on new grantees and on projects that are at higher risk of encountering problems during the project development.

The CDOH Development Specialist and Asset Manager determine the level of monitoring for the project. The Development Specialist and Asset Manager discuss the administrative capacity of each grantee and determine the level of monitoring. The PPP attached to the grantee's contract lists the level of monitoring. The monitoring level may change during the term of the contract, if needed, and a change does not warrant a change letter to be routed for signature. Projects are placed in one of the following three categories: Full, Partial or Minimal monitoring.

FULL - A FULL monitoring determination requires an Asset Manager to address all identified areas pertaining to the project with areas listed in CDOH monitoring documents. The Asset Manager will also have to visit the project site and complete a housing quality standards inspection on a minimum 5% of the units. The Development Specialist and Asset Manager will recommend a FULL monitoring if the project contains the following:

- New Grantee - Grantee who has never received funding from CDOH and/or Grantee that have not received funding in the last three years
- New activity for existing grantee
- Complicated project
- Unresolved findings or concerns on last contract
- Repeat instances of findings or concerns
- Existing Grantee with new staff in key positions
- Staff recommendation due to unexpected problems occurring during the project

PARTIAL - A PARTIAL monitoring requires the Asset Manager to complete a program specific monitoring form, including a file review and an administrative review. CDOH may ask the grantee to supply reports such as rent rolls and financial statements. The Development Specialist and Asset Manager will recommend a PARTIAL monitoring if the project has the following characteristics:

- Uncomplicated project
- Repeat grantee-same/similar type project
- Grantee had no findings during last monitoring
- Grantee is considered moderate in administrative capacity

MINIMAL - A MINIMAL monitoring can only apply to a continuing program such as single-family owner-occupied rehabilitation, down payment assistance, or ESG. With Minimal monitoring, grantee technical assistance is given only if needed and the grantee provides the contractual monthly/quarterly reporting documents. CDOH may delay an on-site visit for up to two years for a very high-functioning grantee. The Asset Manager and Developer will only approve this type of monitoring if the project contains the following:

- Grantee has not received any findings or concerns in the past two years.
- Grantee is considered a high-functioning project administrator.

Under the MINIMAL monitoring category, the Asset Manager can perform a Self-Certification monitoring. The grantee completes a Self-Certification monitoring form specific to the use of the funding award, has it notarized, and sends it back to the Asset Manager.

The Division of Local Government and Governor's Office of Economic Development and International Trade conduct a full monitoring of all their CDBG grantees using the state's standardized monitoring tool to ensure that the requirements of the grant

have been met. These monitoring visits occur on site between the state, grantee, and, if applicable, the sub-grantee. Projects will not be considered closed until all compliance requirements have been met and documented and findings, if any, have been adequately addressed.

### **Project Close Out**

DOLA closes out all projects upon the completion. Required closeout reports include the following:

- Project description
- Actual accomplishments
- Remaining actions
- Audits or name and address of firm selected to do the audit(s) and expected completion date.
- Total actual expenditures for the activity
- Project beneficiaries and outcome-based funding requirements
- Program income
- Actions taken to affirmatively further Fair Housing
- Section 3 outcomes
- National Objective (CDBG)

### **HOME Long-Term Monitoring**

HOME-funded rental projects are required to comply with HOME regulations appropriate to the number of HOME-assisted units occupied by income eligible families with appropriate rents charged throughout the term of affordability. CDOH conducts on-site monitoring of these projects based on the number of HOME units funded.

- At least every three years for projects containing one to four HOME-assisted units;
- At least every two years for projects containing five to twenty-five HOME-assisted units;
- At least once a year for projects containing more than twenty-five HOME-assisted units.

CDOH requires yearly rent rolls and eligibility certification by mail in the years between on-site monitoring.

### **DOLA Monitoring of Consolidated Plan Goals and Objectives**

DOLA monitors its progress in achieving goals and objectives of the Consolidated Plan through its Oracle database, which captures housing units, projects and leverage; through HUD's Integrated Disbursement Information System (IDIS); through periodic reports on housing to the State Legislature; and by completing the Annual Performance Evaluation Reporting System report for HUD. CDOH continually assesses compliance with program requirements, including timeliness of expenditures, both programmatically and through accounting and internal audit functions of DOLA.

#### **2. Describe the results of your monitoring including any improvements.**

During this period CDOH monitored 98 HOME rental projects; 89 of the projects had no findings and 9 had findings. The majority of findings were because of missing documents in family files. These findings are listed below:

PROJECT NUMBER	PROJECT NAME	DATE RESOLVED	FINDING COMMENTS
06-004	Loveland Housing Authority Mirasol Rental/New Construction	20-Jun-11	All files missing residency declaration
09-062	Eagle Co.Riverview Apartments Rental New Construction	31-May-11	Need proof of income or survivor statement for one of the family files.
06-014	Renaissance 88 Apartments	In process	Some incorrect income documentation in the file. All HQS passed
10-027	Colo. Sprs.-C.S. Pike Senior LP-Pikes Peak Senior Apts.- Rental New Const	In process	Family File Review - missing SSN or affidavit; and missing legal resident affidavit
10-042	Denver Co.-DHA Park Avenue 5B-New Construction	In process	rents set above FMR
10-011	Colorado Springs-Garden Housing-Rental Acq. and Rehabilitation	18-Jan-12	<p>Three family files contained expired ID, which the residents must replace with current ID.</p> <p>1 unit FAILED HQS inspection due to missing bathroom tile on shower and missing window screens</p> <p>Building Exterior Missing door plate in boiler room for building.</p> <p>Corrective Action: Repair and/or replace the items listed above by December 31, 2011.</p>
10-014	Larimer CO Care Housing Inc.- Provincetowne Green Communities-Rental New Construction	In process	Financial statements and bid documents unavailable during monitoring visit, and agency has not responded to subsequent requests for these documents.

PROJECT NUMBER	PROJECT NAME	DATE RESOLVED	FINDING COMMENTS
06-056	Villa Andrea Apartments	30-Mar-12	Missing last audited financials, asset verification and social security number verifications

### 3. Self Evaluation

#### a. Describe the effect programs have in solving neighborhood and community problems.

The Colorado Department of Local Affairs, through its Housing and Local Government Divisions, uses HUD funding to address neighborhood and community problems throughout the state, but especially outside of the Denver metropolitan area. The funding is used to build or rehabilitate homes for low income families and households; to provide shelter and a path to self-sufficiency to those who have lost their homes; to build or improve aging water and sewer systems and other infrastructure in low income communities; to help build business and job opportunities and to create communities where people will want to live and work. Our objective is to help communities become economically, socially and environmentally healthy and sustainable.

#### b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.

Needs identified in the Consolidated Plan include rental housing for very-low income people (those whose incomes are less than 40% of the area median income); permanent supportive housing for the homeless and for people disabilities or other special needs; the preservation and stabilization of homeownership; affordable housing specifically for the elderly, people with disabilities and domestic violence survivors.

The table on page 11 is a profile of our consolidated plan activities and the progress made in meeting our goals. That progress has been slower than we would like it to be, primarily because of the economic downturn of the last few years and its aftereffects. The need for affordable housing and supportive services has increased as people have lost their jobs and/or lost their homes to foreclosure. Foreclosures have increased the number of people who need rental housing, resulting in very low vacancy rates and driving up rents. This is occurring even as the unemployment rate continues to be high and wages have stagnated or even been reduced.

At the same time, federal and state funding for affordable housing is being cut back. In short, the need greatly exceeds our ability to meet it and the gap is growing.

For example, the 2012 *Housing Need and Rent Burden in Colorado and its Metropolitan Areas* report produced by the Division of Housing shows that Colorado had 622,000 renter households. Of these, about 298,000 households (48%) pay more than 30% of their income toward housing. Roughly 150,500 - half - of these households have incomes of less than \$20,000 per year. Statewide, there are 2 families for every housing unit affordable to this income range. During the most recent reporting period, the Division was able to fund 40 new units to serve this population.

**c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.**

During this reporting period, DOLA and its divisions used HUD funds to help finance the construction of 294 affordable rental homes, 76 newly built single-family homes, rehabilitation of 81 single-family homes, down payment on 59 single family homes, provided shelter or other assistance to 24,438 homeless people and helped prevent homelessness for another 19,581. formerly homeless people received rental assistance and 69 people with HIV/AIDS received rental assistance and supportive services for themselves and their families.

**d. Indicate any activities falling behind schedule.**

Programs related to homeownership, i.e., single-family owner-occupied rehabilitation programs and down payment assistance programs, are having difficulty meeting their numeric goals on time. One project listed in last year's CAPER, 10-076, Mercy Housing's Bluff Lake Apartments, has been delayed because of construction delays but is now 78% built and expected to be completed before the end of 2012.

**e. Describe how activities and strategies made an impact on identified needs.**

Needs identified in our Consolidated Plan included 1) affordable housing for very low income households – those with incomes at or below 40% of the area median, 2) Permanent supportive housing for the homeless and for people with disabilities. During the reporting period, Division of Housing helped in the creation of 99 units of housing affordable to those earning less than 40% of the area median. CDBG, HOME, NSP and State funds were used to provide 37 units of permanent supportive housing for people with disabilities and 92 units for people who were formerly homeless.

**f. Identify indicators that would best describe the results.**

In this Annual Performance Evaluation report we use the number of units produced and the area median income at which those units will be affordable. However, the indicator that would best describe the results would be the income and demographic characteristics of the people who occupy the housing when it is completed. Affordability at certain levels of area median income (AMI) represents the maximum income level of those who will be eligible to live there; in reality, the housing is often occupied by those earning less than the maximum and their rents are adjusted accordingly.

**g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.**

Lack of Low-Income Housing Tax Credits created complications and delays in getting new construction and rehabilitation projects off the ground. Tighter underwriting standards for single family home purchases and rehabilitation have made it difficult for low and moderate income families to qualify for loans. Lack of qualified borrowers means that our programs have trouble meeting their numeric goals.

**h. Identify whether major goals are on target and discuss reasons for those that are not on target.**

Major goals are on target, being achieved through State funding as well as other funding not reported through the CAPER, such as NSP. For example, 3 projects

providing transitional housing with supportive services were built or renovated using \$776,051 in Colorado State funding.

**i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.**

Since most major goals are on target and most challenges are the result of lingering economic issues that have resulted in high unemployment, tighter credit standards, lower government revenues, or reduced values of single-family homes, we are not able to identify any adjustments or improvements at this time

## Lead-Based Paint

### 1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

DOLA/DOH recognizes the serious health risks for children from lead poisoning due to contact with untreated lead-based paint and dust in the State's housing stock. To help protect children from these health risks, DOH works closely with subgrantees, contract agencies, and the Colorado Department of Public Health and Environment (CDPHE) to assure that the State's housing programs and projects comply with current requirements of Title X of the Community Development Act of 1992.

An estimated 661,282 housing units (+/-10%) in Colorado were built prior to 1978. Of these, approximately 65% or 431,736 (+/-10%) may contain lead based paint.

As of September 10, 2001, all provisions of Title X became enforceable in Colorado. These provisions include the regulations found in HUD's Lead Safe Housing Rule (24 CFR part 35). The staff of DOH reviews each proposed housing development program or project to ensure ongoing compliance with all applicable sections of Title X. The review is based on the type of project, the type, amount, and duration of financial assistance, and the age of the property. In addition, DOH makes all applicable training and technical resources available to local housing providers and developers.

CDPHE has statutory responsibility for the ongoing implementation of the statewide comprehensive plan to reduce childhood lead poisoning. The Environmental Protection Agency has authorized the CDPHE to provide training, certification, and enforcement programs surrounding lead poisoning and lead-based paint in the State. CDPHE is also responsible for compiling information on the number and location of children found to have elevated lead blood levels (great than 10 micrograms/deciliter). During the period 1996–2002, approximately 2.5% of all children between the ages of 6 months and 6 years of age tested statewide had elevated blood lead levels. In one Denver neighborhood, over 16% of the children tested had elevated blood lead levels. CDPHE and Medicaid educate parents on the sources and hazards of lead poisoning to increase the number of children tested every year statewide. These efforts resulted in a 40% increase in the number of children tested for possible lead poisoning from 2001-2002 (most recent data available).

Northeast Denver Housing Center (NDHC) is the single Lead Hazard Control Grantee in Colorado. Through its Lead Hazard Control Grant, NDHC responds to reported incidences of elevated blood level in lower in children in lower-income households across the State. In addition, NDHC provides comprehensive lead hazard identification and reduction activities in specific neighborhoods in the City of Denver. Information obtained from the 2000 Census and the Center for Disease Control (CDC) report, "Surveillance for Elevated Blood Lead Levels Among Children – US, 1997-2001" (September 2003), indicates that there are over 21,000 housing units with a lead hazard risk in Colorado. The EPA considers housing units built before 1950 and currently occupied by households living below the poverty level to be at risk.

DOH will implement the following activities during the period of 2010–2015 to ensure statewide compliance with applicable lead-based paint regulations.

### **Activity 1: Enhanced Existing Partnerships**

DOH continued to assist public and private efforts to reduce lead-based paint hazards across the State. This includes ongoing involvement in the Colorado Lead Coalition interagency work group, which develops and implements strategies for statewide lead hazard reduction and education efforts. Besides the Division of Housing, this coalition includes the U.S. Environmental Protection Agency, Denver Health, the U.S. Department of Housing and Urban Development, the Colorado Department of Health and Environment and other agencies. Over the years, DOH has provided on-going technical assistance and support to assist in the integration of the various services offered to lower-income households, including participation in current healthy home projects in the state. This includes the Denver Green and Healthy Homes Initiative (GHHI) that promotes the provision of comprehensive housing rehabilitation and household services to lower-income households. The goal of the GHHI is to maximize the interventions for each household in regards to their overall well-being, including linking housing rehabilitation and weatherization services with medical care and hazard mitigation programs. DOH intends to continue to participate in the GHHI to better understand the best approaches to the integration of household services for use in programs statewide.

The Colorado Division of Housing is also active in the newly formed Colorado Healthy Homes Coalition whose mission is to promote the incorporation of healthy homes principles into ongoing programs and practices, focus attention on the relationships between housing and health impacts, and coordinate and leverage state-wide healthy homes activities.

### **Activity 2: Provided Lead Hazard Information to Housing Providers, Local Officials and Assisted Households**

DOH provided all sub-grantees, contractors and local housing and service providers with the most current required publications for distribution to occupants of housing units assisted with Division funds. For example, DOH distributes the EPA Pamphlet, "Protect Your Family from Lead in Your Home" to local housing and service providers that, in turn, distribute this publication to all applicable households. DOH-funded programs that received lead hazard information include the Single-Family Owner-Occupied Rehabilitation Program, the Housing Choice Voucher Program, down payment assistance programs, and programs that support the acquisition and rehabilitation of rental properties.

The DOH staff has a working knowledge of the Environmental Protection Agency (EPA) Renovation, Repair, and Painting Rule (RRP) that requires that all rehabilitation contractors to be certified in lead-based paint procedures for compensated construction activities. DOH has administrative and field processes in place to confirm that contractors compensated through DOH funded activities are properly RRP certified.

### **Activity 3: Enhanced Existing Delivery System and Technical Capacity**

To comply with the regulations in the most effective and economical way, DOH increased its involvement in CDPHE's lead-based paint education activities and sponsored additional lead-safe work practice trainings around the State. DOH will continue to provide technical assistance to subgrantees, contractors, and local housing and service providers about Title X requirements through web-based

training, on-site visits, project underwriting and the distribution of best practice methods. In addition, DOH continues to search for funding opportunities to provide the state with additional resources concerning lead-based paint and other home hazards. This includes funding through HUD's Office of Healthy Homes and Lead Hazard Control grants.

DOH intends to coordinate applications for funding under the Lead Hazard Reduction Program – Healthy Homes Initiative on behalf of the entire state.

## **Energy-Efficient Design and Construction**

### **Overview**

The Department of Local Affairs places a high priority on energy efficiency and sustainable design in pursuing its goal of livable communities. At the same time, the State Housing Board has stated their objective to increase affordability and long-term sustainability of Colorado's affordable housing by using sustainable and energy-efficient design. Given these common goals, the Board approved a policy that supports energy efficient design in 2007, amending the policy in 2008 to require projects to substantially meet one of the energy-efficiency standards listed below.

In 2012, the Division of Housing (DOH) will encourage inclusion of energy-efficient design methods early in the project planning process and provide training opportunities to developers, project owners and project managers on the benefits of efficient design. DOH staff members present energy-efficiency information to the State Housing Board as part of each project summary.

### **Minimum Energy Code Requirement**

- ❖ For single family and low-rise (up to 3 stories) housing projects:  
Projects funded shall substantially meet Low-Water Landscaping (e.g. Denver Water Board Standards), and one of the following (listed in order of preference):
  - Enterprise Community Partners, Green Communities Criteria 2011 or later
  - U.S. Green Building Council, LEED for Homes, Silver or above
  - The most recently released International Energy Efficiency Codes (IECC)
  - U.S. Environmental Protection Agency, Energy Star 2011 for New Homes
  - U.S. Green Building Council, LEED for Homes, Certified
  - U.S. Environmental Protection Agency, Energy Star for New Homes
  
- ❖ For commercial and residential projects above 3 stories:  
Projects funded shall substantially meet Low-Water Landscaping (e.g. Denver Water Board Standards), and one of the following (listed in order of preference):
  - Enterprise Community Partners, Green Communities Criteria 2011 or later
  - U.S. Green Building Council, LEED for New Construction version 2.2 or later, Silver or above
  - The most recently released International Energy Efficiency Codes (IECC)
  - U.S. Green Building Council, LEED for New Construction version 2.2 or later, Certified

### **Enterprise Green Communities**

The Colorado Department of Local Affairs, Division of Housing, in coordination with the Colorado Housing and Finance Authority, and the City of Denver, has adopted the *Enterprise Green Communities* as the preferred sustainable design criteria for funded affordable housing projects. The *Enterprise Green Communities* criteria are a multifaceted approach to the design and construction that includes meeting the Energy Star construction requirements and a concentration on the long term

performance of the building. In addition, the goal is for the individual household to receive the direct benefits of the increased energy efficiency and sustainability through lower utility bills and a healthier built environment.

Since October 2008, the DOH has assisted in the construction and/or renovation of over 2,200 (or 75% of all funded units) affordable housing units that meet or exceed the *Enterprise Green Communities* criteria. During the 2012 Program year, the Division of Housing will be taking steps to measure and confirm the actual performance of these more efficient buildings and the net impact on the ownership and the individual households.

### **Partner Programs**

DOH works closely with the Governor's Energy Office (GEO) and Energy Outreach Colorado (EOC) to assist project developers and property owners with access to technical assistance and funding for energy-efficiency improvements. In addition, the Division's single-family housing rehabilitation programs assist in improving the efficiency of the existing housing stock by using low-interest loans to homeowners.

### **2009 International Energy Conservation Code**

The Division of Housing, through an Interagency Agreement with the Governor's Energy Office (GEO) is providing Energy Code adoption, training and compliance support to local jurisdictions in Colorado. This support is designed to increase the minimum energy code in the State to the 2009 International Energy Conservation Code in order to enhance the efficiency of newly constructed and renovated residential and commercial buildings in the State.

### **Energy Star Building Performance Standards**

In 2002, U.S. Department of Housing and Urban Development (HUD) and the U.S. Environmental Protection Agency (EPA) entered into a memorandum of understanding to promote the use of Energy Star Building Performance Standards in HUD's affordable housing programs. DOH encourages the use of the Colorado Energy Star Standards Program in affordable housing projects. More information concerning the Colorado Energy Star Program is available at <http://www.e-star.com/index.html>. DOH funding applicants indicate the number of proposed housing units that meet the Colorado Energy Star Standards Program criteria in their application submission documents.

As noted above, the DOH has produced a significant number of affordable housing units that meet the Energy Star Performance Standard through the *Enterprise Green Communities* criteria. However, few of these projects have been officially provided an Energy Star certificate and therefore DOH has not counted these units in IDIS as Energy Star units. DOH will continue to track the number of energy-efficient units (with or without the Energy Star certification) in future Program years.

## HOUSING

### Housing Needs

**1. Describe Actions taken during the last year to foster and maintain affordable housing.**

The 2011 housing priorities and specific objectives listed below involved commitment and expenditure of both current and prior year HOME, CDBG, ESG and HOPWA funds, since the majority of activities and projects are multi-year funded.

### Specific Housing Objectives

**1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.**

During the reporting period, written agreements were executed to produce the following unit counts. The Division of Housing contracted for 724 total affordable housing units. Three hundred fifty-nine of those units are intended for people with special housing needs.

Project Type	Percentage of Area Median Income				
	0 - 30%	31-40%	41 – 50%	51 - 60%	61 - 80%
New Homeowners	0	0	70	0	63
Single Family Home Rehabilitation	0	0	0	0	121
Rental Units	40	59	273	98	0
<b>Total Units</b>	<b>40</b>	<b>59</b>	<b>343</b>	<b>98</b>	<b>184</b>
<b>The units above include the following totals for people with special needs:</b>					
Homeless	23	0	64	4	0
People with Disabilities	0	0	16	0	20
Senior Housing	5	51	145	31	0
<b>TOTAL</b>	<b>28</b>	<b>51</b>	<b>225</b>	<b>35</b>	<b>20</b>

**2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.**

The Division of Housing did not set numeric goals for production by percent of AMI, but rather has a policy of including as many 30 to 50% AMI units as economically possible in each project.

<b>&lt;30% AMI</b>	<b>ACTUAL</b>
Tenant Based Rental Assistance for Homeless	61
Rental Units for Homeless	23
Rental Units for People with Disabilities	0
Senior Housing	5
Other <30% Rental Units	<u>12</u>
<b>Subtotal</b>	<b><u>101</u></b>
<b>31-50% AMI</b>	
Rental Units for Homeless	64
Rental Units for People with Disabilities	16
Senior Housing	196
Other 31-50% Rental Units	126
<b>Subtotal</b>	<b><u>402</u></b>
<b>TOTAL Units for &lt;50% AMI</b>	<b><u>503</u></b>

**3. Describe efforts to address “worst-case” housing needs and housing needs of persons with disabilities.**

Worst case housing needs (WCN) are experienced by unassisted very low-income renters (below 50 percent of the local area median income) who either (1) pay more than one-half of their monthly income for rent; or (2) live in severely inadequate conditions, or both.

During the reporting period, the Colorado Division of Housing used HUD funds to create 442 new units of housing affordable to households with incomes below 50% AMI. Of these, 217 were created to meet the needs of people with disabilities or seniors. Another 61 households in this income range received tenant-based rental assistance to make their rents more affordable.

### **Public Housing Strategy**

**1. Describe actions taken during the last year to improve public housing and resident initiatives.**

The Colorado Division of Housing does not own or operate public housing, so this section is not applicable.

### **Barriers to Affordable Housing**

**1. Describe actions taken during the last year to eliminate barriers to affordable housing.**

#### ***Local Regulatory Barriers***

CDOH identified five categories of land use regulations frequently cited as barriers to affordable housing. These include: (1) infrastructure financing, (2) zoning and subdivision controls, (3) building codes, (4) permitting and procedural rules, and (5) environmental regulations. DOLA/DOH provides technical workshops on land use planning and on affordable housing to show communities how local governments could modify regulations to reduce their impact on affordable housing. DOLA/DOH also works with each developer to negotiate a reduction in local regulatory cost during our application review process.

The CDOH publication *Affordable Housing: A Guide for Local Officials*, which addresses these same issues, is available free on the DOLA/DOH web site.

### ***Effectiveness in Reducing Impact of Land Use Regulation***

The Division of Housing (DOLA/DOH) provided technical assistance to local governments that want to modify land use regulations in order to encourage affordable housing development. During our application review process, DOLA/DOH made it a priority to assess a local government's financial contribution compared to the impact its regulations and policies have on the total project cost.

### ***Technical Assistance***

DOLA/DOH provided training classes for affordable housing developers on "The Developers Toolkit," providing an overview of all of the steps to be taken and issues to consider before attempting to develop affordable housing. Another training course presented by DOLA/DOH in partnership with ??? is the "Advanced Finance Academy," which covers financing options, maximizing affordability, and project phasing. This class is designed for housing developers who want to use more complex financing sources. DOH provided technical assistance to its ESG grantees in June, 2011 in the form of a workshop covering various aspects of compliance.

The Division provides online training interactive training in Housing Quality Standards, preparation for homeownership, and Colorado Energy Codes.

DOLA/DOH staff members discuss regulatory barriers with local governments during project funding.

Please see the "Affirmatively Furthering Fair Housing" section beginning on page 13.

## **HOME Program**

- 1. Assessment of Relationship of HOME Funds to Goals and Objectives**
  - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.**

Use of HOME funds was essential to CDOH's efforts to provide affordable housing. HOME funds were used to produce 543 units of affordable housing, 384 (71%) of which are affordable to households at or below 50% of AMI.

The State of Colorado received \$ 7,304,221 for the 2011-2012 program year. That total was sub funded as follows: \$730,422.10 (10%) for administrative costs; \$1,095,633.15 (15%) for CHDO reserve; and \$ 365,211.00for CHDO operating and predevelopment loans.

CDOH contracted \$5,776,860.46 in HOME funds during the program year. HOME grantees that generate program income through down payment assistance or single-family owner-occupied rehabilitation programs and retain it to be used for the same purpose had net program income of \$206.12. The state's revolving loan fund received program income of \$177,159.27.

The projects that we funded and the income levels of households they benefit are listed in the following table.

**2011-2012 HOME-Funded Projects with Expected Number of Units by Percent of AMI**

<b>GRANTEE</b>	<b>HOME Funds</b>	<b>30%</b>	<b>40%</b>	<b>50%</b>	<b>60%</b>	<b>80%</b>	<b>Total</b>
<b>Homeownership Assistance</b>							
Douglas County Housing Partnership	\$479,920	0	0	0	0	22	22
La Plata County Homes Fund	\$381,770	0	0	0	0	15	15
Colorado Housing Assistance Corp.	\$210,000	0	0	0	0	20	20
<b>Homeownership New Construction</b>							
Habitat for Humanity of Colorado	\$770,000	0	0	70	0	0	70
<b>Land Trust</b>							
Rocky Mountain Community Land Trust	\$91,500	0	0	0	0	6	6
<b>Rental Acquisition and Rehabilitation</b>							
Access Housing/Holly Gardens Apts.	\$200,00	2	0	6	0	0	8
<b>Rental Rehabilitation</b>							
Longmont Housing Authority/The Suites	\$875,000	8	0	58	4	0	70
Del Norte NDC/Housing & Work Connection Project	\$175,000	13	0	0	0	0	13
<b>Rental New Construction</b>							
Longmont Housing Development Corp./Hearthstone at Hover Crossing	\$400,000	0	0	49	0	0	49
C.S. Pike Senior LP/Pikes Peak Senior Apts	\$350,000	0	25	45	0	0	70
Yale Station LLC	\$200,000	0	5	33	11	0	49
Accessible Space, Inc./Greeley Supportive Housing	\$340,000	0	0	16	0	0	16
Boulder County Housing Authority/Josephine Commons	\$550,000	15	21	18	22	0	76
<b>Single-Family Owner-Occupied Rehab</b>							
Housing Resources of Western Colorado	\$51,861	0	0	0	0	3	3
Loveland Housing Development	\$597,000	0	0	0	0	42	42
Housing Resources of Western Colorado	\$105,009	0	0	0	0	14	14
<b>TOTALS</b>	<b>\$5,402,260</b>	<b>38</b>	<b>51</b>	<b>295</b>	<b>37</b>	<b>122</b>	<b>543</b>

**2. HOME Match Report**

- a. **Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.**

Please see attached report.

**3. HOME MBE and WBE Report**

- a. **Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women’s Business Enterprises (WBEs).**

A total of \$8,450,330 in HOME funding was contracted to 17 sub-contractors through 8 projects. Two contracts went to woman-owned enterprises and nine to minority-owned businesses. Please see attached report for greater detail.

**4. Assessments**

- a. **Detail results of on-site inspections of rental housing.**
- b. **Describe the HOME jurisdiction’s affirmative marketing actions.**

The CDOH loan/grant application requires that all applicants certify that they will affirmatively further fair housing and comply with the civil rights act of 1964 and 1968. Applicants must also address the requirements for handicapped accessible units in their project application and a public hearing must be conducted to gather public and private comments on the proposed project. The meetings must be handicapped accessible and outreach must be done to non-English speaking citizens.

CDOH contracts require compliance with all applicable civil rights laws, including Section 504, Section 3 and the Age Discrimination Act.

CDOH project performance plans often list outreach and affirmative marketing plan requirements. When needed, CDOH staff will provide technical assistance to a grantee so that they may comply with the civil rights requirements. CDOH asset managers monitor each project to further ensure civil rights compliance. The CDOH Project Close-Out (PCO) process requires the reporting of direct benefit activities in order to track those who have been served with Federal/state funding. The PCO also requires the grantee to list in writing the actions they have undertaken to affirmatively further fair housing.

CDOH maintains monitoring records and project close out data demonstrating that it has reviewed the civil rights performance of each grantee it funds.

CDOH grant recipients document the actions they have carried out to affirmatively further fair housing.

- Rental projects of 5 units or more funded with HOME dollars are required to develop an Affirmative Marketing Plan (Plan). CDOH staff monitors projects to ensure that the Plans have been developed and implemented.

At project close out, CDOH requires each grant recipient to track beneficiary information on the individuals/families that they serve. The grantee must list in writing the project beneficiaries by area median income, race, ethnicity, disability and head of household gender. The grantee is also asked to report on all contracts and sub-contracts with Minority Business Enterprises (MBEs) and Women Business Enterprises (WBEs). They must also list minority owners of rental property.

The following examples demonstrate CDOH's efforts to affirmatively further fair housing in the past year during its monitoring visits:

- CDOH requires that Fair Housing logos be placed on all agency publications
- CDOH requires that Colorado Relay Service be used if an agency does not have TDD service
- CDOH provides documentation on 504 Self-Assessment requirements and requires that grantees implement them
- Grantee procurement policies are reviewed and recommendations are made on doing outreach to minority/women owned businesses.
- Handicapped accessible units are inspected during monitoring visits

**c. Describe outreach to minority and women owned businesses.**

The Division of Housing reviews each Grantee's procurement policies and makes recommendations on doing outreach to minority and women-owned businesses. When an affordable housing project or program is awarded funding from CDOH, the funding recipient receives guidance on the Federal/state civil rights compliance requirements. Guidance provided is set forth within the terms of the grantee's

contract, the contract project performance plan, monitoring compliance requirements and technical assistance given to grantees by CDOH staff. CDOH funding recipients know early on that they will be required to demonstrate how they comply with the civil rights requirements and how their organization affirmatively furthers fair housing.

These procedures resulted in subcontracts worth \$1,079,376 being awarded to nine minority-owned businesses during the reporting period. Eleven women-owned businesses received subcontracts worth \$166,386.

## HOMELESS

### Homeless Needs

1. Identify actions taken to address needs of homeless persons.
2. Identify actions to help homeless persons make the transition to permanent housing and independent living.
  - CDOH coordinated its efforts with the three Colorado Continuums of Care (CoCs): Metropolitan Denver Homeless Initiative (MDHI); Homeward Pikes Peak and the Balance of State.
  - CDOH provided financial assistance to projects that created permanent supportive housing for chronically homeless individuals or families in coordination with those Continuums of Care;
  - CDOH continued to fund nonprofit organizations using HOME, ESG, HOPWA, HPRP and CDBG funding to assist with supportive services for chronically homeless persons.

Obstacles to completing these action steps include lack of adequate funding and agency capacity to develop housing solutions.

3. Identify new Federal resources obtained from Homeless SuperNOFA.

Federal Resources from SuperNOFA	
Metropolitan Denver Homeless Initiative CoC	\$15,140,015
Homeward Pikes Peak CoC	\$1,868,716
Balance of State CoC	\$3,172,936
TOTAL McKinney Vento Homeless Assistance (SHP)	\$20,181,667.00

### Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

CDOH provided 26 agencies with homeless prevention dollars through the Emergency Shelter Grant Program. The Division continued to work with a

collaborative endeavor to prevent foreclosures and strengthened a housing counseling program to assist families in maintaining their homeownership. Research indicates that many low-income families are victims of or at risk of predatory lending practices.

In addition, CDOH continued to administer a Homelessness Prevention and Rapid Re-Housing award of \$8,154,036. This funding was allocated statewide by distributing it by Continuum of Care as follows:

<b>GEOGRAPHIC AREA</b>	<b>GRANTEE</b>	<b>AWARD ALLOCATION</b>
Metropolitan Denver Homeless Initiative area	Colorado Coalition for the Homeless	\$5,209,163
Homeward Pikes Peak area	City of Colorado Springs	\$ 795,668
Balance of State area	Colorado Coalition for the Homeless	\$2,011,165

The State of Colorado selected a lead agency in each Continuum of Care (Coc) area to collaborate with local government and nonprofit partners to provide short-term and medium-term rental assistance, security and utility deposits, utility payments, moving cost assistance, motel and hotel vouchers, case management, outreach, housing search and placement services, legal services to help people stay in their homes and credit repair services. The State retained \$407,702 to cover administrative costs and allocated \$630,000 to upgrade the Homeless Management Information data system to collect and report accomplishment information required by the program.

This program serves both families and individuals and combines and coordinates with direct HPRP grants of local governments in Adams County, the City of Aurora, the City of Colorado Springs, the City and County of Denver, and the City of Pueblo. DOLA/DOH was able to combine this funding with a TANF Supplemental grant of \$4.7M from the State of Colorado to augment the array of services made available through the HPRP program.

## **Emergency Shelter Grants (ESG)**

### **1. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).**

During the period of April 1, 2011 – March 31, 2012, the Division funded 1,150 homeless shelter beds and 175 transitional housing beds through Emergency Shelter Grants.

A dollar-for dollar match is required for the ESG program which our agencies met through foundations, local government match, private contributions, and volunteer hours. Please see the attached ESG Match Report.

### **2. Assessment of Relationship of ESG Funds to Goals and Objectives**

**a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.**

Of the \$1,040,658 received by the State, \$988,625 was distributed by a competitive application process to 71 agencies and local governments located in twelve different State planning regions. The State retained \$52,032 for state administration and allocated \$14,000 for local administration. Homeless prevention activities accounted for \$261,463, \$224,796 went to essential services, \$46,000 to staff operations, and the balance of \$442,364 went to local operating costs.

**b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.**

The Division of Housing has a comprehensive set of strategies to decrease homelessness in Colorado that include the ESG program, Community Development Block Grant funding for shelters and homeless services; creation of transitional housing units and permanent supportive housing (utilizing HOME dollars), and Colorado Housing Development Grants to create housing for special needs, homelessness and affordable housing.

ESG projects allow homeless shelters providers to have access to a funding stream that provides for operations, staff operations and essential services that stabilize clients. Approximately 26,050 homeless persons received assistance that helped provide this stability. This grant also provided homelessness prevention assistance to an additional 11,800 persons.

**3. Matching Resources**

**a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.**

Please see the ESG Matching report attached.

**4. State Method of Distribution**

**a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as subrecipients.**

The State's method of distribution is consistent with details published in the 2011-2012 Action Plan and substantial amendment.

- (1) A NOFA was issued to invite ESG participation by interested agencies;
- (2) ESG application kits were mailed to previously-funded local governments and nonprofit organizations, with other homeless providers receiving application kits upon request.
- (3) A scoring system was implemented for the application process; evaluation of all projects occurred using criteria published in the Action Plan.

**5. Activity and Beneficiary Data**

- a. Completion of attached Emergency Solutions Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.

Regarding collecting, reporting and evaluating the reliability of this information, we note that we must constantly “retrain” subgrantees due to turnover, capacity issues, etc. We have now instituted a competitive grant process which includes accuracy, timeliness and completeness of reporting as scoring factors.

**b. Homeless Discharge Coordination**

- i. As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.

The State works with the Community and Interagency Council on Homelessness as a partner in improving and coordinating discharge from institutions.

ESG Homeless Prevention Funds do sometimes assist individuals released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.

An example of a program tailored to this purpose is The Empowerment, which works with women released from prison to ensure that they have access to housing through either their transitional program or their homeless prevention program. Program clients also receive job training and counseling as well as other esteem-building services.

**c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.**

The Community and Interagency Council on Homelessness is developing a discharge coordination policy for State-funded institutions to be performed with the improved HMIS system.

## COMMUNITY DEVELOPMENT

### Community Development

\*Please also refer to the Community Development Table in the Needs.xls workbook.

#### 1. Assessment of Relationship of CDBG Funds to Goals and Objectives

- a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.

The Colorado Department of Local Affairs (DOLA) has achieved its goal of responding to the needs of the local governments as illustrated by the types of projects it has funded during the program year.

- b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
- c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.

DOLA has consistently exceeded the expectation of awarding a minimum of 70% of its funds over a three year period to projects that primarily benefit low and moderate-income persons. As shown in Part I of the project annual summaries, in 2011, 100% of its projects were funded under the national objective of low and moderate-income benefit.

#### 2. Changes in Program Objectives

- a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.

In an effort to improve the state's expenditure ratio, DOLA is focusing on awarding its public facility funds to projects that have all other revenue sources committed and are ready to move forward.

#### 3. Assessment of Efforts in Carrying Out Planned Actions

- a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.
- b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.

All requests for certifications of consistency were compared to the Consolidated Plan and approved if the Plan contained a provision for the type of activity proposed.

- c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.

No actions were taken that hindered the implementation of the Consolidated Plan.

#### 4. Funds Not Used for National Objectives

- a. Indicate how use of CDBG funds did not meet national objectives.
- b. Indicate how did not comply with overall benefit certification.

All CDBG funds used during the report period met National Objectives.

5. **Anti-displacement and Relocation** – for activities that involve acquisition, rehabilitation or demolition of occupied real property.

**a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.**

The Colorado Department of Local Affairs (DOLA) requires that any CDBG recipient adhere to the Residential Antidisplacement and Relocation Assistance Act. Applicants must have in place a formal antidisplacement and relocation assistance plan with signatures from appropriate county and/or municipal officials.

**b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.**

DOLA ensures that its activities do not trigger the Uniform Relocation Act by (1) educating grant participants of antidisplacement requirements, (2) by screening projects, (3) by requiring timely issuance of information notices to tenants, residents, or potentially displaced households concerning their rights, needs and preferences. All of these steps are monitored by our Asset Management Team and Regional Managers to ensure that they occur in an accurate and timely manner.

**c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.**

DOLA staff monitors the process of issuing information notices and ensures that it occurs in a timely fashion.

**6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons**

**a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.**

Grantee, subgrantee, and businesses work in cooperation with the local Job Service Center, and the local Workforce Development Center to screen potential employees for low- and moderate-income status, skills, and abilities, and provide appropriate training, if necessary, to selected individuals for the jobs being offered by the businesses.

**b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.**

Nine categories of job titles are noted on the quarterly employment report format required on all CDBG economic development projects, and permanent jobs created or retained in a project are entered in the appropriate category.

**c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.**

Not applicable, other than such training provided by the Job Service center or the Workforce Development Center.

**7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit**

- a. **Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.**

For activities that benefit a limited clientele, grantees are required to provide documentation prior to funding that their clientele are at least 51% low and moderate income. If funded, documentation is required at time of project monitoring and again at project close-out using HUD established income levels to verify the low and moderate income benefit. These income levels are included in the grantee contracts.

#### **8. Program income received**

- a. **Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.**

Single-Family Owner-Occupied Rehabilitation programs and homeownership assistance programs generated \$1,347,002.32 in program income, all of which was retained by local agencies to be reused for the same purposes. There was no program income received or reported for public facility and economic development projects.

- b. Detail the amount repaid on each float-funded activity.

There were no float-funded activities during the reporting period.

- c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.

DOLA did not make any loans out of CDBG funds and there were no loan repayments.

- d. Detail the amount of income received from the sale of property by parcel.

DOLA did not own or sell any property during the report period.

#### **9. Prior period adjustments** – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:

- a. The activity name and number as shown in IDIS;
- b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
- c. The amount returned to line-of-credit or program account; and
- d. Total amount to be reimbursed and the period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.

There were no prior period adjustments during this reporting period.

#### **10. Loans and other receivables**

- a. **List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.**

There were no float-funded activities during the reporting period.

- b. **List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.**
- c. **List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.**

- d. **Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.**

The Department of Local Affairs makes only grants with CDBG. Therefore, there are no loans outstanding or in default.

- e. **Provide a List of the parcels of property owned by the grantee or its subrecipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.**

Colorado statutes prohibit the Department from owning any property; therefore this question does not apply.

**11. Lump sum agreements**

- a. Provide the name of the financial institution.
- b. Provide the date the funds were deposited.
- c. Provide the date the use of funds commenced.
- d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.

The Department of Local Affairs did not enter into any lump sum agreements

**12. Housing Rehabilitation** – for each type of rehabilitation program for which projects/units were reported as completed during the program year

- a. Identify the type of program and number of projects/units completed for each program.
- b. Provide the total CDBG funds involved in the program.
- c. Detail other public and private funds involved in the project.

**2011-2012 SINGLE-FAMILY OWNER-OCCUPIED REHABILITATION**

Grantee	CDBG Funds Awarded	Number of Units	Other Funding
Boulder County	\$40,593	10	\$246,749
Delta County	\$105,226	15	\$246,749
San Juan County	\$363,024	14	\$72,900
<b>Totals</b>	<b>\$508,843</b>	<b>39</b>	<b>\$566,398</b>

**13. Neighborhood Revitalization Strategies** – for grantees that have HUD-approved neighborhood revitalization strategies

- a. **Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.**

The Department of Local Affairs implemented a pilot program called the Colorado Sustainable Main Streets Initiative (CSMSI). The goal of the CSMSI is to maximize efficiencies through strong intra-agency communications and planning in order to be most effective in meeting outcomes for communities. Solutions may involve land use, economic development and redevelopment, workforce housing, and sustainable energy policy among other efforts. The CSMSI pilot program has technically ended, but DOLA is still helping to coordinate and/or be involved in implementation work in the four pilot communities (three rural and one urban neighborhood). DOLA is still involved in implementation work in each community, especially through a HUD Challenge/DOT TIGER II combination grant, in which funding was granted to each of

the four communities. Additionally, DOLA is administering the Colorado Main Street program, which helps communities statewide reach their downtown revitalization goals. This program incorporates many of the lessons learned from the CSMSI program.

### **Program Engagement**

- A. Demography, Division of Housing (DOH) and the Workforce Development Office help to identify trends and opportunities to link jobs, housing, transportation, education and environment. Housing assessments funded by DOH (and even CHPG) may prove especially useful in this effort.
- B. Each division of DOLA will evaluate how it can augment assistance to selected communities.
- C. DLG Regional Managers will chair the DOLA Sustainability Teams.
- D. A local champion chairs local community teams.

### **Antipoverty Strategy**

#### **1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.**

CDOH believes that supportive services linked to housing are the key to helping homeless families escape poverty. DOLA worked with other state agencies, local governments and non-profit service providers to coordinate supportive services to help families escape poverty. The coordinated linking of job training, education, employment opportunities, childcare, transportation, housing and food stamps enabled families in poverty to receive a full benefits package to assist them in getting off the welfare rolls.

Through the Colorado Works Program, the Colorado Dept. of Human Services coordinates the State's Temporary Assistance to Needy Families (TANF) across 64 counties. Each Colorado county designs how it will administer its TANF funds to help reduce poverty. The TANF system provides households with job training, housing, childcare, transportation, family health care, educational support and continuous employment to help them achieve self-sufficiency and escape from poverty. Many counties in Colorado had difficulty providing employment opportunities to TANF recipients because of limited job availability. In accordance with Federal statutes, the Colorado Works Program imposes a 60-month cumulative lifetime limit for receipt of basic cash assistance and requires most adult recipients to be in a work activity within 24 months of being deemed job-ready.

CDOH was able to use its Homelessness Prevention and Rapid Re-Housing funding in conjunction with TANF funds through an interagency agreement with the Colorado Department of Health and Human Services, enabling non-profits to provide a wider range of coordinated services than would have been possible through either program by itself.

The Division of Housing used its HOME, CDBG and NSP funding as a catalyst for other sustainable housing efforts. The Division allocated Neighborhood Stabilization Program (NSP) funding to local governments for activities to stabilize neighborhoods in areas highly impacted by foreclosures. Twenty-five percent of the DOH NSP allocation is going to assist persons who earn less than 50 percent of the Area Median Income (AMI).

The Division of Housing financed housing construction or rehabilitation and soft costs including rental subsidies through its other housing programs. The direct impact of housing development is quality housing and additional construction jobs for a community.

Colorado Housing Finance Authority (CHFA) also explores ways to provide low-interest loans for housing development that serves families at 30% of AMI. The Division and CHFA, as well as other housing agencies, often coordinate their funding in order to make affordable housing projects successful. CHFA and DOH are also collaborating to preserve affordable housing projects that have financial problems due to the economic slow down, resultant vacancy issues and intense market competition.

CDOH received \$2,200,000 in Housing Development Grant funds for State fiscal year 2012 (July 1, 2011 through June 30, 2012) for affordable housing, homeless shelters or transitional housing units. These state funds are the most flexible of the Division's funding, and allowed the creation of tailored community solutions to help ensure that the poorest families in Colorado have an increasing supply of rental units affordable to them.

CDOH, Supportive Housing and Homeless Programs (SHHP) and the Colorado Interagency Council on Homelessness actively work to promote independence by connecting housing with supportive services. These services may include job training, education, employment, childcare, transportation, housing and food stamps.

The Housing Choice Voucher (HCV) Program is a major Federal government program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Based on Federal requirements, DOH must provide 75 percent of its vouchers to applicants whose incomes are less than 30 percent of the area median income.

CDOH is one of the designated agencies for the administration of the HCV Program in Colorado. CDOH currently administers 2693 vouchers in 48 counties statewide of which,

- 85 families in the Family Self Sufficiency program (FSS).
- 200 families in the Family Unification program (FUP) that provide housing and case management to families and homeless youth.
- 50 Veterans Administration Supportive Housing vouchers (VASH) that provide permanent housing to homeless veterans.
- 25 Project Based VASH vouchers that link housing and services for homeless Veterans.
- 100 families utilizing their voucher towards Homeownership.

Annually, CDOH conducts a statewide housing survey to determine the number of families on Colorado's PHA waiting lists. The survey, although a snapshot in time, indicates that in January 2011, roughly 49,757 families were waiting for government rental assistance. This substantiates there is not enough deep subsidy rental assistance available to the lowest income renters in Colorado.

## NON-HOMELESS SPECIAL NEEDS

1. **Identify actions taken to address special needs of persons that are not homeless but require supportive housing**, (including persons with HIV/AIDS and their families).

During the Report year, CDOH used HOME funds to help create four rental projects for seniors, adding 242 new units of affordable supportive housing to the state's inventory. In addition, one project supplied 17 affordable rental units with supportive services for people with disabilities. Three projects provided 92 units of permanent supportive housing for the homeless.

Using HOPWA funds, the Division of Housing provided rental assistance and supportive services to 69 households containing 135 individuals; 11 households were able to leave the program because they attained permanent housing. More information on the HOPWA program's outcomes is contained in the HOPWA CAPER, Appendix C.

### Specific HOPWA Objectives

1. Overall Assessment of Relationship of HOPWA Funds to Goals and Objectives  
Grantees should demonstrate through the CAPER and related IDIS reports the progress they are making at accomplishing identified goals and objectives with HOPWA funding. Grantees should demonstrate:
  - a. That progress is being made toward meeting the HOPWA goal for providing affordable housing using HOPWA funds and other resources for persons with HIV/AIDS and their families through a comprehensive community plan;
  - b. That community-wide HIV/AIDS housing strategies are meeting HUD's national goal of increasing the availability of decent, safe, and affordable housing for low-income persons living with HIV/AIDS;
  - c. That community partnerships between State and local governments and community-based non-profits are creating models and innovative strategies to serve the housing and related supportive service needs of persons living with HIV/AIDS and their families;
  - d. That through community-wide strategies Federal, State, local, and other resources are matched with HOPWA funding to create comprehensive housing strategies;
  - e. That community strategies produce and support actual units of housing for persons living with HIV/AIDS; and finally,
  - f. That community strategies identify and supply related supportive services in conjunction with housing to ensure the needs of persons living with HIV/AIDS and their families are met.
2. This should be accomplished by providing an executive summary (1-5 pages) that includes:
  - a. Grantee Narrative
    - i. Grantee and Community Overview
      - (1) A brief description of your organization, the area of service, the name of each project sponsor and a broad overview of the range/type of housing activities and related services
      - (2) How grant management oversight of project sponsor activities is conducted and how project sponsors are selected

- (3) A description of the local jurisdiction, its need, and the estimated number of persons living with HIV/AIDS
  - (4) A brief description of the planning and public consultations involved in the use of HOPWA funds including reference to any appropriate planning document or advisory body
  - (5) What other resources were used in conjunction with HOPWA funded activities, including cash resources and in-kind contributions, such as the value of services or materials provided by volunteers or by other individuals or organizations
  - (6) Collaborative efforts with related programs including coordination and planning with clients, advocates, Ryan White CARE Act planning bodies, AIDS Drug Assistance Programs, homeless assistance programs, or other efforts that assist persons living with HIV/AIDS and their families.
- ii. Project Accomplishment Overview
    - (1) A brief summary of all housing activities broken down by three types: emergency or short-term rent, mortgage or utility payments to prevent homelessness; rental assistance; facility based housing, including development cost, operating cost for those facilities and community residences
    - (2) The number of units of housing which have been created through acquisition, rehabilitation, or new construction since 1993 with any HOPWA funds
    - (3) A brief description of any unique supportive service or other service delivery models or efforts
    - (4) Any other accomplishments recognized in your community due to the use of HOPWA funds, including any projects in developmental stages that are not operational.
  - iii. Barriers or Trends Overview
    - (1) Describe any barriers encountered, actions in response to barriers, and recommendations for program improvement
    - (2) Trends you expect your community to face in meeting the needs of persons with HIV/AIDS, and
    - (3) Any other information you feel may be important as you look at providing services to persons with HIV/AIDS in the next 5-10 years
- b. Accomplishment Data
    - i. Completion of CAPER Performance Chart 1 of Actual Performance in the provision of housing (Table II-1 to be submitted with CAPER).
    - ii. Completion of CAPER Performance Chart 2 of Comparison to Planned Housing Actions (Table II-2 to be submitted with CAPER).

### **HOPWA Summary**

Using HOPWA funds, the Division of Housing provided rental assistance and supportive services to 69 households comprised of 135 individuals. Please see the HOPWA CAPER, Appendix C for more details of our annual performance for the HOPWA program.

## OTHER NARRATIVE

**Include any CAPER information that was not covered by narratives in any other section.**

In addition to the accomplishments narrated above, the Colorado Department of Local Affairs administered funds granted through the Neighborhood Stabilization Program (NSP), the Homelessness Prevention and Rapid Re-Housing Program, and the CDBG-R program. Copies of their accomplishment reports as of March 31, 2012 are attached in the appendices.