Agenda
State Housing Board Meeting
1313 Sherman Street Room 320
Denver, Colorado 80203
February 8, 2011

01:00 p.m.	Theo Gregory	Call to Order
		Approval of January 2011 meeting votes*
01:15 p.m.	Pat Coyle	Director's Comments

Application Presentations

	Project #	Project Name and Applicant	Presenters
01:30 p.m.	11-036	Statewide-Colorado Housing Assistance Corporation-Down payment assistance for people with disabilities	Michelle Mitchell Alison George
01: 45 p.m.	11-034	La Plata County-Town of Bayfield-La Plata Homes Fund Down Payment Assistance (DPA) Program	Jennifer Lopez Bill Whaley
02:00 p.m.	11-035	Statewide-Habitat for Humanity of Colorado-Colorado Homeownership Program	Stefka Fanchi Ann Watts
02:15 p.m.	11-033	Douglas County-Douglas County Housing Partnership-Douglas County Shared Equity Program	Bonita Osborn Alison George
02: 30 p.m.	11-037	El Paso County-Rocky Mountain Community Land Trust-RMCLT Scattered Site Homeownership Acquisition Program	Robert F. Koenig Alison George

Approval Process:

3:00 p.m.	**11-036**	**11-034**	**11-035**	**11-033**	**11-037**

Reasonable accommodation will be provided upon request for persons with disabilities. If you are a person with a disability who requires an accommodation to participate in this public meeting, please notify Mary Miller at (303) 866-2978 by February 3, 2011.

cc: Reeves Brown CHATS Patrick Coyle Tony Hernandez Alison George Lynn Shine SHB

***An audio of the State Housing Board meeting is available on the Colorado Department of Local Affairs website www.dola.colorado.gov under Housing Division. The audio is unaltered from the meeting as it was held.**

APPLICATIONS REVIEWED IN JANUARY

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-026 - Weld County- Accessible Space, Inc.- Greeley Supportive Housing Development

Application Number: 11-026

Application Name: Weld County- Accessible Space, Inc.- Greeley Supportive Housing Development

Address: 2550 University Avenue, Suite 330 N, Saint Paul, MN 55114

Contact Name: Mr. Matt Wagner **Phone:** 651-645-7271

Contact's Title: Fund Development Specialist **Email:** mwagner@accessiblespace.org

Project Address: 6528 W. 10th Street, Greeley, CO 80634

Project Description: Accessible Space, Inc. (ASI) requests a HOME grant of $340,000 to assist in the new construction of seventeen (17) units of affordable, accessible rental housing in Greeley, Weld County, with the following unit mix: fourteen (14) one bedroom units and three (3) two bedroom units. Sixteen (16) of the units are for households at 50% AMI or less. One unit will be non-income restricted for the Resident Manager. This project will utilize HUD 811 Capital Advance funding for income-eligible individuals with disabilities (i.e. mobility impairments and/or self-care limitations) and includes rental assistance for the sixteen (16) affordable units, thus allowing residents to pay no more than 30% of their adjusted gross income for rent. Accessible Space, Inc. will manage and complete the construction of this project and will also provide all resident services for the households.

Affordability

Type of Units	Number of Bedrooms	# of Units	Income of Beneficiaries
HOME	1 Bedrooms	2	<= 50% AMI ($32,500)
	Total HOME Units:	**2**	
OTHER AFFORDABLE	1 Bedrooms	12	<= 50% AMI ($32,500)
	2 Bedrooms	2	<= 50% AMI ($32,500)
	Total OTHER AFFORDABLE Units:	**14**	
UNRESTRICTED	2 Bedrooms	1	<= 120% AMI ($78,000)
	Total UNRESTRICTED Units:	**1**	
	Total Units:	**17**	

Program Budget

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Appraisal & Market Study	$2,500		$2,500	U.S. Dept. of HUD	Committed
Architect/ Engineering	$117,000		$117,000	U.S. Dept. of HUD	Committed
Attorney's Fees	$10,000		$10,000	U.S. Dept. of HUD	Committed
Building Permit & Tap Fees	$280,000		$280,000	U.S. Dept. of HUD	Committed
Closing Costs	$29,500		$29,500	U.S. Dept. of HUD	Committed
Construction	$200,000		$200,000	GURA - HOME	Committed
	$522,661		$522,661	HUD - Amendment Funds	Pending
	$1,036,839		$1,036,839	U.S. Dept. of HUD	Committed
	$340,000	$340,000	$0	CDOH - HOME	Pending
Contingency	$59,954		$59,954	U.S. Dept. of HUD	Committed
Developer's Fee	$179,862		$179,862	U.S. Dept. of HUD	Committed
Insurance & Taxes	$10,000		$10,000	U.S. Dept. of HUD	Committed
Land Acquisition	$182,445		$182,445	U.S. Dept. of HUD	Committed
Operating Reserve	$9,640		$9,640	ASI Equity	Committed
Soils Tests & Surveys	$19,800		$19,800	U.S. Dept. of HUD	Committed
Totals	**$3,000,201**	**$340,000**	**$2,660,201**		

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-026 - Weld County- Accessible Space, Inc.- Greeley Supportive Housing Development

Project Assessment For Rental New Construction

Criteria	Project Data				DOH Range
Building Cost					
Cost/Unit/Square Feet	$176,482	/Unit		$176 /SF	$135 - $205
Hard Cost/Unit/Square Feet	$143,497	/Unit		$143 /SF	$105 - $160
Soft Cost/Unit/Square Feet	$22,253	/Unit		$22 /SF	$24 - $40
Land Cost/Unit	$10,732	/Unit			$10,000 - $18,000
Hard/Soft Cost?	87 % Hard			13 % Soft	
Cost Effectiveness Rating					
DOH Subsidy/Unit	$21,250				$2,000 - $10,000
Annual Cost/Person	$2,778	Score:	3	40 Years	1 - 10
Externality Rating	8	Score:	8		1 - 10
Rent Savings Rating	10	Score:	2		1 - 10
Financial Leveraging Rating	8	Score:	8		1 - 10
Composite Score			21		1 - 40
Operating Cost					
PUPA	$4,042				$3,700 - $4,700
Annual Replacement Reserve					$300 ($250 for seniors)
Debt Coverage Ratio					1.10 - 1.20
Capitalized Operating Reserve					4 months debt & operating costs
Financial Commitments					
Terms of Primary Financing					
P.V. Tax Credits					0.75 - 0.85
Other Criteria					
Fully Accessible Units	17		100 %		5% of units encouraged
Visitable Units	17		100 %		All units encouraged
Energy Star Units	17		100 %		Units have minimum 80 HERS rating or equivalent
Water Efficient Landscape	Y				Denver Water Board recommendatic
30% AMI Units	0				5% of units encouraged
DOH Requirements					
Priority	Special Need				High Growth, Preservation, Special Needs, None
CDOH Funding Eligibility	HOME				HOME, CDBG, HDG

Pro/Con Narrative

Management Capacity:

Pro:

1. Accessible Space, Inc. (ASI) is a non-profit organization based in Minnesota and incorporated in 1978 that provides accessible, affordable housing, assisted/supportive living and property management services to very low-income adults with physical disabilities and brain injuries, as well as seniors age 62 and over. ASI is the largest provider of Section 811 housing in the nation and developed 120 HUD 811 and 202 projects in twenty-eight states for a total of 2,713 units. It currently has 4 buildings under construction producing an additional 75 units.
2. ASI has received 3 HOME grants from CDOH for its Longmont, Fort Collins and Greeley Supportive Housing projects which were funded from 2006 – 2008. The HUD Denver Multifamily Hub has worked with ASI on over 20 HUD 811 and 202 projects.

Con: None.

Public/Private Commitment:

Pro:

1. The Greeley Urban Renewal Authority (GURA) has committed $200,000 in FY 2009 HOME funds for construction costs and Weld County has granted a real estate tax exemption for ASI's first Greeley 811 project. It is estimated that the savings for this property will be between $13,000 and $25,000 annually.
2. The City of Greeley provided a Consolidated Plan Consistency Letter for this project. In addition, their current Housing and Community Development Plan indicates that one of the priority objectives is the "active solicitation of the development of affordable rental housing for low-income families, elderly and special needs populations who pay more than 30% of their income for rent."
3. ASI has worked collaboratively with the state and local governments including the Colorado Department of Human Services, the City of Greeley, Weld County, Craig Hospital Outreach, the Greeley Commission on Disability, and the Greeley-Weld Housing Authority to assist in meeting the needs of the local community in this project.

Con: None.

Market Demand:

Pro:

1. The market study completed for this project concludes that there is "an acute need for affordable and accessible rental units with rental assistance and services in the Greeley area." The local housing authority and area service providers indicate that there are a very limited number of units designed specifically for the disabled in Greeley and that voucher holders have significant difficulties in locating units that meet their needs.
2. According to the City of Greeley's Consolidated Plan, 25% of the families on the Section 8 waiting list include individuals with disabilities. The average wait for Section 8 Rental Assistance is 3.2 years. Additionally, 30% of those currently receiving Section 8 assistance are individuals with disabilities.
3. The Fox Run Apartments, ASI's first HUD 811 development in Greeley, was fully occupied in less than 60 days and currently has a waiting list of 20 adults with physical disabilities.

Con: None.

Pro/Con Narrative

Explain Variances from Ranges:

1. The CDOH subsidy per unit is higher than the range due to the fact that HUD 811 funding does not allow permanent debt on these properties. Per unit subsidies for special needs housing have historically exceeded the range for most projects.
2. The capitalized Operating Reserve is less than the range due to the fact that HUD 811 projects do not carry debt service and the operating expenses are monitored by HUD. The PRAC (Project Rental Assistance Contract) is determined based on the amount of cash needed to cover operating expenses.
3. The Contingency budget is less than the range due to the fact that HUD 811 projects only require a 2% contingency.

Other Projects Funded in Weld County Since 01-04-2010

Project#	Project Name	Contract Amount
10-055	Weld Co.-Catholic Charities and Community Services of the Archdiocese of Denver, Inc.-Guadalupe Comm. Ass. Cntr.	$600,000
	Total Award for County:	**$600,000**

Other Projects Funded for Accessible Space, Inc. Since 01-04-2010

Project#	Project Name	Contract Amount
	Total Award for Grantee:	

Weld County AMI: $65,000

Staff Recommendation:

Funding of up to $340,000 based on:
* Most residents are very low-income with special needs
* DOH funds are very well leveraged by $1,927,900 in HUD funds which are highly competitive
* This project was only one of two HUD 811/202 projects in the Rocky Mountain HUD region which received FY 2009 funding
* ASI has 3 other HUD 811 projects in Colorado which will allow for efficiencies of scale of operations

SHB Recommendation: **Date of SHB Meeting: 01/11/11**

Gregory	Full Funding	Rosser	Full Funding
Coil	Full Funding	Weitkunat	Full Funding
Hatcher	Full Funding	Zucker	Full Funding
Lucero	Full Funding		

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-029 - Denver Co - St. Charles Town Company, LLC - Bishops Court (1840 Grant St.)

Application Number: 11-029

Application Name: Denver Co - St. Charles Town Company, LLC - Bishops Court (1840 Grant St.)

Address: 1800 Glenarm Pl 2nd Floor, Denver, CO 80201

Contact Name: Mr. Kurt Frantz **Phone:** 303-595-8710

Contact's Title: Development Manager, St.Charles Town **Email:** kurt@stcharlestown.com

Project Address: 1840 Grant St, Denver, CO 80203

Project Description: Volunteers of America, National Headquarters (VOA) is requesting an RLF loan in the amount of $850,000. This loan will be combined with a $1,639,000 loan from a participating CDFI lender (MHCLF and/ or Mercy Loan Fund) for a total loan amount of $2,489,000. VOA is requesting this loan to bridge the six month time period from when they are required to close on the property (July 2011) and the closing on the tax credit equity partnership (Dec. 2011), when the funds will be repaid to DOH. RLF funds will be loaned at 3% simple interest and will be due and payable July 1, 2012.

RLF funds will be used to purchase the historic property at 1840 Grant Street that will be developed into Bishops Court Apartments, 45 units of affordable housing targeted toward families earning between 30-50% AMI, including 13 units set aside for Denver's Road Home. The project is an acquisition/ substantial rehabilitation (historic renovation) project that will be designed to meet Enterprise Green Communities rehabilitation standards. The site is currently comprised of three different parcels of land, including a historic Convent, a classroom, a gymnasium and a parking lot. The property is located near transit, employment and services, retail and schools. VOA also intends to apply to DOH for HOME funds to be used for construction expenses.

All common spaces and 22 units will be visitable. Unit features will include historic architectural detailing, large windows and energy efficient appliances. Property amenities include secure entry, elevator access, common laundry room, playground and community room. Residents will have the opportunity to receive services including access to IDA (matched savings) programs, financial literacy, health and budgeting classes and educational and business incubation opportunities.

Affordability

Type of Units	Number of Bedrooms	# of Units	Income of Beneficiaries
HOME	1 Bedrooms	1	<= 30% AMI ($22,750)
	Total HOME Units:	**1**	
OTHER	2 Bedrooms	2	<= 30% AMI ($22,750)
	3 Bedrooms	2	<= 30% AMI ($22,750)
	Total OTHER Units:	**4**	
OTHER AFFORDABLE	1 Bedrooms	1	<= 40% AMI ($30,360)
		1	<= 50% AMI ($37,950)
	2 Bedrooms	5	<= 30% AMI ($22,750)
		9	<= 40% AMI ($30,360)
		12	<= 50% AMI ($37,950)
	3 Bedrooms	3	<= 30% AMI ($22,750)
		4	<= 40% AMI ($30,360)
		5	<= 50% AMI ($37,950)
	Total OTHER AFFORDABLE Units:	**40**	
	Total Units:	**45**	

Program Budget

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Acquisition	$2,486,900	$850,000	$1,636,900	MHCLF & Mercy loan	Committed
Construction	$128,629		$128,629	DOH HOME Funds	Pending
	$2,918,653		$2,918,653	9% Tax Credit Equity	Pending
	$128,630		$128,630	City of Denver HOME	Pending
	$1,002,000		$1,002,000	Key Bank	Committed
	$221,000		$221,000	4%Tax Credit Equity	Pending
	$1,487,754		$1,487,754	Historic Tax Credit E	Committed
Const. Contingency	$583,166		$583,166	9% Tax Credit Equity	Committed
Design Fees	$242,800		$242,800	9% Tax Credit Equity	Pending
Interim Financing Costs	$433,060		$433,060	9% Tax Credit Equity	Pending
Perm. Financing Fees	$87,503		$87,503	9% Tax Credit Equity	Pending
Operating & Debt Service Reserve	$221,174		$221,174	9% Tax Credit Equity	Pending
Developers' Fee	$961,390		$961,390	9% Tax Credit Equity	Pending
	$311,310		$311,310	Deferred Developer's	Pending
Relocation	$213,654		$213,654	9% Tax Credit Equity	Pending
Project Management	$49,000		$49,000	9% Tax Credit Equity	Pending
Totals	**$11,476,623**	**$850,000**	**$10,626,623**		

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-029 - Denver Co - St. Charles Town Company, LLC - Bishops Court (1840 Grant St.)

Project Assessment For Rental Acquisition with Rehab

Criteria	Project Data				DOH Range
Building Cost					
Cost/Unit/Square Feet	$225,083	/Unit		$249 /SF	$100 - $140
Hard Cost/Unit/Square Feet	$162,663	/Unit		$159 /SF	$90 - $120
Soft Cost/Unit/Square Feet	$59,086	/Unit		$58 /SF	$10 - $20
Hard/Soft Cost?	73 % Hard			27 % Soft	
Cost Effectiveness Rating					
DOH Subsidy/Unit	$18,889				$2,000 - $10,000
Annual Cost/Person	$1,990	Score:	4	40 Years	1 - 10
Externality Rating	8	Score:	8		1 - 10
Rent Savings Rating	10	Score:	2		1 - 10
Financial Leveraging Rating	10	Score:	10		1 - 10
Composite Score			24		1 - 40
Operating Cost					
PUPA	$4,447				$3,700 - $4,700
Annual Replacement Reserve					$300
Debt Coverage Ratio	1.20				1.10 - 1.20
Capitalized Operating Reserve					4 months debt & operating costs
Financial Commitments					
Terms of Primary Financing					
P.V. Tax Credits	0.80				0.75 - 0.85
Other Criteria					
Fully Accessible Units	6		13 %		5% of units encouraged
Visitable Units	21		47 %		All units encouraged
Energy Star Units	45		100 %		Units have minimum 80 HERS rating or equivalent
Water Efficient Landscape	Y				Denver Water Board recommendatic
30% AMI Units	28				5% of units encouraged
DOH Requirements					
Priority	Special Need				High Growth, Preservation, Special Needs, None
CDOH Funding Eligibility	HOME				HOME, CDBG, HDG

Pro/Con Narrative

Management Capacity:

Pro:
1. St. Charles Town Company (the Developer) has experience developing historic acquisition/ rehabilitation properties.
2. Volunteers of America (the Applicant, Owner, Property Manager and Service Provider) has experience managing service-enriched housing.

Con:
none

Public/Private Commitment:

Pro:
1. This project will create 13 set-aside units for Denver's Road Home
2. This project is receiving additional equity from the syndication of historic tax credits.

Con:
none

Market Demand:

Pro:
1. The market study calculated the capture rate for the 30% AMI units at 5% and the overall capture rate at 24.6%. They believe this is easily attainable due to the historic property's unique features and being located within walking distance to a grocery store, social services, transit lines, employment centers and retail.
2. The absorption rate is calculated to be 25 units/ month upon completion of construction, assuming pre-leasing two months prior to the completion of construction.

Con:
1. The market study calculated the capture rate for the 50% AMI units at 31%, but believes this high number will be mitigated by other compensating factors, including the high absorption rate of nearby properties with 50% AMI units and overall proximity to downtown
none

Explain Variances from Ranges:

* Hard Costs are higher due to a substantial rehabilitation of a historic property.
* Soft Costs are higher due to historic and low income housing tax credits syndication costs and relocation expenses for commercial tenants in existing dwellings.

Other Projects Funded in Denver County Since 12-27-2009

Project#	Project Name	Contract Amount
11-019	Denver City and County - Renaissance Housing Development Corporation - CHDO Operating	$50,000
10-960	Denver Co - CCCS Samaritan House - Homeless Assistance	$18,000
11-016	Denver Co. Newsed CDC, Inc. - Newsed CHDO Operating	$23,000
10-040	Denver Co.- Del Norte Neighborhood Development Corp.-Veterans Apt.-Rental Acq. New Construction Pre-Dev.	$450,000
10-042	Denver Co.-DHA Park Avenue 5B-New Construction	$500,000
10-060	Denver Co.-Newsed CDC, Inc.-Newsed CHDO Operating	$23,000
10-058	Denver Co.-Northeast Denver Housing Center, Inc.-CHDO Operating	$11,990
10-015	Denver Co.-Phoenix on the Fax-Rental New Construction	$237,500
11-001	Denver Co.-Renaissance Housing Development Corp.-West End Flats-Rental/Acq/New Construction	$1,000,000
10-049	Denver Co.-Yale Station LLC-Rental New Construction	$200,000
10-964	Denver Co.St. Francis Center - Homeless Assistance	$26,000
11-009	Denver County-Northeast Denver Housing Center- CHDO	$24,123
10-940	Denver Interfaith Hospitality Network - Homeless Assistance	$11,000
10-947	Denver The Delores Project - Homeless Assistance	$15,000
10-967	Denver The Empowerment Program - Homeless Assistance	$8,000
10-930	Denver Urban Peak Denver - Homeless Assistance	$17,000
S8V-035	Rental Assistance For Denver Metro - Cch Homeless	$139,096
S8V-024	Rental Assistance For Those With Aids	$23,176
S8V-021	Sec. 8 Rental Assistance - Independent Living Cent	$63,496
	Total Award for County:	$2,840,381

Other Projects Funded for St.Charles Town Company,LLC Since 12-27-2009

Project#	Project Name	Contract Amount
	Total Award for Grantee:	

Denver County AMI: $75,900

Staff Recommendation:

Full Funding:
* High capacity of VOA and St. Charles Town Company to successfully develop and operate similar projects.
* Project will preserve affordability in a gentrifying neighborhood.
* Historic preservation with green features.

SHB Recommendation: **Date of SHB Meeting: 01/11/11**

Gregory	Full Funding with condition	Rosser	Full Funding with condition
Coil	Full Funding with condition	Weitkunat	Full Funding with condition
Hatcher	Full Funding with condition	Zucker	Full Funding with condition
Lucero	Full Funding with condition		

APPLICATIONS FOR REVIEW FEBRUARY

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-036 - Statewide- Colorado Housing Assistance Corporation- Downpayment assistance for people with disabilities

Application Number: 11-036

Application Name: Statewide- Colorado Housing Assistance Corporation- Downpayment assistance for people with disabilities

Address: 670 SANTA FE DRIVE, DENVER, CO 80204

Contact Name: Ms. Michelle Mitchell **Phone:** 303-572-9445

Contact's Title: President **Email:** michelle@coloradohousingassistance.org

Project Address: scattered sites,

Project Description: Colorado Housing Assistance Corporation (CHAC) is requesting a grant of $234,000 on behalf of the Downpayment Assistance (DPA) program of the Homeownership Education and Real Estate Opportunity (HERO) Alliance. CHAC operates this program for the HERO Alliance, a statewide collaboration of funding sources and service providers who make homeownership possible for persons with disabilities. Homeowners receive housing counseling and DPA in order to secure low-interest mortgages from Rural Development, CHFA, and conventional banks. This grant would assist 24 persons with disabilities who are at or below 80% AMI with about $8,500 of downpayment assistance (not to exceed $10,000). Funds are loaned at 1.5% for 30 years and payments are deferred until first mortgage is repaid.

Program Budget

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Down Payment Assistance (24 loans)	$514,000	$204,000	$310,000	Local Jurisdictions	Committed
First Mortgages	$3,000,000		$3,000,000	CHFA, Local Lenders	Committed
Closing Costs	$90,000		$90,000	Buyers, Sellers, Local Juristdictions	Committed
Homebuyer Counseling	$15,000	$5,000	$10,000	HUD, CHFA	Committed
Proj. Admin. - DPA Loan Specialist	$15,000	$5,000	$10,000	Other Grants	Committed
Proj. Admin. - Accounting Staff	$2,000	$2,000	$0		
Proj. Admin. - Loan Setup and Servicing	$15,000	$5,000	$10,000	Other Grants	Committed
Proj. Admin. - Staff Training and Travel	$1,000		$1,000	Other Grants	Committed
Prog. Admin. - Exec. Dir.	$15,000	$4,000	$11,000	Other Grants	Committed
Prog. Admin. - Support Staff	$15,000	$4,000	$11,000	Other Grants	Committed
Prog. Admin. - Operating Expenses (rent, utilities)	$10,000	$2,500	$7,500	Other Grants	Committed
Prog. Admin. - Equipment, Materials and Supplies	$2,400		$2,400	Other Grants	Committed
Prog. Admin. - Taxes and Insurance	$3,500		$3,500	Other Grants	Committed
Prog. Admin. - Audit	$7,000	$2,500	$4,500	Other Grants	Committed
Totals	**$3,704,900**	**$234,000**	**$3,470,900**		

Project Assessment For Down Payment Assistance

Criteria	Project Data	DOH Range
Down Payment Financing		
Value of Current Loan Portfolio	$2,770,618	
Total # of Loans in Portfolio	472	
# of Deferred Loans in Portfolio	472	
Value of Loans Deferred until Sale or Transfer	$2,770,618 100 % of portfolio	Up to 25% can be deferred
Annual Program Income	$6,355	
Total # of New Loans	24	15 - 30 per year
New Loans from Program Income		
New Loans from CDOH Grant	24	
Homebuyers Equity	$750	The greater of $1,000 or 1%
Maximum CDOH Loan Amount	$10,000	Up to 8.5% of 95% of area median purchase price
Loan Terms & Rates	30 years at 1.5 %	
Market		
Qualifying Household Income	$60,700	<= 80% AMI, 4 people
# of Affordable Homes for Sale	5,097	Affordable at 80% AMI
Average Price of Homes for Sale	$122,000	
Max. Purchase Price of Homes	$417,000	95% of area median purchase price
# of Applicants on Waiting List	10	
Geographic Distribution of Projects vs. Population		
Program Operations		
Administrative Cost/New Loan	$500	$300 - $500 per new loan or actual administrative cost
DOH Requirements		
Con Plan Strategy/Priority	(4) Increase home ownership for low/moderate-income households and minorities (Medium)	
CDOH Funding Eligibility		HOME, CDBG, HDG

Pro/Con Narrative

Management Capacity:

Pro:
1. CHAC is the fiscal manager for the HERO Alliance. CHAC partnered with developmental disability and mental health service providers to create this award-winning homebuyer loan program. Since 1995, the HERO Alliance has helped over 472 people with disabilities purchase homes. CHAC tracks performance on first mortgages very carefully, and provides foreclosure prevention counseling as needed; currently their portfolio only has a 2% delinquency rate.
2. As of January 1, 2011, both Michelle Mitchell and Linda Napier are licensed Mortgage Loan Originators as required by the SAFE Act and the Colorado Division of Real Estate.

Con:
None.

Public/Private Commitment:

Pro:
1. CHAC has a broad base of partners, each of which provides a piece of the financing required to layer downpayment assistance for persons with incomes typically below 50% AMI. Partners include banks and mortgage companies, CHFA, USDA/ RD, FHLB, Colorado Department of Human Services, and local entitlements that operate their own DPA programs.

Con:
None.

Market Demand:

Pro:
1. The HERO Alliance provides monthly or quarterly Home Access (homebuyer orientation) classes for interested persons. This process is coordinated by local service providers who provide homebuyer counseling and/ or downpayment assistance.
2. The HERO Alliance has received 30-40 inquiries this past year, and has closed an average of 1-2 loans per month.

Con:
1. CHFA's Home Access Program which previously offered a 3% simple interest 30- year fixed mortgage and a $10,000 soft second, has not been able to offer this product since 2008. This has decreased buying power and demand for DPA loans. CHFA has since launched their newer Section Eight, Section Eight Plus and Home Access loan products, which offer a market rate 1st mortgage and an attractive 2nd mortgage product ($25,000 at 3% for Section Eight mortgages or $25,000 at 0% deferred for Home Access).
2. Although property values and interest rates have dropped since 2008, many qualified households find it difficult to identify affordable homes that will pass HQS inspection.

Explain Variances from Ranges:

• Program Income: The target population cannot afford to pay an amortizing mortgages, so repayment is deferred until after the first mortgage is paid in full. Therefore there is no Program Income generated unless a home is sold.

• Homebuyer Equity: Due to the asset tests of Medicaid, recipients can lose their benefits if they have more than $2,000 in savings. Therefore CHAC's minimum homebuyer contribution is $750, instead of $1,000 or 1% of the purchase price. However, if a non-Medicaid buyer's assets exceed $20,000, then they must contribute 5% toward their family contribution.

Other Projects Funded in Statewide County Since 02-01-2010

Project#	Project Name	Contract Amount
10-064	Balance of State HOPWA Program 2010-2011	$412,645
EC11-001	Statewide-Energy Codes Support Project- H1ECS11001	$949,951
	Total Award for County:	**$1,362,596**

Other Projects Funded for COLORADO HOUSING ASSISTANCE CORP. Since 02-01-2010

Project#	Project Name	Contract Amount
	Total Award for Grantee:	

Statewide County AMI:

Staff Recommendation:

Full funding:
* High capacity of the the agency to administer the Program.
* DPA funds will serve persons with disabilities who would not otherwise have the opportunity for homeownership.

SHB Recommendation: **Date of SHB Meeting: 02/08/11**

Gregory		Rosser	
Coil		Weitkunat	
Hatcher		Zucker	
Lucero			

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-034 - La Plata Homes Fund Down Payment Assistance (DPA) Program

Application Number: 11-034

Application Name: La Plata Homes Fund Down Payment Assistance (DPA) Program

Address: 701Camino Del Rio Suite 312, Durango, CO 81301

Contact Name: Ms. Jennifer Lopez **Phone:** 970-259-1418

Contact's Title: La Plata Homes Fund Executive Director **Email:** jennifer@rhalpc.org

Project Address: Scattered Sites,

Project Description: La Plata County Homes fund is a Community Development Financial Institution (CDFI) created by the La Plata County Regional Housing Alliance (RHA), a multijurisdictional housing authority that has received DOH funding for down payment assistance loans in the past. The RHA will continue to maintain a separate revolving loan fund due to certain regulations regarding local government funding, but the CDFI will become the primary source of funding for down payment assistance. The homebuyer education and counseling functions will remain the same, staff is shared by the two legal entities, and to the public it is a single successful program. The Homes Fund is seeking a grant for $381,770, of which $350,000 will fund new loans, $26,039 project administration, and $5,731 will fund program administration (agency overhead). The program will provide at least 15 down payment assistance loans to homebuyers at or below 80% AMI. Funding from other sources will provide loans to buyers over 80% and less than 150% AMI. Repayment of loans, all secured by second deeds of trust, will range from fully amortizing loans to equity sharing, depending on the needs of the client and the circumstances of the transactions. All DOH guidelines will be followed for loans made with CDBG funds, including loan limits, owner occcupancy, minimum owner contribution, etc.

Program Budget

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Down Payment Assistance Loans	$845,000	$350,000	$495,000	CDFI	Committed
Project Administration (Salaries & Benefits)	$106,996	$23,539	$83,457	CDFI	Committed
Administration	$2,500	$2,500	$0		
Program Admin - staffing	$20,931	$5,731	$15,200	CDFI	Committed
Operating expenses: rent & utilities	$5,000	$0	$5,000	CDFI	Committed
Equipment, Materials and Supplies	$2,500	$0	$2,500	CDFI	Committed
Taxes & Insurance	$3,900	$0	$3,900	CDFI	Committed
Audit cost	$4,500	$0	$4,500	CDFI	Committed
Totals	**$991,327**	**$381,770**	**$609,557**		

Project Assessment For Down Payment Assistance

Criteria	Project Data	DOH Range
Down Payment Financing		
Value of Current Loan Portfolio	$817,228	
Total # of Loans in Portfolio	22	
# of Deferred Loans in Portfolio	22	
Value of Loans Deferred until Sale or Transfer	$817,228 100 % of portfolio	Up to 25% can be deferred
Annual Program Income	$750,000	
Total # of New Loans	30	15 - 30 per year
New Loans from Program Income	15	
New Loans from CDOH Grant	15	
Homebuyers Equity	$1,000	The greater of $1,000 or 1%
Maximum CDOH Loan Amount	$24,999	Up to 8.5% of 95% of area median purchase price
Loan Terms & Rates	30 years at 1 %	
Market		
Qualifying Household Income	$53,000	<= 80% AMI, 4 people
# of Affordable Homes for Sale	269	Affordable at 80% AMI
Average Price of Homes for Sale	$410,996	
Max. Purchase Price of Homes	$257,497	95% of area median purchase price
# of Applicants on Waiting List	20	
Geographic Distribution of Projects vs. Population		
Program Operations		
Administrative Cost/New Loan	$3,000	$300 - $500 per new loan or actual administrative cost
DOH Requirements		
Con Plan Strategy/Priority	(4) Increase home ownership for low/moderate-income households and minorities (Medium)	
CDOH Funding Eligibility	CDBG, HOME, HDG	HOME, CDBG, HDG

Pro/Con Narrative

Management Capacity:

PRO: Since the RHA began a down payment assistance loan program in 2008, 102 new home owners have graduated from the educational and counseling portion of the program and have become home owners. Using both DOH funding and funding from other sources, RHA made 57 down payment assistance loans, and 45 graduates found financing without down payment assistance. Home Grown, the education and couseling program has produced 408 graduates, resulting in over $7 Million in real estate transactions that have placed working class families and individuals in homes. In 2010, 207 people graduated and 12 down payment loans were closed (8 with DOH funds.) Seven more are scheduled to close in early 2011. The creation of the CDFI has developed new revenue and made accounting functions more efficient and transparent.

CON: The relationship between the La Plata County Regional Housing Alliance, La Plata County Homes Fund, and Home Grown as well as the interface with USDA RD loans and Mortgage Credit Certificates can be confusing. To the public, however, the program has a single face and point of entry - Home Grown, the one-stop-shop.

Public/Private Commitment:

PRO: Funds to operate the RHA are provided by La Plata County, the City of Durango, and the Towns of Bayfield and Ignacio. In 2011, Montezuma County and San Juan County will be added to the Home Grown service area and local matching funds will be sought. BP, the oil company has contributed over $1.2 Million, and Durango Mountain Resort has made a substantial contribution. With CDFI status, the US Treasury made $500,000 available for the loan fund, along with $100,000 in a commitment to capacity building within the organization. BP and other local employers have contributed, knowing that their employees earning less than 150% AMI may have to come up with as much as $85,000 in down payment in order to afford available homes. CARHOF contributed $25,000 to the fund at the urging of local Realtors.

CON: None.

Market Demand:

PRO: Fair Share, the City of Durango inclusionary zoning ordinance, has resulted in the commitment of over 400 units affordable at or below 150% AMI, some of which will come on the market in 2011. Currently 269 homes are available for sale in La Plata County in that range of affordability. The 408 graduates of the Home Grown education and counseling program constitute purchasers who are qualified or working toward qualifying for first mortgage loans. Currently 20 applicants are qualified and are shopping for an affordable home.

CON: Few of the homes currently available are priced so as to be affordable to those who are at or below 80%. Price points in Bayfield and Ignacio, however, have declined well below listing prices in or near the City of Durango.

Explain Variances from Ranges:

The DOH funds used in the broader down payment assistance program will be used in compliance with DOH guidelines.

In the past year $50,000 was awarded to the La Plata Homes Fund for capacity building with a CDBG planning grant.

In the past year $296,710 in CDBG funds were awarded to Housing Solutions for the Southwest for SFOO Rehab in La Plata, Archuleta, Dolores, Montezuma, and San Juan Counties. HSSW also received a $26,115 HOME grant for CHDO operating funds in those same counties.

Other Projects Funded in La Plata County Since 02-01-2010

Project#	Project Name	Contract Amount
	Total Award for County:	

Other Projects Funded for La Plata Homes Fund Since 02-01-2010

Project#	Project Name	Contract Amount
	Total Award for Grantee:	

La Plata County AMI: $67,400

Staff Recommendation:

Full Funding of $350,000 for program activity (loans), $26,039 for project administration, and $5,731 for program administration.

SHB Recommendation: **Date of SHB Meeting: 02/08/11**

Gregory		Rosser	
Coil		Weitkunat	
Hatcher		Zucker	
Lucero			

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-035 - Statewide - Habitat for Humanity of Colorado- Colorado Homeownership Program

Application Number: 11-035

Application Name: Statewide - Habitat for Humanity of Colorado- Colorado Homeownership Program

Address: 550 South Wadsworth Blvd. Suite 150, Lakewood, CO 80226

Contact Name: Ms. Stefka Czarnecki Fanchi **Phone:** 303-454-8965

Contact's Title: Executive Director **Email:** stefka@habitatcolorado.org

Project Address: varies,

Project Description: Habitat for Humanity of Colorado is requesting a grant of $1,100,000 to help local affiliates acquire lots, develop infrastructure, and/or build 100 single-family homes affordable to households earning 25% to 50% of the Area Median Income. The funding request includes $100,000 for grant administration and technical assistance to affiliates. Habitat homes are typically single-family dwellings built with no garage, carport or basements. They are generally about 1,200 square feet with three bedrooms and two bathrooms. In some cases, due to local jurisdictions' requirements, Habitat homes do exceed these standards of simplicity (ex. they might include a garage). Some affiliates are also acquiring and rehabilitating existing homes. Habitat uses grants, donations and sweat equity to keep the cost to build the home down and to also keep the first mortgage affordable to the homebuyer. The difference between the first mortgage and the appraised value of the home is recorded as a second mortgage and is forgivable over time.

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-035 - Statewide - Habitat for Humanity of Colorado-Colorado Homeownership Program

Affordability

Type of Units	Number of Bedrooms	# of Units	Income of Beneficiaries
HOME	3 Bedrooms	100	<= 50% AMI
	Total HOME Units:	**100**	
	Total Units:	**100**	

Program Budget

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Appraisal & Market Studies	$35,000		$35,000	Affiliate - 1st mortgages	Committed
Surveys	$35,000		$35,000	Affiliate - 1st mortgages	Committed
Building Permit Fees	$500,000		$500,000	Affiliate - 1st mortgages	Committed
Tap Fees	$1,000,000		$1,000,000	Affiliate - 1st mortgages	Committed
Off Site Infrastructure	$1,000,000		$1,000,000	Affiliate - 1st mortgages	Committed
Land, On-site Infrastructure & Construction	$1,000,000	$1,000,000	$0		
	$448,000		$448,000	FHLB	Committed
	$18,000		$18,000	Anschutz Foundation	Committed
	$20,000		$20,000	Coors Foundation	Committed
	$117,500		$117,500	Whirlpool	Committed
	$56,000		$56,000	Xcel Energy Rebate	Committed
	$20,000		$20,000	Johnson Foundation	Committed
	$8,294,500		$8,294,500	Affiliate - 1st mortgages	Committed
Landscaping	$250,000		$250,000	Affiliate - 1st mortgages	Committed
Architect & Engineering	$140,000		$140,000	Affiliate - 1st mortgages	Committed
Construction Insurance	$150,000		$150,000	Affiliate - 1st mortgages	Committed
2% of 1st Mortgage/Closing Costs	$290,468		$290,468	Affiliate Fundraising	Committed
Project Management	$1,000,000		$1,000,000	Affiliate - 1st mortgages	Committed
HFHC administration & TA	$150,000	$100,000	$50,000	Homeowner Downpayments	Committed
Totals	**$14,524,468**	**$1,100,000**	**$13,424,468**		

Project Assessment For Subdivision Development

Criteria	Project Data	DOH Range
Down Payment Financing		
Total # of Loans in Portfolio		
Loans from Program Income		
Loans from New Grant		
Homebuyers Equity	$500	1% or $1,000
Qualifying Mortgage @ 80% AMI		<=80% of AMI income
Market		
# of Affordable Homes for Sale		
Average Price of Homes for Sale		
FHA Mortgage Limits		
Site Development		
Per Site Cost	$512	
Land Acquisition/Site	$37,242	$6,000 - $12,000
Onsite Improvements/Site	$4,000	
Offsite Improvements/Site	$10,000	
Unit Purchase Price	$124,545	95% of area median purchase price
Mortgage Terms		
Mortgage Lender		
Mortgage Terms & Rates	25 years at 0 %	
Other Criteria		
Fully Accessible Units	%	5% of units encouraged
Visitable Units	%	All units encouraged
Energy Star Units	100 100 %	Units have minimum 80 HERS rating or equivalent
Water Efficient Landscape	Y	Denver Water Board recommendation
DOH Requirements		
Con Plan Strategy/Priority	(4) Increase home ownership for low/moderate-income households and minorities (Medium)	
CDOH Funding Eligibility	HOME	HOME, CDBG, HDG

Pro/Con Narrative

Management Capacity:

Pro:

1. Habitat for Humanity of Colorado (HFHC) has good success with their projects for the past few years. HFHC has solid relationships with local affiliates and continues to improve delivery of DOH funds to expedite the development of homes. The organization is very healthy financially, with 6 months of operating expenses in reserve and no findings in the annual audit. HFHC staffing and leadership are strong, at levels and a structure appropriate to its strategic plan.
2. HFHC has a contract with DOH that began in late January 2010, for $330,000 and 30 homes, and they are all completed. Another contract for $220,000 and 20 homes was recently executed, to fund them through April 2011. The location for each of those 20 homes is already identified. Historically, DOH has not funded every Habitat home built in Colorado - over the past 2 years they have completed over 200 homes. This new application is for homes they expect to build from May 2011-2012.
3. Habitat affiliates provide first mortgages with no interest, and they raise grants & donations so they can limit the mortgage amount & keep payments to 25-30% of the buyer's income. Thanks to these favorable terms and to their on-going counseling and support, Habitat has less than a 2% default rate. Some affiliates have SAFE Act liscensing, or a volunteer mortgage loan originator who is liscensed. HFHC is working with DORA and HUD to make Habitat affiliates (and other non-profits) exempt from this requirement.
4. HFHC has developed a comprehensive, standard homeowner preparation and support program for families in their homebuilding program. In March 2009, they received a competitive grant of $381,000 from the Colorado Dept. of Human Services' Statewide Strategic Use Fund to support this effort.

Con: None.

Public/Private Commitment:

Pro:

1. About 20% of the cost to develop the homes comes from a combination of governmental donations and foundation grants. Another roughly 10-15% comes from local donations (which are not reflected in the budget).
2. A large part of the value of the homes comes from sweat equity of homebuyers and other volunteers (at least 250 hours per home, also not reflected in the budget). Homebuyers also make a downpayment of about $500 - $1,000.
3. CHFA purchases Habitat mortgages from affiliates, providing them with capital to complete additional homes, to fund staff and otherwise build capacity. In the fall of 2010, Habitat started packaging some RD 502 mortgages, freeing up additional local funds and providing an even more affordable mortgage product (due to their longer term). HFHC reviews the affiliates' mortgage documents and submits them to CHFA and/or RD.
4. Wells Fargo Community Development Corporation has provided $250,000 as an equity investment, matched by $250,000 from the Mile High Community Loan Fund (MHCLF). These funds are available as low-interest bridge loans to Colorado Habitat affiliates for predevelopment, land acquisition, soft costs and construction. MHCLF manages this revolving loan fund.
5. Habitat has a "Prison Partnership" with Crowley County Correctional Institute & some state-run correctional facilities to build roof trusses, cabinets & countertops. Affilitates are able to buy the products at the cost of materials only, and the inmate volunteers gain work experience and certifications.
6. Three affiliates are using NSP funding – Greeley, Flatirons (in Broomfield), and Metro Denver (in both Aurora and Denver).

Con: Due to challenges in the home mortgage bond market, CHFA was not able to purchase many Habitat home mortgages in 2009-2010. HFHC's audit shows that in FY2010, they were able to pass through $2.8 million less to affiliates than they had provided in FY2009 (July 1 - June 30). CHFA is committed to buy $2 million in 2011.

Pro/Con Narrative

Market Demand:

Pro:
1. The opportunity for homeownership for families making less than 50% AMI across the State is extremely limited. Homes that are available to families in this price range are usually in a state of disrepair and require significant funds to rehabilitate; therefore, the opportunity to have a new Habitat home is doubly valuable.
2. Colorado has 31 Habitat affiliates working in 42 communities. In 2009 they completed 106 homes, and in 2010 they completed 109.
3. In response to rising land costs, some affiliates are building duplexes or townhomes. Some affiliates are also acquiring and rehabilitating existing vacant homes, especially in Denver, Broomfield and Greeley.

Con: None.

Explain Variances from Ranges:

• The high per unit land cost is driven in part by buying single building lots in various locations across the State.
• Homebuyer equity is below the range, but does not include the buyers' sweat equity.

There are many blanks in the Project Assessment Chart, because:
• This is not a loan program, and does not regularily use program income.
• Since the program is statewide, the qualifying mortgage at 80% AMI will vary, as will all of the infomation in the "Market" section.
• The Mortgage Lender is generally the Habitat affiliate, but may also include some RD 502 Direct loans.
• Habitat builds accessible &/or visitable units as needed.

Also:
• Other Projects Funded Statewide & for HFHC includes #11-004, a grant for $220,000 and 20 units.
• The Statewide AMI for a family of 4 is $71,000.

Other Projects Funded in Statewide County Since 02-01-2010

Project#	Project Name	Contract Amount
10-064	Balance of State HOPWA Program 2010-2011	$412,645
EC11-001	Statewide-Energy Codes Support Project- H1ECS11001	$949,951
	Total Award for County:	**$1,362,596**

Other Projects Funded for Habitat for Humanity of Colorado Since 02-01-2010

Project#	Project Name	Contract Amount
	Total Award for Grantee:	

Statewide County AMI:

Staff Recommendation:

Partial Funding
• Proven need for and ability to use DOH funds.
• Program helps homebuyers statewide.
* Partial Funds based on limited HOME funds

SHB Recommendation: **Date of SHB Meeting:**

Gregory		Rosser	
Coil		Weitkunat	
Hatcher		Zucker	
Lucero			

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-033 - Douglas County- Douglas County Housing Partnership-Douglas County Homeownership Opportunity Program

Application Number: 11-033

Application Name: Douglas County- Douglas County Housing Partnership-Douglas County Homeownership Opportunity Program

Address: 9350 Heritage Hills Circle, Lone Tree, C0 80124

Contact Name: Mr. Travis Anderson **Phone:** 303-784-7857

Contact's Title: Single Family Programs Manager **Email:** tanders@douglas.co.us

Project Address: scattered site,

Project Description: The Douglas County Housing Partnership (DCHP), a multijuristdictional housing authority is requesting a grant in the amount of $350,000 to assist nine (9) first time homebuyers in Douglas County with a Shared Equity Program (SEP) loan product. DCHP's Homeownership Program offers both amortizing loans as well as SEP loans. The SEP provides an investment of up to $50,000 or 20% of the purchase price (whichever is less) to first-time homebuyers < 80% AMI who work in Douglas County. The investment is a deferred loan, secured by a second deed of trust, which must be repaid in proportion to the amount invested upon sale or refinance of the home. Since the inception of the SEP in 2008, 20 families have participated with a total investment of $733,575 by DCHP, with an average loan of $36,678 per household.

Program Budget

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
SEP Loans (9 units)	$315,000	$315,000	$0		
SEP (4 units)	$200,000		$200,000	Cash in lieu	Committed
Downpayment Assistance (11 units)	$94,920		$94,920	DOH 2010 HOME Funds	Committed
Downpayment Assistance (20 units)	$154,520		$154,520	County CDBG Funds 2010	Committed
Downpayment Assistance (2 units)	$18,750		$18,750	County CDBG Funds 2011	Pending
1st mortgages (estimated)	$9,200,000		$9,200,000	private Lenders	Committed
Homebuyer Counseling	$14,500		$14,500	Class and Application Fees	Committed
DPA Loan Specialist	$29,536	$10,000	$19,536	DOH Home Funds 2010	Committed
	$21,800		$21,800	HUD	Pending
	$22,528		$22,528	General Funds	Pending
	$2,335		$2,335	Corporate Donations	Pending
	$11,000		$11,000	County CDBG Funds 2011	Pending
Training and Travel	$7,500		$7,500	HUD	Pending
	$1,579		$1,579	Corporate Donations	Committed
Executive Director	$10,000	$10,000	$0		
Accountant	$22,000	$15,000	$7,000	County CDBG Funds 2010	Committed
	$4,467		$4,467	DOH HOME Funds 2010	Committed
Advertising and Marketing	$3,000		$3,000	HUD	Pending
Equipment, Materials and Supplies	$4,000		$4,000	HUD	Pending
	$1,950		$1,950	Corporate Donations	Committed
Taxes and Insurance	$2,700		$2,700	Corporate Donations	Committed
Communication Costs	$840		$840	Corporate Donations	Committed
Audit Costs	$4,000		$4,000	Corporate Donations	Committed
Legal Costs	$1,000		$1,000	Corporate Donations	Committed
Totals	**$10,147,925**	**$350,000**	**$9,797,925**		

Project Assessment For Down Payment Assistance

Criteria	Project Data		DOH Range
Down Payment Financing			
Value of Current Loan Portfolio	$2,132,541		
Total # of Loans in Portfolio	126		
# of Deferred Loans in Portfolio	108		
Value of Loans Deferred until Sale or Transfer	$1,827,892	86 % of portfolio	Up to 25% can be deferred
Annual Program Income	$20,000		
Total # of New Loans	9		15 - 30 per year
New Loans from Program Income	2		
New Loans from CDOH Grant	9		
Homebuyers Equity	$1,000		The greater of $1,000 or 1%
Maximum CDOH Loan Amount	$24,871		Up to 8.5% of 95% of area median purchase price
Loan Terms & Rates	15 years at 3 %		
Market			
Qualifying Household Income	$60,700		<= 80% AMI, 4 people
# of Affordable Homes for Sale	694		Affordable at 80% AMI
Average Price of Homes for Sale	$308,000		
Max. Purchase Price of Homes	$250,000		95% of area median purchase price
# of Applicants on Waiting List	10		
Geographic Distribution of Projects vs. Population			
Program Operations			
Administrative Cost/New Loan	$3,889		$300 - $500 per new loan or actual administrative cost
DOH Requirements			
Con Plan Strategy/Priority	(4) Increase home ownership for low/moderate-income households and minorities (Medium)		
CDOH Funding Eligibility	HOME		HOME, CDBG, HDG

Pro/Con Narrative

Management Capacity:

Pro:
1. DCHP is a multijuristdictional housing authority and the owner of Oakwood Senior Apartments in Castle Rock, a special limited partner in Lincoln Pointe Lofts Phase I & II, and the Reserve at Castle Highlands.
2. DCHP also operates a DPA Program which has provided 107 amortizing loans and 19 deferred SEP loans for a total of 126 loans. The most recent monitoring in December 2010 had no findings.
3. In response to a tighter funding environment, DCHP revised the program guidelines in 2010 to begin amortizing all new loans. This has brought in approximately $10,000 of Program Income (PI) to the DPA Program each year. The loan fund started revolving it's first PI funds to in 2010.

Con:
1. DCHP still has a balance of $143,149.86 in it's 2010 DOH DPA contract. DCHP has only made 5 out of 16 loans from DOH's 2010 Contract for amortizing DPA loans. The Contract was executed in March 2010.

Public/Private Commitment:

Pro:
1. Douglas County has committed $160,000 of CDBG funds (20% of budget) to the DPA Program for the 2010-2011 fiscal year toward DCHP's Downpayment Assistnace (DPA) Program. The SEP also receives $30,000 per year from the Town of Parker General Fund.
2. Douglas County also provides free office space and information technology support to the DCHP at an estimated value of $19,000/year.
3. DCHP receives in-kind support from local lenders and realtors, including CARHOF (through co-facilitation of the DCHP's First-Time Homebuyers' Education Class) and marketing assistance through the Southeast Business Partnership.
4. Douglas County has negotiated with developers of new construction to provide Cash-in-Lieu payments to provide for affordable housing in the County. DCHP has received $554,689 which they have budgeted for the SEP and Homeownership Programs.

Con:
None

Market Demand:

Pro:
1. Lower interest rates (often between 4.25-5%), coupled with falling home prices in the range for workforce families <80% AMI have created an unprecedented opportunity for DCHP's potential homebuyers to purchase their first home.

Con:
1. It is unknown at time of application how many applicants will choose the SEP loan product over an amortizing loan product.

Explain Variances from Ranges:

- The geographic distribution of the population does not mirror the population served due to pockets of extremely high cost housing within the County.
- The SEP loan product is typically lent at a higher dollar amount than an amortizing loan.
- While most families assisted with the amortizing loans purchase condos or townhomes, the shared equity loans may allow qualified familes to purchase a single-family home.

Other Projects Funded in Douglas County Since 02-01-2010

Project#	Project Name	Contract Amount
09-072	Douglas Co - Home Ownership Program / Down Payment Assistance	$192,720
	Total Award for County:	**$192,720**

Other Projects Funded for Douglas County Housing Partnership Since 02-01-2010

Project#	Project Name	Contract Amount
	Total Award for Grantee:	

Douglas County AMI: $75,900

Staff Recommendation:

Partial funding of $221,928 for at least eight (8) loans at a maximum of $24,871 (maximum 8.5% of 95% of median purchase price). $198,728 for program activity (loans), $6,600 for project administration and $16,600 for program administration. DOH funds to cover downpayment assistance for both amortizing loans and SEP loans. DCHP to follow DOH guidelines for all loans made with HOME funds including loan limits and minimum owner contribution; however DCHP may combine cash-in-lieu (private) funds with DOH funds to offer a loan up to $50,000 or 20% of the purchase price.

• One loan per month, based on recent production

SHB Recommendation: **Date of SHB Meeting: 02/08/11**

Gregory		Rosser	
Coil		Weitkunat	
Hatcher		Zucker	
Lucero			

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-037 - El Paso County- Rocky Mountain Community Land Trust - Rocky Mountain Community Land Trust Scattered Site Homeownership Acquisition Program

Application Number: 11-037

Application Name: El Paso County- Rocky Mountain Community Land Trust - Rocky Mountain Community Land Trust Scattered Site Homeownership Acquisition Program

Address: 1212 West Colorado Avenue, Colorado Springs, CO 80904

Contact Name: Mr. Robert F. Koenig, Jr. **Phone:** 719-447-9300 ext 2

Contact's Title: Executive Director **Email:** rfkoenigjr@msn.com

Project Address: scattered site,

Project Description: Rocky Mountain Community Land Trust (RMCLT) is requesting a grant in the amount of $91,500 to continue their Downpayment Assistance (DPA) program. These funds will be used to assist with the acquisition of six (6) properties. Through the Community Land Trust model, RMCLT acquires and holds title to the land permanently while the homebuyer purchases the house. The homebuyer then pays the mortgage on the home to the bank and pays a monthly ground lease on the land to RMCLT. In addition, RMCLT staff provides on-going assistance to their home owners on issue including budgeting, personal finance, and home maintenance. The RMCLT connects with potential homebuyers through the Realtor community, the City of Colorado Springs acquisition/rehabilitation program, and new homebuilders. DOH Funds provide homebuyers with approximately $12,750 of downpayment assistance of the purchase price to first-time homebuyers who work in El Paso County.

Affordability

Type of Units	Number of Bedrooms	# of Units	Income of Beneficiaries
OTHER	0 Bedrooms	6	<= 80% AMI ($56,500)
	Total OTHER Units:	**6**	
	Total Units:	**6**	

Program Budget

Project Activities	Total Project Cost	State Funds Requested	Other Funds	Source	Status
Downpayment Assistance	$172,500	$76,500	$96,000	HOME Funds- City of Colo Spgs	Committed
	$24,000		$24,000	Federal Home Loan Bank	Committed
Program Admin	$17,280	$15,000	$2,280		
Totals	**$213,780**	**$91,500**	**$122,280**		

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-037 - El Paso County- Rocky Mountain Community Land Trust - Rocky Mountain Community Land Trust Scattered Site Homeownership Acquisition Program

Project Assessment For Subdivision Development

Criteria	Project Data	DOH Range
Down Payment Financing		
Total # of Loans in Portfolio	146	
Loans from Program Income		
Loans from New Grant	6	
Homebuyers Equity	$1,000	1% or $1,000
Qualifying Mortgage @ 80% AMI	$12,500	<=80% of AMI income
Market		
# of Affordable Homes for Sale	1,100	
Average Price of Homes for Sale	$202,000	
FHA Mortgage Limits	$160,000	
Site Development		
Per Site Cost	$0	
Land Acquisition/Site		$6,000 - $12,000
Onsite Improvements/Site		
Offsite Improvements/Site		
Unit Purchase Price		95% of area median purchase price
Mortgage Terms		
Mortgage Lender		
Mortgage Terms & Rates		
Other Criteria		
Fully Accessible Units	%	5% of units encouraged
Visitable Units	%	All units encouraged
Energy Star Units	%	Units have minimum 80 HERS rating or equivalent
Water Efficient Landscape		Denver Water Board recommendation
DOH Requirements		
Con Plan Strategy/Priority	(4) Increase home ownership for low/moderate-income households and minorities (Medium)	
CDOH Funding Eligibility		HOME, CDBG, HDG

Pro/Con Narrative

Management Capacity:

Pro:

1. Since 1996, the RMCLT has used the "Community Land Trust" (CLT) model to assist over 192 households to become homeowners.
2. DOH prior experience with RMCLT grant management has been positive. There are no outstanding findings or concerns.
3. The RMCLT is currently managing two DOLA/DOH NSP 1 contracts for the acquisition, rehabilitation, and resale of a total of 16 homes in the City of Colorado Springs and El Paso County. The RMCLT has obligated all purchase and rehabilitation funds by the June 30, 2010 deadline for these contracts.

Con: None

Public/Private Commitment:

Pro:

1. RMCLT typically sources $32,750 as a community investment per unit: $16,000 from the City of Colorado Springs, $4,000 from the Federal Home Loan Bank of Topeka, and $12,750 from DOH. Overall, the City has contributed over $2,300,000 to assist in the acquisition of properties through the land trust model and also provides funds to support the operations of the RMCLT supportive programs. In addition, El Paso County Housing Authority has contributed over $850,000 to the land trust model.
2. Colorado Springs Utilities implements a deferred tap fee program for affordable housing and the City of Colorado Springs waives most development/plan fees for new construction.
3. RMCLT receives a $380 reimbursement from the City for pre-purchase support and $500 reimbursement from FHLB for post purchase support per household served.

Con: None

Market Demand:

Pro:

1. As housing prices continue to outpace personal income, there will continue to be a need for assistance programs for lower-income households in acquiring homes. The RMCLT model is recognized through the current City of Colorado Springs Comprehensive Plan as one of the methods to assist in lower-income households in achieving homeownership.
2. The planned production for this project is based on average annual production over the last three years.
3. Twenty-eight percent (28%) of the households in the program are at 50% AMI or below. These households have not experienced foreclosures rates in greater proportion than the overall RMCLT portfolio.

Con:

1. The land trust model for home ownership (with the resale restrictions) does not appeal to every potential homebuyer. This limits the number of potential homebuyers interested in the land trust model. The RMCLT completes outreach activities with approximately 40 households for every confirmed land trust homeowner.

Explain Variances from Ranges:

1. Administrative costs are above the range due to the cost of outreach and the complexity of individual transactions that may require attorney involvement.
2. Because the land trust model uses HOME funds to invest in the land instead of directly assisting the family, RMCLT is receiving an opinion letter from their attorney saying they are exempt from HB 1141 and the SAFE Act. Since emergency home repair loans are not exempt from the laws, RMCLT is no longer offering this service.

Colorado Department of Local Affairs, Division of Housing

Pro/Con for 11-037 - El Paso County- Rocky Mountain Community Land Trust - Rocky Mountain Community Land Trust Scattered Site Homeownership Acquisition Program

Other Projects Funded in El Paso County Since 02-01-2010

Project#	Project Name	Contract Amount
11-023	Rocky Mountain Community Land and Trust-El Paso Scattered Site Acquisition	$198,250
	Total Award for County:	**$198,250**

Other Projects Funded for Rocky Mountain Community Land Trust Since 02-01-2010

Project#	Project Name	Contract Amount
11-023	Rocky Mountain Community Land and Trust-El Paso Scattered Site Acquisition	$198,250
	Total Award for Grantee:	**$198,250**

El Paso County AMI: $70,600

Staff Recommendation:

Full funding:
- Permanent affordability
- Long-term local commitment
- Low rate of foreclosure in program

SHB Recommendation: **Date of SHB Meeting: 02/08/11**

Gregory		Rosser	
Coil		Weitkunat	
Hatcher		Zucker	
Lucero			