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# Department of Local Affairs



*Strengthening Colorado Communities*

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## State of Colorado

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### Fifth Program Year Consolidated Plan Action Plan

April 1, 2014 – March 31, 2015

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## 2014-2015 Action Plan

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## **AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)**

### **1. Introduction**

Colorado's Annual Action Plan serves as an application to the Department of Housing and Urban Development (HUD) for funding of the HOME Investment Partnership Program (HOME), Community Development Block Grant (CDBG), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) Programs. The Colorado Department of Local Affairs (DOLA) administers these four programs and serves as a link between this federal funding and local communities that will benefit.

The Annual Action Plan also allows Colorado to report and describe to HUD any changes or trends in affordable housing needs during the period since the submission of the Consolidated Plan. It summarizes the State's progress and new initiatives the State will take to support the strategic goals identified in the Five-Year Consolidated Plan. This Action Plan covers the program year from April 1, 2014 through March 31 of 2015 as set forth in 24 CFR Part 91 of the Community Investment Act.

The Department of Local Affairs is dedicated to strengthening Colorado communities. Meeting the needs of local communities through the careful allocation of these resources is a key part of that effort. DOLA will use these funds to stimulate economic development, facilitate the building and maintenance of public facilities, to provide public services, affirmatively further fair housing, and to ensure the availability of safe, decent affordable housing for all Coloradans. Because inclusive communities are vital communities, DOLA's commitment to fair housing is integral to all of our efforts.

### **2. Summarize the objectives and outcomes identified in the Plan**

*This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.*

The Division of Housing (DOH), the lead agency for administering HOME, ESG and HOPWA funds, and administrator of one third of the state's CDBG allocation, has determined that its areas of greatest need lie in preventing and eliminating homelessness; helping those whose homes were damaged or destroyed by the natural disasters of 2013; and preserving and expanding the supply of decent affordable housing emphasizing housing for people with special needs, including supportive services where necessary. Using HUD's definition, the special needs population includes the frail and non-frail elderly, persons with physical, mental, or behavioral disabilities, persons with HIV/AIDS, and persons with alcohol or drug addictions.

## 2014-2015 Action Plan

For a summary table of DOLA's Goals and Objectives for the 2014-2015 Program Year, please see the table beginning on page 26.

The Homeless Programs Team will lead efforts to prevent and eliminate homelessness by working with the Continuum of Care to fully implement the HEARTH program, and to coordinate the use of all funding available to address this problem.

In September 2013, Colorado suffered catastrophic flooding as a result of unprecedented rainfall across twenty-four counties in the State, of which 18 were Presidentially Declared Disaster Areas<sup>1</sup>. The floods impacted the entire social fabric of the State, causing major destruction to housing, businesses, and infrastructure. The Department of Local Affairs includes prioritization of these flood impacted areas in the use of all funding programs other than HOPWA, without exclusion of any projects on the basis of their location.

For detailed information on the specific use of CDBG - Disaster Recovery funds in the areas impacted by the September 2013 floods visit <http://dola.colorado.gov/cdbg-dr/content/action-plans>.

The Colorado Housing Investment Fund (CHIF) comes from the settlement between 49 states' attorneys general and the five largest mortgage servicing companies. The \$13.2 million of the \$50 million Colorado received from this settlement was originally designated to address Colorado's need for affordable rental housing, and an additional \$23 million of the total has been reallocated to DOH for the same objective. These funds have been used to create a revolving loan fund, providing short-term, low-interest loans to bridge long-term permanent financing sources or short-term loan guarantees for new construction and rehabilitation.

DOH has collaborated with Colorado's Money Follows the Person program to apply for Section 811 funds in hopes of using them to help people with disabilities leave nursing homes and live more independently.

We plan to continue to present a series of fair housing training sessions around the state this year that will include an overview of the laws and emphasize the handling of requests for reasonable accommodations, particularly for those with mental disabilities.

The Division of Local Government has chosen to prioritize the use of its CDBG funds for the construction and reconstruction of public facilities, and the Office of Economic Development and International Trade will continue to prioritize job creation.

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<sup>1</sup> **Counties Approved for FEMA Individual Assistance under 4145-DR: 11**

Adams, Arapahoe, Boulder, Clear Creek, El Paso, Fremont, Jefferson, Larimer, Logan, Morgan and Weld.

**Counties Approved for FEMA Public Assistance under 4145-DR: 18**

Adams, Arapahoe, Boulder, Clear Creek, Crowley, Denver, El Paso, Fremont, Gilpin, Jefferson, Lake, Larimer, Lincoln, Logan, Morgan, Sedgwick, Washington and Weld.

### **3. Evaluation of past performance**

*This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.*

Colorado's Consolidated Annual Performance and Evaluation Report (CAPER) provides a snapshot of the State's progress in meeting its performance goals. HUD's response to our most recent CAPER stated that Colorado had "carried out its program substantially as described in its Consolidated Plan and has the continuing capacity to carry out its approved program in a timely manner." During the 2013-2014 program year, the Division of Housing funded the production of affordable housing with HOME and CDBG as summarized below:

- Constructed 579 units of new rental housing and 30 single-family homes to increase the state's supply of affordable housing.
- Acquired and/or rehabilitated 116 affordable rental units and rehabilitated 128 single-family owner-occupied homes to preserve the current supply of affordable housing.
- Helped provide down payment assistance to 38 low and moderate income households to increase the affordability of homeownership.
- Provided tenant-based rental assistance to 90 families and households.
- Made 10 operating grants to Community Housing Development Organizations to increase their capacity and support development of future affordable housing projects and programs.
- Increased the supply of housing for people with special needs through construction of 7 new rental units. DOH funded another 173 homes for people with special needs using state and NSP 3 funds.
- Increased the supply of permanent supportive housing for the homeless by 96 rental units.

The State contracted \$3,698,500 in CDBG funds for public facility projects and \$1,483,000 in economic development projects during the 2013-2014 program year.

Through ESG funds, provided emergency shelter and services to an estimated 24,000 individuals and homelessness prevention assistance to another 15,718.

HOPWA funding provided rental assistance and supportive services to an estimated 65 low income persons with HIV/AIDS and their families.

### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan:

A legal notice of public hearing was published in the Denver Post on April 27<sup>th</sup> and May 2<sup>nd</sup> announcing the hearing held at 1313 Sherman Street on May 9, 2014. A draft of the Annual Action Plan was

published on DOLA's web site on April 22nd. Notice of the hearing and of the availability of the AAP was also made via the Division of Housing blog ([www.divisionofhousing.com](http://www.divisionofhousing.com)) and e-newsletter on XXXXXXX.

**5. Summary of public comments**

*This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.*

One member of the Public and two DOLA staff members attended the public hearing on May 9. The member of the public expressed that she was pleasantly surprised at how much was being done to help with affordable housing.

A summary of the Priority Needs and the Goals and Objectives was presented at the State Housing Board meeting on April 8, 2014.

**6. Summary of comments or views not accepted and the reasons for not accepting them**

No comments or views were not accepted.

**7. Summary**

The Department of Local Affairs appreciates the commenters' careful review and the thoughtful comments that they have made. If it is not possible to incorporate the changes that have been suggested into this document, we will make every effort to implement them with the next annual cycle.



**PR-05 Lead & Responsible Agencies - 91.300(b)**

**1. Agency/entity responsible for preparing/administering the Consolidated Plan**

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

<b>Agency Role</b>	<b>Name</b>	<b>Department/Agency</b>
Lead Agency	COLORADO	Department of Local Affairs
CDBG Administrator	Justin Hamel	Department of Local Affairs/Div of Local Gov't
HOPWA Administrator	Mary Miller	Department of Local Affairs/Div of Housing
HOME Administrator	Alison George	Department of Local Affairs/Div of Housing
ESG Administrator	Shannon Picaso	Department of Local Affairs/Div of Housing

**Table 1 – Responsible Agencies**

**Narrative**

The Department of Local Affairs (DOLA) is the lead agency for the application. Two Divisions of DOLA administer the HUD formula programs, coordinate administration and provide reporting for these HUD funds under the authority of the Executive Director. The lead agency for the CDBG program is the Division of Local Government, while the Division of Housing is the lead agency for the HOME, ESG and HOPWA programs.

**Consolidated Plan Public Contact Information**

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## **AP-10 Consultation - 91.110, 91.300(b); 91.315(l)**

### **1. Introduction**

The State of Colorado does extensive consultations for the 5-year Consolidated Plan, but far fewer formal consultations for the Annual Action Plan, relying instead on its ongoing working relationships with related agencies and organizations. This year the Department contacted eight outside agencies for assistance in prioritizing needs and goals.

### **Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies**

DOH facilitates interagency coordination of housing, health and social service activities of various public and private agencies by participating in the following efforts:

- Established an internal Homeless Programs Team to focus on homeless issues.
- The DOH Homeless Programs Team now administers the “State Housing Voucher Program,” partnering with the Colorado Department of Human Services and statewide community mental health centers to administer 125 state-funded housing vouchers annually with supportive services for participants with mental health disorders experiencing homelessness.
- Established a “Housing Initiatives” program to coordinate and collaborate with multiple agencies across additional program areas, including Veterans’ Housing, Renewable Energy, and other areas of interest.
- DOH leads the Second Chance Housing and Reentry Program (C-SCHARP) Core Team meetings monthly; an interagency group including the Colorado Department of Corrections and community mental health centers working to address the needs of adult ex-offenders with co-occurring mental health and substance abuse disorders.
- Intradepartmental CDBG Coordinating Group. DOLA created a cross-divisional work group to coordinate and integrate its use of CDBG funds.
- The Housing “Pipeline” which includes development staff from DOH, the Colorado Housing and Finance Authority (CHFA), USDA Rural Development, US Department of Housing and Urban Development (HUD) and Community Development Financial Institutions (CDFIs).
- Pathways Home Colorado Advisory Board is a State coordinating organization appointed by the Governor to direct the implementation of the state plan to end homelessness.
- Participation in Colorado’s three Continua of Care: Metropolitan Denver Homeless Initiative, Homeward Pikes Peak and the The Colorado Balance of State.
- Housing Colorado, Inc. is a 501(c)(3) membership organization that facilitates workshops, meetings and educational opportunities for housing organizations.
- Colorado Chapter, National Association of Housing Redevelopment Organizations (NAHRO) is a state trade association for housing authorities and redevelopment agencies.

- As part of the Homeless Programs Team, the Office of Homeless Youth Services, a program within the Division of Housing, will meet on a regular basis with statewide agencies to establish goals, objectives and to seek funding.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

See answer immediately below.

**Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

In response to the changes made to HUD's Homeless Assistance Programs by the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act, and the ESG Interim Rule that followed, Colorado has greatly increased collaboration with its three Continua of Care (CoCs) in designing its ESG program. In 2012, representatives of the CoCs met with DOH staff to draft an allocation plan and host initial discussions for performance standards, evaluating outcomes, projects, policies and procedures for activities assisted by ESG funds, and developing funding, policies and procedures for the administration and operation of HMIS. As a result, DOH's allocation of ESG funds for Homeless Prevention and Rapid Rehousing (HP/RR) activities are now allocated to each CoC for recommendations and selection of applicants within their continuum. This new process for allocating ESG funds that began in 2012 has increased regional collaboration, and has led CoCs in Colorado to begin work towards a coordinated intake and assessment process to allocate their HP/RR funding to those in their communities with the highest level of need.

Coordination to assist the homeless and prevent homelessness will be led by Colorado's CoCs. Active engagement and membership in the CoC is required to receive funding. The CoCs will further engage and coordinate resources to improve current programs and funding strategies; and provide ongoing training as procedures are refined.

**Agencies, groups, organizations and others who participated in the process and consultations**

1	<b>Agency/Group/Organization</b>	Colorado Counties, Inc.
	<b>Agency/Group/Organization Type</b>	Civic Leaders
	<b>What section of the Plan was addressed by Consultation?</b>	Priority needs and strategies
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was contacted by telephone and e-mail to participate in a survey. Expected input on housing and community development needs from the perspective of counties statewide.
2	<b>Agency/Group/Organization</b>	Colorado Cross-Disability Coalition
	<b>Agency/Group/Organization Type</b>	Services-Persons with disabilities
	<b>What section of the Plan was addressed by Consultation?</b>	Priority needs and strategies
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was contacted by telephone and e-mail to participate in a survey. Expected input on housing and community development needs from the perspective of those who provide services to people with disabilities.
3	<b>Agency/Group/Organization</b>	Greeley/Weld Housing Authority
	<b>Agency/Group/Organization Type</b>	Public Housing Authority
	<b>What section of the Plan was addressed by Consultation?</b>	Priority needs and strategies
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was contacted by telephone and e-mail to participate in a survey. Expected input on housing and community development needs from the perspective of a public housing authority that is also in the area most affected by September 2013 flooding

4	<b>Agency/Group/Organization</b>	Colorado Health Network dba Colorado AIDS Project
	<b>Agency/Group/Organization Type</b>	Housing/Services – Persons with AIDS
	<b>What section of the Plan was addressed by Consultation?</b>	Priority needs and strategies
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was contacted by telephone and e-mail to participate in a survey. Expected input on housing and community development needs from the perspective of those who provide services to people with HIV/AIDS.
5	<b>Agency/Group/Organization</b>	Colorado Municipal League
	<b>Agency/Group/Organization Type</b>	Civic Leaders
	<b>What section of the Plan was addressed by Consultation?</b>	Priority needs and strategies
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was contacted by telephone and e-mail to participate in a survey. Expected input on housing and community development needs from the perspective of municipalities statewide.
6	<b>Agency/Group/Organization</b>	Colorado Housing & Finance Authority
	<b>Agency/Group/Organization Type</b>	Housing- Financing
	<b>What section of the Plan was addressed by Consultation?</b>	Priority needs and strategies
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was contacted by telephone and e-mail to participate in a survey. Expected input on housing and community development needs from the perspective of another agency with which we coordinate funding for affordable housing and economic development.
7	<b>Agency/Group/Organization</b>	Colorado Coalition for the Homeless
	<b>Agency/Group/Organization Type</b>	Housing/Services - Homeless
	<b>What section of the Plan was addressed by Consultation?</b>	Priority needs and strategies
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was contacted by telephone and e-mail to participate in a survey. Expected input on housing and community development needs from the perspective of those who provide services to the homeless.They did not participate.

8	<b>Agency/Group/Organization</b>	Denver Metro Fair Housing Center
	<b>Agency/Group/Organization Type</b>	Service – Fair Housing
	<b>What section of the Plan was addressed by Consultation?</b>	Priority needs and strategies
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	This agency was contacted by telephone and e-mail to participate in a survey. Expected input on housing and community development needs from a fair housing perspective..

**Table 2 – Agencies, groups, organizations who participated**

Results of the consultation survey show a near consensus for increasing the supply of affordable housing as the highest priority need.

**Identify any Agency Types not consulted and provide rationale for not consulting**

Agency types not consulted include: Services for Children , Elderly Persons , Victims of Domestic Violence , Health, Education , Employment , Victims; Health Agency , Child Welfare Agency; Publicly Funded Institution/System of Care ; Other government Federal , State;Regional organization , Planning organization , Business Leaders

Rationale: We already work heavily with most of these types of agencies, and consultation is ongoing and interactive. In addition, staff time for consultation was very limited due to the extra efforts required by disaster recovery. We attempted to consult with organizations that could give us statewide perspective on housing and community development needs at the statewide level.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

<b>Name of Plan</b>	<b>Lead Organization</b>	<b>How do the goals of your Strategic Plan overlap with the goals of each plan?</b>
Continuum of Care	Colorado Coalition for the Homeless	Colorado Coalition for the Homeless is the lead agency for two of Colorado's three CoCs. DOH works with CCH extensively in coordinating the use of ESG funds, in providing permanent housing for the homeless, and promoting use of HMIS.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Public Housing Authority Annual Plan	Division of Housing	The Division of Housing PHA shares two high priority missions with the Strategic Plan: providing housing for people with disabilities and for the homeless. It also operates a Homeownership program consistent with the Division's Strategic Plan. In addition, the PHA reserves the right to allocate up to 20 percent of its Housing Choice Vouchers for potential use under the Project Based Vouchers Assistance Program. These vouchers would be used in coordination with HOME, CDBG, HDG, CHIF and/or PAB funds in production of affordable housing. Finally, both the PHA and the larger Division of Housing share the goal of ensuring and affirmatively furthering fair housing and work together to meet this goal.
Low-Income Housing Tax Credit Allocation Plan	Colorado Housing and Finance Authority	Low-income Housing Tax Credits are an essential funding source for adding and preserving affordable rental housing in the state. CHFA's goals and priorities as included in its 2014 QAP are consistent with Division of Housing's Strategic plan in the areas of serving homeless and special needs persons with projects that included supportive services and those with an urgent and/or critical need for rehabilitation or at risk of converting to market rate housing.
Pathways Home Colorado	Colorado Governor's Office	Under Governor Hickenlooper, the Homeless Programs Team works with service providers and homelessness agencies to assess and address homelessness in Colorado. Building on past success, this Homeless Programs Team will implement our state plan to address homelessness. The team has identified the following goals: Increase capacity, knowledge, and leadership among state and local partners and to increase the access to housing units for those experiencing or at risk of homelessness. These goals lead directly into the state and federal goals of ending homelessness for veterans and those experiencing chronic homelessness by January 2015; and ending homelessness for families, youth, chronic, and other populations by January 2020.
Colorado Analysis of Impediments to Fair Housing	Colorado Dept. of Local Affairs, Division of Housing	Ensuring and affirmatively furthering fair housing. The Analysis of Impediments (AI) contains a fair housing action plan, and we include those actions in our strategic plan each year.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
HUD 2010-2015 Strategic Plan	US Dept. of Housing and Urban Development	Relevant sections of HUD's strategic plan include meeting the need for quality affordable rental homes, using housing as a platform for improving quality of life, and building inclusive and sustainable communities free from discrimination.

**Table 3 - Other local / regional / federal planning efforts**



**AP-12 Participation - 91.115, 91.300(c)**

**1. Summary of citizen participation process/Efforts made to broaden citizen participation  
Summarize citizen participation process and how it impacted goal-setting**

A legal notice of public hearing was published in the Denver Post on April 27th and May 4th, announcing the hearing held at 1313 Sherman Street on May 9, 2014. A draft of the Annual Action Plan was published on DOLA's web site on April 22nd. On May 8th Notice of the hearing was also made via the Department of Local Affairs Twitter account and notices in English and Spanish were distribution in downtown Denver.

**Citizen Participation Outreach**

<b>Mode Of Outreach:</b>	<b>Target Of Outreach:</b>
Internet Outreach	Non-targeted/broad community
<b>Summary of response/attendance</b>	No Response
<b>Summary of Comments Received</b>	No comments received
<b>Summary of comments not accepted and reasons</b>	Not applicable
URL if applicable:	<a href="http://www.colorado.gov/cs/Satellite/DOLA-Main/CBON/1251590375">www.colorado.gov/cs/Satellite/DOLA-Main/CBON/1251590375</a>
<b>Mode Of Outreach:</b>	<b>Target Of Outreach:</b>
Public Hearing	Non-targeted/broad community

<b>Summary of response/attendance</b>	The public meeting was attended by 1 member of the general public and 2 members of DOLA's management staff.
<b>Summary of Comments Received</b>	The member of the public expressed that she was pleasantly surprised at the amount of work already being done around affordable housing
<b>Summary of comments not accepted and reasons</b>	Not applicable
<b>Mode Of Outreach:</b>	<b>Target Of Outreach:</b>
Newspaper Ad	Non-targeted/broad community
<b>Summary of response/attendance</b>	One member of the public attended the hearing as a result of the newspaper legal notice.
<b>Summary of Comments Received</b>	None
<b>Summary of comments not accepted and reasons</b>	Not applicable
<b>Mode Of Outreach:</b>	<b>Target Of Outreach:</b>
Flyers distributed in downtown Denver	Minorities Non-English Speaking - Specify other language: Spanish Persons with disabilities Non-targeted/broad community Other: Homeless people

<b>Summary of response/attendance</b>	No response
<b>Summary of Comments Received</b>	No comments received
<b>Summary of comments not accepted and reasons</b>	Not applicable

**Table 4 – Citizen Participation Outreach**

## Expected Resources

### AP-15 Expected Resources – 91.320(c)(1,2)

#### Introduction

DOLA receives a variety of federal and State resources, including the HUD formula amounts shown below that help meet the State’s housing, community and economic development needs. DOLA links these resources together and combines them with funding from local jurisdictions and private sources to maximize cost efficiency and stretch the public dollar.

#### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition; Admin and Planning; Economic Development; Housing; Public Improvements; Public Services	8,292,594	120,000	5,233,449.05	8,412,594	14,627,798	Funds received for State-administered Small Communities CDBG funds via formula allocation

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition; Homebuyer assistance; Homeowner rehab; Multifamily rental new construction; Multifamily rental rehab; New construction for ownership; TBRA	4,638,549	3,300,000	1,412,480	7,938,549	8,534,470	Housing Investment Partnership funds received from HUD via formula allocation
HOPWA	public - federal	Supportive services; TBRA	432,586	0	319,025	751,597	751,597	HOPWA funds received via formula allocation for the Balance of State region.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Financial Assistance; Overnight shelter; Rapid re-housing; Rental Assistance; Services; Transitional housing	1,674,830	0	0	1,674,830	3,422,468	Emergency Solutions Grant funds received via formula allocation.
Continuum of Care	public - federal	Overnight shelter; Rapid re-housing; Services; Short term or transitional housing; facilities; Supportive services; Transitional housing	19,913,628	0	0	19,913,628	19,913,628	This is the total sum awarded to all Continua of Care in Colorado from the FY 2013 Competitive grant process.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
General Fund HDG	public - state	Acquisition, Conversion and rehab for transitional housing; Housing; Multifamily rental new construction; Multifamily rental rehab; Overnight shelter; Transitional housing	8,200,000	0	0	8,200,000	8,200,000	When the state's general fund is adequate, the State of Colorado provides funds for Housing Development Grants. The amount of these funds varies from year to year as determined by the state legislature.
Shelter Plus Care	public - federal	Rental Assistance	3,355,980	0	0	3,355,980	0	Federal funding through the Permanent Supportive Housing program which was formerly known as Shelter + Care.

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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other - PAB	public - federal	Acquisition; Economic Development; Homebuyer assistance; Multifamily rental new construction; Multifamily rental rehab	526,836,700	0	0	526,836,700	0	DOH anticipates receiving approximately \$527 million of Private Activity Bond volume cap in 2014, with an initial Statewide Balance of \$19,379,800. These funds may be used for a variety of affordable housing and economic development purposes. While not a grant source, Private Activity Bonds provide tax exempt bonding authority to originate tax-exempt mortgages. For rental housing they also give projects access to 4% Low Income Housing Tax Credits.
Other – NSP 1 Program Income	public - federal	Acquisition; Multifamily rental rehab	N/A	3,000,000	0	3,000,000	0	Program income generated by projects undertaken through the NSP1 funding. May be used to acquire and/or rehabilitate foreclosed properties.



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Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other - HCV	public - federal	Admin and Planning; Rental Assistance	39,542,216	0	0	39,542,216	39,542,216	Funds received to fund housing choice vouchers throughout the state of Colorado.
Other - CHIF	public - state	Acquisition; Multifamily rental new construction; Multifamily rental rehab; Other	23,000,000	0	0	36,200,000	36,200,000	The State of Colorado received over \$50 million from the mortgage settlement with the 5 major banks, all custodial funds through the Attorney General's office, to be used for homeowner relief, foreclosure prevention and affordable housing. The Colorado Housing Investment Fund (CHIF) was created with part of those funds to address Colorado's need for affordable rental housing.

2014-2015 Action Plan

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other – Energy and Mineral Impact Funds	public - state	Admin and Planning; Economic Development; Public Improvements; Public Services	150,000,000	0	0	150,000,000	150,000,000	Funds from federal mineral lease and state severance tax revenues may be awarded for planning, construction, maintenance of public facilities and provision of public services. Eligible recipients are political subdivisions socially or economically impacted by the development, processing or energy conversion of minerals and mineral fuels
Other - HPAP	public - state	Homelessness prevention activities	110,000	0	0	110,000	110,000	These funds come from a check box on Colorado's state income tax form that specifies that part of the taxes being paid are to be used for homelessness prevention.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other – State HCV	public - state	Rental Assistance	1,360,813	0	0	1,360,813	1,360,813	Monies from Colorado's General fund specifically to provide additional rental assistance voucher for low income households. This is a new funding source.
Other – Fort Lyon funding	public - state	Transitional housing with rehabilitation services	3,223,851	0	0	3,223,851	3,223,581	Special line item in state budget to fund the Fort Lyon Supportive Housing program that serves homeless veterans and other homeless persons.

**Table 5 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

The Division of Housing matches HOME funds with State loan funds spent on HOME eligible activities, local funding used in HOME projects, foundation funds used in HOME projects, and other HOME eligible match sources. During the 2013-2014 program year, DOH committed \$131,167,731 in Colorado Housing Investment Funds (CHIF), Housing Development Grants (HDG) and Housing Development Loan Funds (HDLF) to affordable housing efforts. These state funds created 13 transitional housing units, acquired 71 rental units, acquired and rehabilitated 110 affordable units, built 60 new affordable rental units and rehabilitated 142 existing affordable rental units.

ESG applicants must make matching contributions in an amount that equals the amount of ESG funds awarded by DOH. The matching contributions must meet all requirements that apply to the ESG funds provided by HUD. In the event that a subrecipient is unable to meet its matching requirements due to a financial hardship, it may request, in writing, an exception to this rule, with explanation of amount, nature and cause of the hardship. DOH shall consider such requests on a case by case basis.

During the 2013-2014 program year, the Division of Housing leveraged the HOME and CDBG funds it awarded at a ratio of 20.61 to 1. In other words, \$20.61 of other funding went to these projects for every \$1 of HOME or CDBG funds.

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan.**

A former veterans' hospital and state prison in Fort Lyon, CO has been placed in operation as a housing and treatment center for the homeless. The 500-acre property will house and provide treatment for up to 200 homeless persons. It also helps mitigate the local economic problems created by the closure of the prison three years ago and has put this large formerly vacant facility to use.

No other properties are known to be available at this time.

**Discussion**

DOLA is the only department in the State that has both a Consolidated Plan and a Public Housing Administrative Plan. Thus, the Department has the ability to strategically place or invest both Housing Choice Voucher and Consolidated Plan-related funding streams of HOME, CDBG, ESG and HOPWA. As a catalyst to creative collaborations, it is DOLA's intent to use its HOME and/or CDBG resources to fill gaps on the housing development side of a project, while using project-based Housing Choice Vouchers to create innovation on the revenue side. This approach will be a forerunner to other jurisdictional collaborations for greatest need populations in Colorado.

## 2014-2015 Action Plan

The Local Government Financial Assistance Services section manages a number of grant and loan programs within the Department of Local Affairs specifically designed to address public facility, economic development, and service needs. Through coordination and outreach with the department's field offices, grant and loan resources are distributed on both a formula and discretionary basis depending upon applicable state statutory provisions, federal requirements and/or program guidelines. The section oversees applications, contract and payment distribution processes, performs grant monitoring, develops partnerships with federal funding agency providers and conducts training sessions for local government grantees in project administration activities

The Colorado Office of Economic Development and International Trade (OEDIT) strengthens Colorado's prospects for long-term economic growth by providing broad-based support to Colorado businesses. OEDIT fosters a positive business climate that encourages quality economic development through financial and technical assistance provided to support local and regional economic development throughout the State of Colorado. OEDIT uses its allocation of CDBG funds to help capitalize the state's Business Loan Funds. Currently, the state has 14 Business Loan Fund locations which have service areas covering the rural areas of the state.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Prevent and Eliminate Homelessness	2014	2015	Homeless	State of Colorado	Housing for the Homeless	HOME: \$1,159,637  ESG: \$1,674,830 Continuum of Care: \$19,913,628 Homeless Prevention Activities Program: \$110,000  Fort Lyons state funding: \$3,223,851	Housing for Homeless added: 75 Housing Units  Homeless Person Overnight Shelter: 20,000 Persons Assisted Overnight/Emergency Shelter/Transitional Housing Beds added: 210 Beds Homelessness Prevention: 15,000 Persons Assisted

2014-2015 Action Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
2	Meet Urgent Needs	2014	2015	Affordable Housing Public Housing Homeless Non-Housing Community Development Interim Assistance	State of Colorado	Housing for the Homeless	CDBG: \$100,000 as needed	Other: 10 Other  Flood recovery needs to be met through a separate allocation of CDBG disaster recovery funds.
3	Provide Housing with Supportive Services	2014	2015	Affordable Housing Non-Homeless Special Needs	State of Colorado	Affordable Housing With Supportive Services	HOPWA: \$432,586 HOME: \$927,710	HIV/AIDS Housing Operations: 65 Households Rental units constructed: 100 Housing Units Rental units rehabilitated: 50 Housing Units
4	Affirmatively Further Fair Housing	2014	2015	Fair Housing	State of Colorado	Local Government Capacity Building Non-Profit Capacity Building	CDBG: \$500 HOME: \$500	Other: 4 Other (training workshops)
5	Preserve Existing Affordable Housing	2014	2015	Affordable Housing	State of Colorado	Rehabilitation for Older Housing	CDBG: \$829,529 HOME: \$659,637	Rental units rehabilitated: 348 Housing Units Homeowner Housing Rehabilitated: 140 Households

2014-2015 Action Plan

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Increase Affordable Housing Supply	2014	2015	Affordable Housing	State of Colorado	Affordable Housing With Supportive Services Housing for the Homeless	CDBG: \$829,529 HOME: \$1,159,637	Rental units constructed: 400 Housing Units Homeowner Housing Added: 135 Housing Units
7	Improve Housing Affordability	2014	2015	Affordable Housing	State of Colorado	Affordable Ownership Housing Rental Assistance	CDBG: \$829,529 HOME: \$500,000	Homeowner Housing Added: 60 Households (down payment assistance) Other: 140 rental assistance
8	Support Small Business Development	2014	2015	Non-Housing Community Development	State of Colorado	Economic Development	CDBG: \$2,902,408	Jobs created/retained: 92 Jobs
9	Improve Public Infrastructure	2014	2015	Non-Housing Community Development	State of Colorado	Public Infrastructuew	CDBG: \$2,073,149	Jobs created/retained: 92 Jobs
10	Improve Local Government Capacity	2014	2015	Non-Housing Community Development	State of Colorado	Local Government Capacity Building	CDBG: \$414,630	Other: 338
11	Improve Housing Non-Profit Capacity	2014	2015	Affordable Housing	State of Colorado	Non-Profit Capacity Building	HOME: \$231,927	Other: 10 Other
12	Community Development and Capital Improvement	2014	2015	Non-Housing Community Development	State of Colorado	Public Infrastructure	CDBG: \$82,926	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 6335 Persons Assisted



## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

#### Goals Summary Information

Table 6 – Goals Summary

#### Goal Descriptions

<b>1</b>	<b>Goal Name</b>	Prevent and Eliminate Homelessness
	<b>Goal Description</b>	One of the primary goals in the coming year is to focus on increasing access to housing units (particularly for the chronically homeless, veterans, persons with disabilities, and youth) through the continuum of housing. The Homelessness Programs Team (HPT) will work towards the production of new permanent supportive housing units by providing leadership and technical assistance to local partners on the housing development process and resources. In 2014, the HPT partnered with the Colorado Housing and Finance Authority and Enterprise Community Partners to launch the “Pathways Home Supportive Housing Toolkit,” in which six communities participated in a permanent supportive housing capacity building workshop. Due to a number of interested partners statewide, the HPT will be beginning the second toolkit in the fall of 2014. Not only will this work shorten the period of time that individuals and families experience homelessness, the HPT will also facilitate increased access to affordable housing units.
<b>2</b>	<b>Goal Name</b>	Meet Urgent Needs
	<b>Goal Description</b>	This funding from the additional CDBG Disaster Recovery grants would be used to provide housing to Coloradans displaced from their homes by disasters that occurred during the 2013 flood. Disaster recovery grants will also help provide funding to meet non-housing needs created by the floods such as repair or replacement of damaged infrastructure and assistance to impacted businesses. No specific set aside has been made from our regular CDBG allocation for this purpose, but it is high on the list of priorities for this year because it is urgent and expected to occupy significant staff time and effort.

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<b>3</b>	<b>Goal Name</b>	Provide Housing with Supportive Services
	<b>Goal Description</b>	The Division of Housing will provide funding for housing designated for people who have physical, sensory or mental disabilities, people living with HIV/AIDS, and other hard-to-house groups of people, such as those released from prison with no home, women recovering from victimization of sex industry, or people recovering from addictions who need supportive services in addition to housing.
<b>4</b>	<b>Goal Name</b>	Affirmatively Further Fair Housing
	<b>Goal Description</b>	The Department of Local Affairs will affirmatively further fair housing in the current year by continuing the Fair Housing Training Series presented last year. This year we will continue our efforts by presenting a series of fair housing workshops around the state intended to educate property managers, PHA staff and others on disability-related fair housing requirements. In addition, DOLA will improve its outreach to Limited English Proficiency (LEP) Spanish speakers, and continuing to integrate fair housing considerations into its grant and award processes. Members of the disabilities community, Black/African American racial group, Hispanic/Latino ethnic group, female-headed households, are disproportionately represented among the low to extremely low income population, and therefore most at risk for high cost burden, low quality housing, and even homelessness. Therefore, they have the greatest needs for decent, affordable, and accessible housing.
<b>5</b>	<b>Goal Name</b>	Preserve Existing Affordable Housing
	<b>Goal Description</b>	The Division of Housing (DOH) will provide funding for the acquisition and rehabilitation of affordable rental housing, especially to preserve existing affordable units as affordable, and to improve the condition of existing affordable housing stock. DOH will also fund single-family rehabilitation programs that provide low-cost loans to low/moderate income homeowners to keep their homes habitable.
<b>6</b>	<b>Goal Name</b>	Increase Affordable Housing Supply
	<b>Goal Description</b>	The Division of Housing (DOH) will help to increase the affordable housing supply by providing funding for construction of both rental and ownership housing that is designated to be affordable to households and individuals whose income falls below 80% of the area median. DOH will maximize funding for housing affordable to families/households at the extremely-low and very-low income levels as much as possible and still make individual projects financially sustainable. Funding will come primarily from HOME Investment Partnership funds, but CDBG funds may be used to acquire property or to cover soft costs. Other primary funding resources will include the state Housing Development Grant fund and Housing Development Loan fund, as well as the Colorado Housing Investment Fund.

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7	<b>Goal Name</b>	Improve Housing Affordability
	<b>Goal Description</b>	Activities associated with this goal reduce the cost of housing by rental assistance, down payment assistance or contributions to development costs that will ultimately reduce the cost to the consumer, such as subsidies for Habitat for Humanity housing or land trust housing.
8	<b>Goal Name</b>	Support Small Business Development
	<b>Goal Description</b>	Provide assistance to small businesses to start or expand their operations, and partner with local banks to fill gaps in financing packages so that 51% of jobs created or retained are filled by persons of low to moderate income.
9	<b>Goal Name</b>	Improve Public Infrastructure
	<b>Goal Description</b>	Help communities with the installation of public infrastructure items such as water system, sanitary sewer system and/or storm drainage system improvements that will either: 1.) remedy problems from the existing system(s) being under-sized, leaky, out of regulatory compliance or obsolete, benefiting over 51% low to moderate income persons living in the entire community or in the specific area where the improvements are made; or 2.) benefit start-up and/or expanding businesses in a community that create or retain jobs, at least 51% of which will be filled by persons of low to moderate income.
10	<b>Goal Name</b>	Improve Local Government Capacity
	<b>Goal Description</b>	Increase the capacity of local governments to administer federal grants that facilitate the development of sustainable communities through training classes offered by the Department of Local Affairs, Division of Local Government. Accomplishments will be measured by the number of local governments which participate in the training.
11	<b>Goal Name</b>	Improve Housing Non-Profit Capacity
	<b>Goal Description</b>	This goal includes CHDO operating funding for pre-development and capacity building, resulting in the production of housing units, down payment assistance loans or rehabilitation loans within two years.
12	<b>Goal Name</b>	Community Development and Capital Improvement
	<b>Goal Description</b>	Provide financial assistance to rural communities to implement community development and capital improvement activities. Includes acquisition of property (to be used for public facilities), and construction or reconstruction of public facilities that primarily benefit low/moderate income persons.

### AP-25 Allocation Priorities – 91.320(d)

#### Introduction

Some allocations below are a given - for example, Emergency Solutions Grant funding is specifically for preventing homelessness and assisting and rehousing the homeless. The exact allocation of other resources below by priority need is very difficult to determine. It will depend on the types of projects for which DOLA receives applications and the specific features of a project will determine which funding source is most suitable.

#### Funding Allocation Priorities

	Prevent and Eliminate Homelessness (%)	Urgent Needs (%)	with Supportive Services (%)	Actively Further Fair Housing (%)	Existing Affordable Housing (%)	Affordable Housing Supply (%)	Improve Housing Affordability (%)	Business Development (%)	Local Government Capacity (%)	Improve Public Infrastructure (%)	Non-Profit Capacity (%)	and Capital Improvement (%)	Total (%)
CDBG		1.2	0	<1	10	10	8.8	30	5	25	0	10	100
HOME	25	0	25	<1	25	15	10	0	0	0	0	0	100
HOPWA	0	0	0	0	0	0	100	0	0	0	0	0	100
ESG	100	0	0	0	0	0	0	0	0	0	0	0	100
Continuum of Care	100	0	0	0	0	0	0	0	0	0	0	0	100
General Fund	25	0	0	0	50	25	0	0	0	0	0	0	100
Shelter Plus Care	100	0	0	0	0	0	0	0	0	0	0	0	100
Other Colorado Housing Investment Fund	0	0	0	0	100	0	0	0	0	0	0	0	100

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Other Energy and Mineral Impact Assistance Fund	0	0	0	0	0	0	0	0	0	0	100	0	0	<b>0</b>
Other Ft. Lyon Supportive Housing	100	0	0	0	0	0	0	0	0	0	0	0	0	<b>100</b>
Other Homeless Prevention Activities Program	100	0	0	0	0	0	0	0	0	0	0	0	0	<b>100</b>
Other NSP 1 Program Income	0	0	0	0	50	50	0	0	0	0	0	0	0	<b>0</b>
Other Private Activity Bonds	0	0	0	0	25	75	0	0	0	0	0	0	0	<b>0</b>
Other Section 8 HCV	0	0	0	0	0	0	100	0	0	0	0	0	0	<b>100</b>
Other State Rental Assistance Vouchers	0	0	0	0	0	0	100	0	0	0	0	0	0	<b>100</b>

Table 7 – Funding Allocation Priorities

### **Reason for Allocation Priorities**

The priorities for housing funding are to best serve those with the lowest incomes and the greatest needs. For example, the Division of Housing's most recent housing affordability and supply study indicates that there are twice as many families with incomes below \$35,000 as there are rental units affordable to them.

### **How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?**

Funding will be directed toward the projects that best fit each program's statutory and regulatory requirements and meet the needs of local communities for economic development, public infrastructure, facilities and services, and housing for those least able to afford it. One of the ways in which the funding allocation will address priority needs is demonstrated by funding for Preventing and Eliminating Homelessness. This need will receive all of the resources from the ESG Program, the Continuum of Care funding, and the state Homelessness Prevention Activities fund; 25% each of HOME funding and State HDG funding. In addition, some of the Permanent Supportive Housing will be designated for the homeless, chronically homeless, and homeless veterans.

### AP-30 Methods of Distribution – 91.320(d)&(k)

#### Introduction

DOLA uses different a different method of distribution for each fund type. HOPWA is the only program for which geographic distribution is explicitly included, and that distribution is based on need by region. Each of the other types of HUD funding is distributed competitively.

#### Distribution Methods

<b>1</b>	<b>State Program Name:</b>	Colorado Balance of State HOPWA Program
	<b>Funding Sources:</b>	HOPWA
	<b>Describe the state program addressed by the Method of Distribution.</b>	The resources of the HOPWA program are granted to Colorado AIDS Project (CAP), an umbrella organization that serves the balance of state outside the Denver Metro Area. CAP distributes funds through its subsidiary organizations, Southern Colorado AIDS Project, Western Colorado AIDS Project and Northern Colorado AIDS Project. CAP also enters into a memorandum of understanding with Boulder County AIDS Project to provide tenant-based rental assistance and supportive services in Boulder County. Funds are allocation on the basis of the number of people living with HIV/AIDS in each catchment area as well as the ability to use the funds timely. HOPWA funding will help clients access housing and related supportive services. Funds will enable low-income Coloradans living with HIV/AIDS and their families to achieve housing stability and gain access to health-care and related supportive services.
	<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	The Balance of State HOPWA program was designed in partnership with Colorado AIDS project, and there are no other organizations in the state capable of providing the same level of specialized services for people living with HIV/AIDS.

<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Not applicable.</p>
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<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Not applicable.</p>
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<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>The Division of Housing works with a consortium of Colorado AIDS Project (CAP) agencies to determine distribution of the expected \$432,586 allocated to the State of Colorado for federal fiscal year 2014. The funding will be distributed statewide according to the incidence of HIV/AIDS and the sponsors' ability to use the funds. The Division of Housing will also use up to 3% of funding for administrative costs. Colorado AIDS Project, the subrecipient, will use up to 7% of funding for its administrative costs.</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Colorado will receive \$432,586 in 2014 HOPWA funding. Of the total amount allocated to the state, 3% is retained for state administration, 7% is used for subrecipient administration, 78% to rental assistance, and 6% helps to fund supportive services.</p>

<b>Describe threshold factors and grant size limits.</b>	There are no designated factors or grant size limits other than those imposed by the size of the grant allocated to the State of Colorado.
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	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>We expect CAP to provide tenant-based rental assistance and supportive housing services to at least 65 low/mod income persons living with HIV/AIDS. The associated outcome measure is to increase the affordability of decent housing.</p>
2	<p><b>State Program Name:</b></p>	<p>Colorado Emergency Solutions Grant Program</p>
	<p><b>Funding Sources:</b></p>	<p>ESG</p>
	<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The Emergency Solutions Grant (ESG) is authorized by subtitle B of Title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378) as amended by the HEARTH Act. The goal of the ESG Program is to maximize communitywide planning and strategic use of resources to prevent and end homelessness, improve coordination with mainstream services, capitalize on existing strengths, increase efficiency, improve coordination within each community; realign existing programs and systems to focus on shortening homelessness; direct funding to the most critical services to help people achieve long-term housing stability and avoid becoming homeless again; standardize eligibility determinations and improve the targeting of resources to help those most in need; improve data collection and performance measurement; and allow each community to tailor its program to the particular strengths and challenges within that community.</p>

<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>ESG Housing Assistance applications will be submitted to the Division of Housing whose internal staff will screen applications for threshold criteria and forward eligible applications to a scoring committee. This committee, composed of seven members representing the three Continuums of Care, local government, a homeless or formerly homeless person and two at-large representatives, will score applications and recommend agencies for funding. The Program Manager will present funding recommendations to the Division Director, DOLA’s Executive Director and the State Housing Board. DOLA’s Executive Director will make the final funding decision.</p> <p>THRESHOLD CRITERIA</p> <ul style="list-style-type: none"> <li>• 501(c)(3) status or unit of general local government</li> <li>• Compliance with HMIS Participation</li> <li>• Dollar for dollar match requirement</li> <li>• Ability to meet certification of insurance requirement</li> </ul> <p>SCORING CRITERIA</p> <ul style="list-style-type: none"> <li>• Years of experience in serving special needs population</li> <li>• Staff capacity and track record for serving special needs population</li> <li>• Staff capacity and track record</li> <li>• Identify and document NEED for shelter and/or services</li> <li>• Financial capacity</li> <li>• Policies and procedures for assessing client needs</li> <li>• Ability to conduct income determinations</li> <li>• Ability to comply with grant requirements</li> </ul>
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<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Not applicable</p>
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<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Colorado uses an application process to solicit proposals for its ESG Program. The State will prioritize projects in ESG non-entitlement jurisdictions (local governments) for ESG funding; however, the State may elect to award Community Services Block Grant (CSBG) or Community Development Block Grant (CDBG) funding to <u>qualified non-entitlement local governments</u> in lieu of ESG funding.</p> <p>Applicants must prioritize the activities for which they are requesting funding and should develop programs that address supportive service needs and homelessness prevention. A grant review committee will judge how well proposed projects meet evaluation criteria and will score applications based upon the following criteria. The review will be primarily internal, based on agency performance in meeting standards.</p>
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<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>Not Applicable</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>ESG 2014 resources of \$1,674,830 will be allocated in the following approximate proportions:                      Homeless Prevention and Rapid Rehousing: 57%                      Homeless Assistance: 35%                      State Administration: 8%</p>



<b>Describe threshold factors and grant size limits.</b>	No minimum threshold or maximum grant size has been established for ESG funds.
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	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Street outreach and/or shelter services provide for the availability/accessibility of a suitable living environment. Homeless prevention and rapid rehousing provide for the affordability of decent housing;</p>
3	<p><b>State Program Name:</b></p>	<p>Colorado HOME Program</p>
	<p><b>Funding Sources:</b></p>	<p>HOME</p>
	<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The HOME Investment Partnership Program (HOME) was created by the National Affordable Housing Act of 1990. DOH has received an allocation of \$4,638,549 in HOME Investment Partnership funds for federal fiscal year 2014 with 10% \$ 463,854, dedicated to Administration. HOME funds provide competitive funding to local government, non-profits, and private developers. The purpose of the HOME Program is to provide a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or ownership or provide direct rental assistance to low-income people. Because the amount of HOME funds available is much smaller than the need, DOH will use a competitive application process.</p>
	<p><b>Describe all of</b></p>	<p>Funding applications for each project type will occur with the following frequencies:</p>

<p><b>the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<ul style="list-style-type: none"> <li>• Home Buyer Assistance Programs once a year</li> <li>• Rental Development Projects (new construction, acquisition, rehabilitation of existing structures) - Monthly</li> <li>• Special Needs Housing Projects (shelters, seniors, disabled, transitional), Subdivisions - Monthly</li> <li>• Operating funds for non-profits, housing studies - Once a year</li> <li>• Single-Family, Owner-Occupied Rehabilitation Programs - Once a year</li> <li>• Pre-development loans - Monthly</li> </ul> <p>The Division may end or defer consideration of housing proposals when no funds are available to commit, or when proposals are incomplete or premature.</p> <p>In addition to establishing a schedule for reviewing and approving applications, DOH has created a set of minimum standards that an application must meet to move forward in the approval process. The minimal criteria include demonstrated need for the project, sufficient administrative capacity, completeness of the application, project readiness to proceed, compliance with Division of Housing Energy Performance Standard Policy and Affordability Period Policy, and compliance with Consolidated Action Plan Annual funding priorities.</p> <p>After meeting the minimum criteria, the application is underwritten using two tools that analyze applications and guide potential applicants: the Cost and Effectiveness Rating Instrument (CERI) and the Funding Gap Analysis Spreadsheet. DOH staff members review applications to ensure that proposals meet the federal requirements for each program, including the HOME program.</p> <p>DOH staff and the State Housing Board use the Cost and Effectiveness Rating Instrument (CERI) and the Funding Gap Analysis Spreadsheet to evaluate the relative merits of funding applications. Four separate assessments determine the Division’s Cost Effectiveness Rating – cost per person housed, externalities, rent savings and leveraging. The sum of these assessments measures the cost and effectiveness of each development.</p> <p>The second tool used by DOH staff is a gaps analysis spreadsheet, used to analyze project development cost, income and expense. This analysis determines how much debt a project can reasonably service, and the amount of gap funding required for the project to proceed. A variety of sources, including DOH-administered funding, fill that "gap."</p>
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<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Application instructions are posted on our web site and can be downloaded along with the application form.</p>
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<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Not Applicable</p>
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<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>Not Applicable</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Because the Division of Housing bases its allocations on a competitive process, the exact allocation among funding categories cannot be determined in advance. The Division retains 10% of its allocation from HUD for state administrative costs, allocates the required 15% for the CHDO reserve, and customarily allocates the maximum 5% for CHDO operating.</p>

<b>Describe threshold factors and grant size limits.</b>	There are no established minimum or maximum grant sizes. Rather, DOH provides enough HOME funds to fill the gap between need and existing funding; no more than is needed to ensure that a project is adequately capitalized.
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	<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Most of the projects funded will meet the outcome measure of providing for availability/accessibility of decent housing. Others, such as TBRA or down-payment assistance provide for the affordability of decent housing.</p>
<p><b>4</b></p>	<p><b>State Program Name:</b></p>	<p>Colorado State CDBG Program</p>
	<p><b>Funding Sources:</b></p>	<p>CDBG</p>



<p><b>Describe the state program addressed by the Method of Distribution.</b></p>	<p>The State of Colorado, Department of Local Affairs, administers the "State and Small Cities" Community Development Block Grant (CDBG) program for non-entitlement jurisdictions of the State.</p> <p>The mission of the CDBG program is to improve the economic, social and physical environment of eligible cities and counties in ways that enhance the quality of life for low- and moderate-income residents.</p> <p>The Department's Division of Housing has "lead" responsibility for housing and homeless assistance projects funded through the program. The Department's Division of Local Government (DLG) is responsible for CDBG assisted public facilities and community development projects, as well as overall coordination of the State's CDBG program. For economic development projects, DLG works in cooperation with the Governor's Office of Economic Development and International Trade (OEDIT).</p> <p>The "<b>entitlement</b>" program." The U.S. Department of Housing and Urban Development (HUD) directly administers CDBG to jurisdictions that meet certain thresholds. Entitlement communities are those cities within a metropolitan area that have a population of 50,000 or more, or are designated as a "central city," and counties that are within a metropolitan area that have a combined population of 200,000 or more in their unincorporated areas and non-entitlement municipalities. There are 21 entitlement jurisdictions in Colorado, <u>not eligible</u> for State CDBG. Please refer to Appendix D for the list of entitlement jurisdictions.</p> <p>The "<b>non-entitlement</b>," or "<b>State and Small Cities</b>," program. This portion of the overall program assists communities that do not qualify for the entitlement program. The State of Colorado assumed responsibility for administration of this portion of the CDBG program starting in federal Fiscal Year 1983. The State is given latitude in its interpretation of requirements and regulations and in the design of its programs through maximum feasible deference (24 CFR Part 570.480(c). The State of Colorado uses this latitude in the design and implementation of its CDBG program.</p> <p>OEDIT is responsible for promoting and fostering economic development efforts at the local level by providing financial assistance in the form of loans and loan guarantees to businesses in their respective regions. The loan program is locally driven, with each loan fund having its own local loan review committee and local Board of directors who approve the types of businesses they feel will have a positive economic impact in the community. The State has an appointed Financial Review Committee staffed by OEDIT that must approve CDBG-funded transactions of \$100,000 or more.</p>
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<p><b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b></p>	<p>The State will receive an allocation of \$8,292,594 in FFY 2014. Of this amount, about \$7,628,194 will be available for commitment to local projects, and about \$348,778 (3% of total, or \$248,778 + \$100,000 = \$348,778) will be available to the State for administration of the program and will be matched on a dollar-for-dollar basis with State funds.</p> <p>The State plans to use its CDBG award, plus any funds de-obligated from local governments and previous annual grant remaining balances, for public facility, economic development and housing activities. Because funds are distributed through a competitive process, the State cannot predict the ultimate geographic distribution of CDBG resources.</p> <p>DOLA will distribute CDBG resources through a competitive process to eligible non-entitlement local governments through the divisions who administer these programs. The Division of Housing administers housing programs, the Division of Local Government administers public facility and economic development programs in cooperation with the Governor’s Office of Economic Development and International Trade.</p> <p>No less than seventy percent (70%) of funds received by the State during the period of FFYs 2012, 2013, and 2014 will be used for project activities that benefit low- and moderate-income persons.</p>
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<p><b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b></p>	<p>Potential applicants can access application instructions and the Department of Local Affairs' CDBG manual on our web site, <a href="http://www.colorado.gov/cs/Satellite/DOLA-Main/CBON/1251592188687">http://www.colorado.gov/cs/Satellite/DOLA-Main/CBON/1251592188687</a>, or by contacting the regional manager or housing development specialist.</p>
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<p><b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b></p>	<p>Not Applicable</p>
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<p><b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b></p>	<p>Not Applicable.</p>
<p><b>Describe how resources will be allocated among funding categories.</b></p>	<p>Three divisions of the State use CDBG funds: the Division of Local Government, the Division of Housing, and the Office of Economic Development and International Trade. These divisions collaborate to create a seamless approach to funding community development needs. The FFY 2014 CDBG funds will be divided among these divisions, and more or less funding in each category may actually be awarded, depending on the relative quality and quantity of proposals received and on State priorities.</p> <p>The State will provide information upon request for those communities interested in applying for guaranteed loan funds under subpart M, the Section 108 Loan guarantee program, as well as give consideration to funding multi-year and/or multipurpose applications.</p>

<b>Describe threshold factors and grant size limits.</b>	The Department of Local Affairs has set no absolute limits to the amount of funding an applicant may request. The Department suggests that \$600,000 be considered the maximum grant guideline for public facility or community development projects. There is no suggested maximum for housing projects. There is no maximum limit for economic development projects. Suggested guidelines vary based on the use of funds.
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<p><b>What are the outcome measures expected as a result of the method of distribution?</b></p>	<p>Public facilities funding provides for the sustainability of a suitable living environment. Housing uses of CDBG money provide for either the affordability or availability of decent housing. Economic Development strategies provide for the sustainability of expanded economic opportunity.</p>
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**Table 8 - Distribution Methods by State Program**

**Discussion**

All methods of distribution are designed to meet specific program requirements and to ensure the most effective use of the funds by incorporating competitive processes in the HOME, CDBG and ESG distribution.



## AP-35 Projects – (Optional)

### Introduction

The projects below will be used to meet the needs addressed in this plan through the goals spelled out in part AP-20. Each project may be applicable to more than one goal and help to meet more than one priority need.

#	Project Name
1	Homeowner - Single-Family Owner-Occupied Rehab
2	Tenant-Based Rental Assistance for People with Special Needs
3	Rental Rehabilitation
4	Permanent Supportive Housing
5	Homeownership New Development
6	Rental New Construction
7	Rental Acquisition and Rehabilitation
8	Homeownership Assistance
9	Ownership Housing - Land Trusts
10	Urgent Need
11	CHDO Operating

**Table 9 – Project Information**

### Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities are established to get the maximum amount of benefit to the people of Colorado from the limited amount of funding available. We focus on the worst case needs, lowest incomes, and problems experienced by the largest number of people.

DOLA provides assistance to local governments in the general areas of budgeting, finance, general government administration, special district administration and elections, and water and wastewater management. Technical assistance staff also process and assist with required local government filings that are received by the Department of Local Affairs, and research information for state and local governments, and other interested individuals.

Technical Assistance Services include administrative, financial, and other assistance to local officials, staff, and citizens in the day-to-day operation of a local government. The Technical Assistance Section delivers assistance through workshops, publications, individual consultations and on-line resources.

The Division of Local Government (DLG) provides professional assistance to help local governments manage their finances, including investment and cash management, short and long term capital financing, revenue development, expenditure control, and banking. Staff provides financial trend

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analyses, a valuable tool in predicting future outcomes. DLG offers an annual series of workshops, usually at six to nine locations around the state on topics of current financial management interest.

Supplying safe drinking water and treating wastewater are two of the basic services local governments provide. Department staff helps communities address the water and wastewater problems they often face, from deteriorating distribution lines to inadequate budgeting and accounting practices.

Department staff helps analyze needs and develop goals, develop a capital improvement program, analyze rate structures for user and tap fees, coordinate with the Colorado Department of Public Health and Environment and other state and federal agencies, explore funding alternatives, and identify plant operator training programs.

DOLA, through OEDIT, serves all rural counties with its Business Loan Funds. The Department reaches out to businesses by annually participating in at least five regional business finance forums throughout the state. The State advertises its infrastructure grants to municipal, county and economic development officials.

Through the Division of Housing (DOH), DOLA addresses the needs of the underserved by:

- (1) promoting development of low-income housing using 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 enhance the revenue of the project;
- (2) applying for Veterans Housing Authority vouchers (VASH) to assist veterans experiencing homelessness;
- (3) creating an initiative to ensure linkage between housing and Medicaid, SAMHSA, TANF and other mainstream human service assistance;
- (4) working with key stakeholder groups to recognize and treat the long-term effects of addiction and alcoholism as a disabling condition; and
- (5) coordinating HEARTH ACT services with Continua of Care and local jurisdictions to ensure that it funds projects and programs to meet the greatest homeless needs.

## AP-38 Project Summary

### Project Summary Information

<b>1</b>	<b>Project Name</b>	Homeowner - Single-Family Owner-Occupied Rehab
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Preserve Existing Affordable Housing
	<b>Needs Addressed</b>	Affordable Housing With Supportive Services Housing for the Elderly Rehabilitation for Older Housing
	<b>Funding</b>	CDBG: \$725,000 HOME: \$500,000
	<b>Description</b>	Provide funding to allow local governments and 105(a)(15) entities to make low-interest loans to low and moderate households for necessary repairs and rehabilitation to their homes.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	128 Households, all below 80% AMI
	<b>Location Description</b>	CDBG non-entitlement areas, mostly rural areas; HOME in CDBG entitlements
	<b>Planned Activities</b>	Provide low-cost loans to low/moderate income homeowners for health/safety and code-related rehabilitation to their homes. In addition, some rehabilitation performed will improve the accessibility of single-family homes for people with disabilities.
<b>2</b>	<b>Project Name</b>	Tenant-Based Rental Assistance for People with Special Needs
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Improve Housing Affordability Provide Housing with Supportive Services
	<b>Needs Addressed</b>	Housing for the Homeless Affordable Housing With Supportive Services
	<b>Funding</b>	HOPWA: \$432,586 HOME: \$1,800,000
	<b>Description</b>	Provide rental assistance for people with disabilities, people with HIV/AIDS, and the elderly.
	<b>Target Date</b>	N/A

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Roughly 60 households, all below 80% AMI. Mostly small families.
	<b>Location Description</b>	All parts of Colorado outside the area covered by the Denver HOPWA grant.
	<b>Planned Activities</b>	Activities set up under this project will provide tenant-based rental assistance to homeless families as part of multi-agency efforts to help homeless school-aged children and their families. HOME funds will also be used to provide housing to severely mentally ill/dual diagnosis prisoners released as homeless who participate in the Colorado Second-Chance Housing and Re-entry program, to help keep them from lapsing into life on the street.
<b>3</b>	<b>Project Name</b>	Rental Rehabilitation
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Increase Affordable Housing Supply Preserve Existing Affordable Housing Provide Housing with Supportive Services
	<b>Needs Addressed</b>	Housing for the Homeless Affordable Housing With Supportive Services Affordable Rental Housing Housing for the Elderly Rehabilitation for Older Housing
	<b>Funding</b>	CDBG: \$95,000 HDG: \$1,300,000
	<b>Description</b>	Preserve the supply of affordable rental housing through rehabilitation needed for health or safety and to keep the properties marketable.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	580 low/moderate income families
	<b>Location Description</b>	Scattered sites statewide
<b>Planned Activities</b>	This project will fund activities that rehabilitate affordable rental housing. The location and specific number of rental properties will be determined by the Division of Housing's competitive process.	
<b>4</b>	<b>Project Name</b>	Permanent Supportive Housing

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	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Prevent and Eliminate Homelessness Provide Housing with Supportive Services
	<b>Needs Addressed</b>	Housing for the Homeless Affordable Housing With Supportive Services Housing for the Elderly
	<b>Funding</b>	General Fund (HDG): \$2,300,000
	<b>Description</b>	This project will fund activities that build or rehabilitate housing to be used as permanent supportive housing for the homeless or for people with special needs.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	180 households with members who are disabled or frail elderly, or who have been chronically homeless.
	<b>Location Description</b>	Statewide
	<b>Planned Activities</b>	This project will fund new construction and rehabilitation of properties that will provide permanent housing with supportive services for the chronically homeless, people with disabilities, or the frail elderly.
5	<b>Project Name</b>	Homeownership New Development
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Increase Affordable Housing Supply Improve Housing Affordability
	<b>Needs Addressed</b>	Affordable Ownership Housing
	<b>Funding</b>	HOME: \$700,000
	<b>Description</b>	This project will fund activities that help create new affordable single-family homes.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	
	<b>Location Description</b>	Statewide

	<b>Planned Activities</b>	Will subsidize costs of land or infrastructure to reduce the cost of single-family homeownership for very low, low and moderate income households.
<b>6</b>	<b>Project Name</b>	Rental New Construction
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Increase Affordable Housing Supply
	<b>Needs Addressed</b>	Affordable Rental Housing
	<b>Funding</b>	HOME: \$2,000,000 General Fund: \$1,000,000
	<b>Description</b>	This project will fund activities that create new affordable rental housing that is not specific to the homeless or special needs populations.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	640 households
	<b>Location Description</b>	Statewide
	<b>Planned Activities</b>	
<b>7</b>	<b>Project Name</b>	Rental Acquisition and Rehabilitation
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Increase Affordable Housing Supply
	<b>Needs Addressed</b>	Affordable Rental Housing Rehabilitation for Older Housing
	<b>Funding</b>	CDBG: \$170,000 CHIF: \$3,300,000 HDG: \$160,000
	<b>Description</b>	This project will fund activities that acquire properties for use as affordable rental housing and which may also need to be rehabilitated.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	200 low/moderate income households
	<b>Location Description</b>	Statewide

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	<b>Planned Activities</b>	
<b>8</b>	<b>Project Name</b>	Homeownership Assistance
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Improve Housing Affordability
	<b>Needs Addressed</b>	Rehabilitation for Older Housing Affordable Ownership Housing
	<b>Funding</b>	CDBG: \$265,000 HOME: \$332,000
	<b>Description</b>	Provide low-cost down payment assistance loans to low and moderate income households, thus improving affordability of homeownership.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	69
	<b>Location Description</b>	Statewide
	<b>Planned Activities</b>	Will support the down payment assistance programs provided by a variety of non-profit organizations to serve counties in the non-entitlement areas of the state.
<b>9</b>	<b>Project Name</b>	Ownership Housing - Land Trusts
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Improve Housing Affordability
	<b>Needs Addressed</b>	Affordable Ownership Housing
	<b>Funding</b>	HOME: \$268,000
	<b>Description</b>	Provide funding for ownership housing created through the land trust model by contributing funds for acquisition of land or existing housing through non-profit housing providers. Reduces the cost of housing for the homebuyer.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	16-20
	<b>Location Description</b>	Statewide

	<b>Planned Activities</b>	Will support land trust homeownership that reduces the cost of purchasing a home for low and moderate income households.
<b>10</b>	<b>Project Name</b>	Urgent Need (Disaster Recovery)
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Meet Urgent Needs
	<b>Needs Addressed</b>	Housing for the Homeless Public Infrastructure
	<b>Funding</b>	CDBG-DR: \$261,000,000 (special emergency allocation) CDBG: \$100,000
	<b>Description</b>	Rehabilitation of residential and commercial buildings; Constructing or rebuilding public facilities including street, water & sewer and drainage systems; Financial assistance to impacted businesses, including agriculture businesses; Prevention of further damage to affected areas.
	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Over 28,000 dwellings were affected by the flood.
	<b>Location Description</b>	Presidentially Declared Disaster Area: Adams, Arapahoe, Boulder, Clear Creek, El Paso, Fremont, Jefferson, Larimer, Logan, Morgan and Weld counties for individual assistance; plus Crowley, Denver, Fremont, Gilpin, Lake, Lincoln, Sedgwick and Washington counties for public assistance.
	<b>Planned Activities</b>	
<b>11</b>	<b>Project Name</b>	CHDO Operating
	<b>Target Area</b>	State of Colorado
	<b>Goals Supported</b>	Increase Affordable Housing Supply Improve Housing Non-Profit Capacity
	<b>Needs Addressed</b>	Affordable Rental Housing Housing for the Elderly Affordable Ownership Housing Non-Profit Capacity Building
	<b>Funding</b>	HOME: \$213,362



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<b>Description</b>	Improve non-profit capacity by funding operating costs of qualified Community Housing Development Organizations related to the production of new affordable housing.
<b>Target Date</b>	
<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This will benefit about 10 organizations. Since these funds enable them to lay the groundwork for future unknown projects, we cannot estimate the number of low/moderate income families that will benefit.
<b>Location Description</b>	Statewide
<b>Planned Activities</b>	While no specific activities are defined at this time, the Dept. of Local Affairs typically funds about 10 CHDO Operating grants using the maximum 5% of HOME funds to help CHDOs build their staff capacity for producing affordable housing.

**AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

No

**Available Grant Amounts**

**Acceptance process of applications**

## **AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?**

Yes

### **State's Process and Criteria for approving local government revitalization strategies**

The Colorado Main Street program works with communities throughout Colorado to revitalize their historic commercial districts. The Main Street approach is a nationally recognized, successful program in which communities apply a comprehensive approach to improving their districts, creating jobs, and building a stronger economic base, all while preserving the character of the community. In addition, the Main Street program helps communities develop thoughtful development plans with maximum stakeholder engagement. The Colorado Main Street program sees a strong potential to partner with the CDBG program to offer more in-depth services to our non-entitlement areas, especially those affected by a major event such as a disaster, loss of major employer, or sustained stagnant/declining economy. Additionally, both programs could support each other by marketing and educating communities about the other. Ideally, Main Street Staff would like the opportunity to work with CDBG staff to explore how to connect our programs and how to best direct funds that will ultimately benefit the communities we serve.

The Main Street staff would like to have the continued opportunity to work with CDBG staff to further explore which processes to follow or develop in order to maximize efficiencies for the communities and programs.

## AP-50 Geographic Distribution – 91.320(f)

### Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

The Department of Local Affairs distributes its funding using competitive applications processes for all funding other than HOPWA. This means that geographic distribution cannot be predicted, and will often be determined by the capacity of local governments and non-profits to carry out projects successfully and in compliance with program regulations. This may result in geographic distribution that is not consistent with geographic need.

In September 2013, Colorado suffered catastrophic flooding as a result of unprecedented rainfall across twenty-four counties in the State, of which 18 were Presidentially Declared Disaster Areas<sup>2</sup>. The floods impacted the entire social fabric of the State, causing major destruction to housing, businesses, and infrastructure. The Department of Local Affairs includes prioritization of these flood impacted areas in the use of all funding programs other than HOPWA, without exclusion of any projects on the basis of their location.

For detailed information on the specific use of CDBG - Disaster Recovery funds in the areas impacted by the September 2013 floods visit <http://dola.colorado.gov/cdbg-dr/content/action-plans>.

### Geographic Distribution

Target Area	Percentage of Funds
State of Colorado	100

Table 10 - Geographic Distribution

### Rationale for the priorities for allocating investments geographically

Not applicable

### Discussion

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<sup>2</sup> **Counties Approved for FEMA Individual Assistance under 4145-DR: 11**

Adams, Arapahoe, Boulder, Clear Creek, El Paso, Fremont, Jefferson, Larimer, Logan, Morgan and Weld.

**Counties Approved for FEMA Public Assistance under 4145-DR: 18**

Adams, Arapahoe, Boulder, Clear Creek, Crowley, Denver, El Paso, Fremont, Gilpin, Jefferson, Lake, Larimer, Lincoln, Logan, Morgan, Sedgwick, Washington and Weld.

## Affordable Housing

### AP-55 Affordable Housing – 24 CFR 91.320(g)

#### Introduction

The following goals are based on the 2010 - 2015 Consolidated Plan adjusted for changes in Federal funding levels that have occurred since that plan was developed, and changes in homeless programs created by the HEARTH Act. The goals below are limited to those that will use HUD Consolidated Plan funds; additional housing and services will be created using other funding sources.

While we have prioritized housing for the homeless and for people with disabilities or other special needs, it is important to understand that the different types of housing activities serve all types of people with low or moderate incomes.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	8,000
Non-Homeless	6,000
Special-Needs	13,190
Total	27,190

**Table 11 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	140
The Production of New Units	579
Rehab of Existing Units	100
Acquisition of Existing Units	15
Total	834

**Table 12 - One Year Goals for Affordable Housing by Support Type**

#### Discussion

DOLA's ability to meet housing goals will be largely determined by the types of applications that are brought forward, the quality of each proposed project, and the type of funding most suitable to each. This may result in production of units that is not consistent with the projections above.

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction**

Housing assistance provided by the Division of Housing (DOH) is funded by HUD. These federal funds are used in the administration of the Housing Choice Voucher program. DOH has jurisdiction to serve all 64 counties within the state.

The current rental assistance programs retain the number of vouchers formerly targeted to persons with special needs including those with developmental, mental health, substance abuse and/or physical disabilities. DOH partners with thousands of private landlords and approximately 50 community-based service providers across the State to combine housing assistance with supportive services. These providers include: mental health centers, centers for independent living, community center boards, and homeless service providers. The four-way partnership between DOH, the service agency, the property owner and the participant ensures an effective and efficient approach to providing housing and supportive services to some of Colorado's most vulnerable citizens.

Other Housing Choice Vouchers are also targeted to people most in need; however preferences are provided to a wide array of individuals including the homeless, victims of domestic violence, and other disenfranchised populations. DOH primarily partners with local housing authorities, many in rural areas, to administer the vouchers.

### **Actions planned during the next year to address the needs to public housing**

The State of Colorado does not own or operate any public housing.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

The State does not operate public housing and therefore does not plan resident initiatives. However, the State does encourage its partner organizations in their efforts to provide resident initiatives in their public housing properties.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

The Division of Housing PHA is not designated as troubled.

### **Discussion**

The Division of Housing (DOH), like all HUD-funded public housing authorities, is required to follow the Department of Housing and Urban Developments (HUD) program regulations. HUD clearly outlines participant obligations, program administration regulations, and required statutes for public housing

authorities to follow. However, DOH has designed an approach to administering the very regulation-intensive Housing Choice Voucher (HCV) Program that complies with HUD regulation while keeping the unique needs and successes of its participants as the primary goal.

DOH contracts/partners with 66 nonprofit disability providers, homeless providers and housing authorities across Colorado in addition to other community housing partners. Partnerships include 15 of Colorado's Community Mental Health Centers, all but two of the State's Community Center Boards, and many of the Independent Living Centers. Through these partnerships, each HCV participant is assigned an agency residential coordinator with whom they work directly to complete the required housing processes. In addition, most participants also have access to case management services to assist in other aspects of their lives. Most residential coordinators have experience and training working with persons with disabilities and/or special needs. This training brings a level of support that is unmatched at most public housing agencies. If a participant does not complete the necessary paperwork, or does not attend a scheduled meeting, the participant is not terminated but rather the residential coordinator reaches out to the participant, visiting their house if necessary.

DOH has also implemented alternatives to termination by considering all circumstances including an individual's disability and the role the disability may have played in the program violation. DOH only proceeds to immediate termination in the most extreme cases. In all other circumstances, DOH implements its termination process that involves conferences with program participants where the program violations are discussed and alternatives to termination are developed. The close relationship with DOH's agency partners often facilitates successful resolutions by bringing all interested parties to participate in a dialogue.

Additionally, DOH provides statewide training opportunities designed to assist both the public and private sector housing providers in working with persons with disabilities and other special needs populations. The trainings cover topics such as Fair Housing and are designed to educate the housing community on housing persons with disabilities.

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction**

In 2012, DOH created the Homeless Programs Team (HPT) in partnership with the Governor's Office made up of key personnel from DOH. The HPT provides expertise on housing and homelessness and represents the State Office of Homeless Youth Services, families with children, senior citizens, veterans, persons with disabilities, and those who experience chronic homelessness. This team is now in place to focus exclusively on ending and preventing homelessness for Colorado's most vulnerable citizens. Activities carried out by the HPT include the facilitation of partnerships to create more permanent supportive housing, management of Federal Supportive Housing Programs, serving those with special needs and advising the Emergency Solutions Grant (ESG) allocation. The HPT advises other DOH staff members and the DOH Director on the regional needs to address homelessness, makes funding recommendations for programs statewide and researches, analyzes and sets policies to address homelessness statewide.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The HPT will continue to work closely with the Governor's office to use data from the Vulnerability Index survey tool in communities around the State to identify the most vulnerable individuals experiencing homelessness. With the information gleaned from the Vulnerability Index along with the annual HUD Point-in-Time survey data, the HPT makes funding and policy recommendations for new supportive housing partnerships. An example of this in the coming year is increased advocacy for Veterans' supportive housing as the population has been found to be extremely vulnerable and experiencing high levels of chronic homelessness in several communities according to survey tools. DOH works with community partners to assess the individual needs of program participants and works to fund a continuum of service-enriched housing from very intensive services, serving chronically homeless individuals for example, to less intensive "step up" supportive housing models with case management services available as needed.

#### **Addressing the emergency shelter and transitional housing needs of homeless persons**

While the HPT prioritizes permanent supportive housing, DOH also works to address emergency shelter and transitional housing needs of homeless persons. Each community's needs for emergency and transitional housing are determined by the population that they serve, mainly through the survey data collected statewide. Many communities are in need of additional emergency shelters and transitional housing units and the HPT will recommend funding, specifically through the ESG program, to fill the local service gaps for those experiencing homelessness. During 2013-2014, DOH funded sixty-four programs statewide providing emergency shelter and other homeless prevention activities to address the needs of those experiencing homelessness in Colorado communities. DOH will continue this into the future,



awarding ESG funding to local HUD Continuum of Care organizations in order to give local organizations a greater ability to prioritize programs based upon their unique needs. Additionally, the HPT advises DOH staff and Housing Development Specialists on emergency shelter and transitional housing projects that are appropriate for, and in need of federal CDBG or HOME funds in order to serve homeless individuals and families.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

One of the primary goals in the coming year for the HPT is to focus on increasing access to housing units (particularly for the chronically homeless, veterans, persons with disabilities, and youth) through the continuum of housing. This calls for collaboration and capacity building at the local level to help communities identify their service gaps and most vulnerable populations with the longest histories of homelessness. Also, the HPT will work towards the production of new permanent supportive housing units by providing leadership and technical assistance to local partners on the housing development process and resources. Not only will this work shorten the period of time that individuals and families experience homelessness; the HPT will also facilitate increased access to affordable housing units. The team will accomplish this by working with new and existing projects to promote unit set-asides for targeted populations (e.g. chronically homeless, veterans, persons with disabilities, or youth) and recommend incentives for this such as project-based voucher allocations for projects dedicating units to priority populations.

Additionally, DOH has taken the lead on a pilot project converting a recently closed State Prison - the Ft. Lyon facility in Bent County, CO - into affordable housing. Specifically, the Ft. Lyon program will combine many state, local, federal, and private resources (including mortgage settlement funds awarded to Colorado) to provide a place for chronically homeless veterans to transition from homelessness to permanent housing with a HUD-Veterans Assisted Supportive Housing (VASH) voucher. The Ft. Lyon facility will provide a place for stabilization and treatment for those experiencing chronic homelessness for the longest period of time in Colorado-not exclusively veterans- with intensive services and access to permanent housing upon exit. This exciting pilot is scheduled to commence in early 2013.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

DOH will continue to provide temporary homelessness prevention services and funding through the ESG grant. The HPT is collaborating with numerous other agencies as part of the Pathways Home Colorado initiative to prevent homelessness by increasing the supply of affordable housing, improving access to mainstream benefits, improving access to education and employment opportunities, improving access to the supportive services needed by some populations to maintain housing. A copy of the Pathways Home Colorado document is attached to this AAP.

## **Discussion**

DOH is pleased to report the progress of the HPT and our efforts as a State towards preventing and ending homelessness. We hope that our model of establishing the HPT to provide leadership and focus specifically on housing for special needs populations is one that can be successfully replicated in other States and Regions.

The HPT has made significant progress since its inception in 2011; this past year the team has launched the "Permanent Supportive Housing Toolkit," and has administered over 100 new state-funded housing vouchers for Colorado's most vulnerable citizens experiencing homelessness. The HPT also supported the work of DOH in the groundbreaking launch of the Ft. Lyon Supportive Residential Community, a state-funded transitional housing and treatment program for chronically homeless individuals with substance abuse disorders. As the HPT continues to expand its programs, there will be a continued focus on creating more supportive housing opportunities for those most in need by maximizing Federal, state, regional, and local resources.

**AP-70 HOPWA Goals – 91.320(k)(4)**

<b>One year goals for the number of households to be provided housing through the use of HOPWA for:</b>	
Short-term rent, mortgage, and utility assistance to prevent homelessness of the individual or family	0
Tenant-based rental assistance	60
Units provided in permanent housing facilities developed, leased, or operated with HOPWA funds	0
Units provided in transitional short-term housing facilities developed, leased, or operated with HOPWA funds	0
Total	60

## **AP-75 Barriers to affordable housing – 91.320(i)**

### **Introduction**

The State's rapid development from the early 1990s to early 2000s made growth management issues a concern for State and local elected officials in Colorado and caused many communities to adopt policies that growth should "pay its own way." This resulted in sometimes complex impact fee structures. These growth-control policies and fees remain in place and continue to work against development of affordable housing.

Growth control policies can serve either as management tools controlling and directing appropriate development – or as regulatory barriers to prevent additional development. This is most apparent in housing development, which is affected by every tool a community might use to control growth. Tools include annexation and zoning policies, both in terms of the amount of land available for residential development and its density; subdivision design and engineering standards; impact fees for infrastructure and other public facilities; building codes; limits on the number of building permits allowed each year; and regulations to protect environmental and cultural resources.

The Division defines "regulatory barriers" as either deliberate or de facto actions that prohibit or discourage construction of affordable housing without reasons directly related to public health and safety. Additionally, a regulatory barrier can be a federal, State, or local statute, ordinance, policy, custom, practice, or procedure that excessively increases the cost of new or rehabilitated housing, either by improperly restricting the location of housing, or by imposing unjustified restrictions on housing development with little or no demonstrated compensating assistance.

The problems created by regulatory barriers are compounded by the "not in my backyard" syndrome. The problem of finding suitable sites for affordable housing or community development projects continues to be a problem in Colorado. Many neighborhoods are unwilling to have mixed income rental units, housing for persons with special needs or senior housing. This lack of understanding and fear of affordable housing residents also hampers efforts to expand Colorado's affordable housing inventory.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

DOLA staff works with local governments and housing providers to increase their capacity to design, locate and provide infrastructure, economic development and new affordable housing projects. The Department supplements technical assistance with statewide training including capacity building activities for local governments, technical assistance to nonprofit organizations and classes such as the *Developer's Toolkit*, *Hammering out the Deal*, and application workshops for housing.

DOH provides technical assistance to local governments that want to modify land use regulations in order to encourage affordable housing development. During our application review process, the

Division makes 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.

The primary way the Division will provide technical assistance is through its ongoing discussions with local governments during project funding. The Division will also provide workshops for local government officials about regulatory barriers as requested.

### **Discussion**

Barriers to affordable housing are also barriers to fair housing in most instances. Specifically, since members of racial and ethnic minorities, women, and people with disabilities, protected under Fair Housing law, are disproportionately low-income, lack of affordable housing places greater burdens on them. Overcoming barriers to affordable housing is essential to providing fair housing opportunity for all.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction**

#### **Actions Planned to Affirmatively Further Fair Housing:**

Our major initiative for Fair Housing will be to partner with Housing Colorado to continue providing fair housing workshops in different areas of the state to improve the capacity of PHAs and other affordable housing providers that receive funding from the Division of Housing. The workshops will include an overview of fair housing requirements and then focus on the needs of people with disabilities.

Another initiative is a partnership with the new local fair housing advocacy organization Metro Denver Fair Housing to advance fair housing education and compliance. A full list of DOLA's expected actions to address impediments to, and affirmatively further fair housing are in the appendices attached to this plan.

#### **Actions planned to address obstacles to meeting underserved needs**

Within the Division of Local Government, general areas of assistance to the underserved include, but are not limited to budgeting, finance, general government administration, special district administration and elections, and water and wastewater management. In addition, technical assistance staff processes and assists with a number of required local government filings that are received by the Department of Local Affairs, and perform research functions for the state, local governments, and other interested individuals.

Technical Assistance Services include administrative, financial, and other assistance to local officials, staff, and citizens in the day-to-day operation of a local government. The Technical Assistance section delivers assistance through workshops, publications, individual consultations and on-line resources.

The Division of Local Government provides professional assistance to local governments in many areas of financial management, including investment and cash management strategies, short and long term capital financing options, revenue development, expenditure control, and banking. Staff is available to provide financial trend analyses, a valuable tool in predicting future outcomes. The Division of Local Government offers an annual series of workshops usually at six to nine locations around the state on topics of current financial management interest.

Supplying safe drinking water and treating wastewater are two of the basic services local governments provide. Department staff can assist communities in addressing the range of water and wastewater problems they often face, from deteriorating distribution lines to inadequate budgeting and accounting practices. Department staff are available to analyze needs and develop goals, develop a capital improvement program, analyze rate structures for user and tap fees, coordinate with the Colorado Department of Public Health and Environment and other state and federal agencies, explore funding alternatives and identify plant operator training programs.

DOLA leads efforts to fund programs that can become models for communities throughout Colorado. For example, DOLA received and matched a Community Challenge Grant from HUD and the U.S. Department of Transportation for its Colorado Sustainable Main Streets Program. As part of the overall project, the Five Points community of Denver solicited and received participation from low-income and minority citizens to assist with community planning efforts. The communities of Fowler, Monte Vista and Rifle involved local citizens in strategic planning processes.

DOLA, through OEDIT, serves all rural counties with its Business Loan Funds. The Department reaches out to businesses by annually participating in at least five regional business finance forums throughout the state. The State advertises its infrastructure grants to municipal, county and economic development officials.

## **Actions planned to foster and maintain affordable housing**

DOLA, through the Division of Housing (DOH), employs many strategies to meet the needs of the underserved, including the following:

- (1) promoting 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 revenue after completion;
- (2) applying for Veterans Administration Supportive Housing vouchers (VASH) to assist veterans experiencing homelessness;
- (3) creating an initiative that ensures linkage between housing and Medicaid, SAMHSA, TANF and other mainstream human service assistance;
- (4) Working with key stakeholder groups to make progress toward recognizing and treating the long-term effects of addiction and alcoholism as a disabling condition;
- (5) coordinating HEARTH ACT services with Continua of Care and local jurisdictions to ensure that it funds projects and programs to meet the greatest homeless needs.

When State revenues are sufficient DOH may receive Housing Development Grant funds. 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. DOH is budgeted to receive \$8,200,000 in Housing Development Grant funds for the State Fiscal Year that runs from July 1, 2014 through June 30, 2015.

A primary housing program designed to reduce dependency on public assistance is the Housing Choice Voucher program (HCV). These funds are used in the administration of both the Housing Choice Voucher and Shelter Plus Care programs through DOH and Supportive Housing Programs.

Colorado Housing and Finance Authority (CHFA) is exploring ways to provide low-interest loans for housing development that serves families at thirty per cent of AMI. DOH, CHFA and other funding agencies often coordinate their efforts to make affordable housing projects successful.

The Colorado Community Interagency Council on Homelessness (CCICH) creates statewide collaboration among nonprofit corporations, State and federal agencies. DOH actively participates 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.

Colorado cooperates and collaborates with Colorado's three Continua of Care (CoCs).



## **Actions planned to reduce lead-based paint hazards**

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. Approximately 431,736 (+/-10%) homes in Colorado may contain lead based paint. DOH staff reviews each proposed housing project to ensure compliance Title X, based on the type of project, the type, amount, and duration of financial assistance, and the age of the property. In addition, DOH makes training and technical resources available to local housing providers and developers. DOH is implementing the following activities during the period of 2010–2015 to ensure statewide compliance with applicable lead-based paint regulations.

### **1. Enhance Existing Partnerships**

DOH will assist public and private efforts to reduce lead-based paint hazards across the State through involvement in the Colorado Lead Coalition interagency work group, which develops and implements strategies for statewide lead hazard reduction and education efforts. The 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.

DOH also provides technical assistance and support integration of the various services offered to lower-income households, including participation in current healthy home projects in the state. This includes the Colorado Healthy Homes Coalition (CHHC) that promotes the provision of comprehensive housing rehabilitation and household services to lower-income households. The CHHC works to maximize the interventions for each household in regard to their overall well-being by linking housing rehabilitation and weatherization services with medical care and hazard mitigation programs. DOH will continue to participate in the CHHC. DOH also supports the HUD Safe and Healthy Homes Investment Partnership certification program as a tool for program integration.

### **2. Provide Lead Hazard Information to Housing Providers, Local Officials and Assisted Households**

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

### **3. Enhance Existing Delivery System and Technical Capacity**

DOH has 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 about Title X requirements through web-based training, on-site visits, project underwriting and the distribution of best practice methods. DOH continues to search for funding opportunities to

provide additional resources concerning lead-based paint and other home hazards, including funds from HUD's Office of Healthy Homes and Lead Hazard Control grants. DOH will coordinate applications for funding under the Lead Hazard Reduction Program – Healthy Homes Initiative on behalf of the entire state.

## **Actions planned to reduce the number of poverty-level families**

### **Employment**

The fundamental “antipoverty strategy” is a good job. Thus, the key element for lifting people out of poverty is creating and retaining jobs, helping people acquire the right skills to fill those jobs, and connecting the unemployed to jobs.

The Office of Economic Development and International Trade (OEDIT) focuses on using CDBG funds for job creation. By helping provide businesses and local governments with the funding and infrastructure they need, OEDIT enables businesses to create and retain jobs.

HUD's formula grants to DOLA also contribute to creating and retaining jobs in Colorado, although that is not their primary purpose.

The Divisions of Housing and Local Government are working to strengthen Section 3 performance in their use of federal funds to better create and retain jobs through their public facilities and housing projects.

### **Housing and Supportive Services**

The Division of Housing works to lift people out of poverty by combining housing opportunities with the supportive services needed to achieve self-sufficiency. The Division funds transitional and permanent supportive housing development for people with special needs as well as the homeless and chronically homeless. Programs operated by our Public Housing Authority section include the Family Self-Sufficiency and Family Unification programs, Housing Choice Voucher special needs programs for people with disabilities, Homeless with Substance Abuse initiatives, Housing Choice Voucher Welfare-to-Work program, Project Access vouchers to assist younger persons with disabilities in moving from institutions into the community and Veterans Administration Supportive Housing vouchers that provide permanent housing to homeless veterans.

## **Actions planned to develop institutional structure**

The Department of Local Affairs works with local governments, private industry, and nonprofit organizations to tackle issues involved in providing affordable housing, and community and economic development. The primary gaps remaining in the institutional structure in Colorado are:

## **Governmental Coordination:**

*Problem:* Gaps in communications can affect the decision-making of an entire region and lead to inefficient land use or excessive burden on one locale.

*Solution:* 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. DOH 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.

The State's "Interagency Housing Pipeline" is composed of key agencies that include the DOH, Colorado Housing and 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.

Colorado consults and collaborates with its CoCs.

## **Capacity of Local Nonprofit Organizations and Housing Authorities:**

*Problem:* 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.

*Solution:* DOLA works with the Department of Human Services and special-needs providers to encourage partnerships between service providers and housing development agencies. These alliances are essential to increasing the supply of affordable, accessible housing for persons with special needs.

DOLA works to improve agency capacity through technical assistance, workshops, training and monitoring. These efforts encourage retention of existing housing and new production of housing units and the creation and expansion of projects and programs that meet community needs.

## **Actions planned to enhance coordination between public and private housing and social service agencies**

The Division of Housing takes the following actions and collaborates with the following organizations to enhance coordination between public and private housing and social service agencies:

- Established a "Housing Initiatives" program to coordinate and collaborate with multiple agencies across additional program areas, including Veterans' Housing, Renewable Energy, and other areas of interest.
- Second Chance Housing and Prisoner Reentry Program (C-SCHARP) Task Force

- Intradepartmental CDBG Coordinating Group. DOLA created a cross-divisional work group to coordinate and integrate its use of CDBG funds.
- The Interagency Housing Pipeline which includes development staff from DOH, the Colorado Housing and Finance Authority (CHFA), the USDA Rural Development, US Department of Housing and Urban Development (HUD), and several Community Development Financial Institutions (CDFIs).
- Colorado and Community Interagency Council on Homelessness, a State coordinating organization appointed by the Governor to develop a strategic plan to end homelessness.
- Participates in Colorado's three Continua of Care (CoC): Metropolitan Denver Homeless Initiative; Homeward Pikes Peak and the Balance of State.
- Housing Colorado, Inc., a 501(c)(3) membership organization that facilitates workshops, meetings and educational opportunities, as well as an annual conference for housing organizations and industry professionals
- Colorado Chapter, National Association of Housing Redevelopment Organizations (NAHRO), a state trade association for housing authorities and redevelopment agencies.
- Colorado Foreclosure Task Force, a public-private task force in which the Division of Housing participates as an active member.
- Supportive Housing Program, a statewide housing authority whose oversight transferred to the Division of Housing as of July 1, 2011. DOH has established and will maintain Housing Advisory Housing Board.
- Examines linkages between HOME, CDBG and the HUD Section 8 Housing Choice Voucher Program. The purpose of the examination is to increase the supply of affordable housing for persons of limited income.
- Established an internal Homeless Programs Team to focus on homeless issues.
- Office of Homeless Youth, a program within the Division of Housing, will meet on a regular basis with statewide agencies to establish goals, objectives and to seek funding.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

#### Introduction

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	n/a
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	n/a
3. The amount of surplus funds from urban renewal settlements	n/a
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	n/a
<b>Total Program Income:</b>	<b>0</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	100,000
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	70.00%

**HOME Investment Partnership Program (HOME)**  
**Reference 24 CFR 91.320(k)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The Division of Housing does not provide any forms of investment to projects other than those described in 92.205(b) of the HOME regulations.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The State reviews applications for homeownership projects and programs to determine whether resale or recapture restrictions are best suited to each proposal. Generally, recapture is preferred, unless the applicant can demonstrate that they will be able to assist homebuyers with meeting resale requirements during the HOME affordability period.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds (See 24 CFR 92.254(a)(4)) are as follows:

**Recapture the HOME Investment and Create another Affordable Unit:** HOME funds subject to recapture include any development subsidy or direct assistance to the homebuyer that reduced the purchase price from fair market value to an affordable price, or any down payment or subordinate financing provided on behalf of the purchaser.

- The property may be sold during the affordability period with full or partial repayment of the HOME assistance. Recaptured funds must be used for more HOME-eligible activities.
- Full Recapture, subject to net proceeds – the agency (or subgrantee) will recapture 100% of the funds if the client sells their home before the end of the affordability period, unless the client can demonstrate that the sale was an arms-length transaction and that net proceeds are not adequate to pay off 100% of the loan.
- Net proceeds = Sales price – Senior debt repayment – Closing costs. Any excess net proceeds, after repayment of the DPA loan to the agency, may be kept by the client, unless their loan is structured with an equity ratio instead of an amortizing interest rate (for Shared Equity Programs).

**Resale of the Existing Property to another Low-income Buyer**

- The subsequent purchaser must be a low-income family (80% or less of area median income) that will use the property as its principal residence.
- The sale of the property to the new low-income family must be at a price that allows for "fair return on investment, including any improvements" to the seller (the former homebuyer).
- The former homebuyer's investment is defined as their down payment plus the value of any improvements they made to the house. For example, the homebuyer made a \$1,000 down payment

to purchase an existing home. They also invested in a new kitchen that added \$5,000 to the value of the home. Their investment equals \$6,000. "Fair return" is defined as the percentage change in the value of the home, based on the percentage change in median home prices and documented by appraisals from the former homebuyer's purchase and the subsequent (new) homebuyer's purchase.

- For example, the median sales price for the home's unit type (single family vs. condo; existing vs. new construction) and market area, according to the local Multiple Listing Service, was \$200,000 when the homebuyer purchased it. When they decide to sell, the same measure of median sales price indicates an increase of 2.5% to \$205,000. The seller must be allowed to sell the home for enough to recoup both their original investment (\$6,000) and a 2.5% fair return on that investment ( $\$6,000 \times 2.5\% = \$150$ ), a total of \$6,150.
- NOTE: if median sales prices actually decline between sales, the seller may not receive a return on their investment.

AND ALSO,

- The property must be sold at a price that is affordable to a household at 75% to 80% of area median income that will pay not more than 30% of their income for principal and interest.
  - If the affordable sales price is not enough to allow the seller to realize a fair return on their investment, the State may provide HOME funding to help a qualified buyer afford a sales price that does ensure a fair return. The new HOME funding would be provided through an existing State subgrantee.
4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The Division of Housing may use HOME funds to refinance existing debt on an eligible single-family, owner-occupied property when it uses HOME funds to rehabilitate the unit, if the refinancing will reduce overall housing costs for the owner and make the housing more affordable.

The Division may also use HOME funds to refinance existing debt on multifamily rehabilitation, or new construction projects if refinancing is necessary for continued long-term affordability and is consistent with State-established guidelines. To qualify, the proposed project must meet one of the following criteria:

- Rehabilitation is the primary eligible activity. This means that the amount of HOME funds for rehabilitation must equal or exceed the amount of HOME funds used to refinance existing debt on the property. The minimum ratio of rehabilitation costs to refinancing costs must be 1 to 1, or a minimum rehabilitation cost of \$5,000 per unit; or
- A review of management practices should demonstrate that disinvestment in the property has not

occurred, that the long-term needs of the project can be met, and that it is feasible to serve the targeted population over the proposed affordability period; or

- The application must state whether the new investment is being made to maintain current affordable units, create additional affordable units, or both; or
- The required period of affordability will be a minimum of 30 years; or
- The State will accept applications for refinancing statewide; and, or
- The State will not use HOME funds to refinance multifamily loans made or insured by any Federal program, including CDBG, unless additional affordable units will be income-restricted to low-income households or the affordability period is extended.



**Emergency Solutions Grant (ESG)**  
**Reference 24 CFR 91.320(k)(3)**

1. Include written standards for providing ESG assistance (may include as attachment)

Colorado requires its subrecipients to establish and consistently apply written standards for providing ESG assistance. At a minimum these written standards must include:

(i) Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under Emergency Solutions Grant (ESG);

(ii) Standards for targeting and providing essential services related to street outreach;

(iii) Policies and procedures for admission, diversion, referral, and discharge by emergency shelters assisted under ESG, including standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, *e.g.*, victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the longest;

(iv) Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter;

(v) Policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers; other homeless assistance providers; and mainstream service and housing providers (see §576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable);

(vi) Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance;

(vii) Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance;

(viii) Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time; and

(ix) Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide to a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant

receive assistance; or the maximum number of times the program participant may receive assistance.

(x) Participation in HMIS. The subrecipient must ensure that data on all persons served and all activities assisted under ESG are entered into the applicable community-wide HMIS in the area in which those persons and activities are located, or a comparable database, in accordance with HUD's standards on participation, data collection, and reporting under a local HMIS. If the subrecipient is a victim service provider or a legal services provider, it must use a comparable database that collects client-level data over time (i.e., longitudinal data) and generates unduplicated aggregate reports based on the data. Information entered into a comparable database must not be entered directly into or provided to an HMIS. Subgrantee organizations will be required to submit monthly data quality reports to ensure compliance with this provision.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The Continua of Care are working to develop a centralized assessment system.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

ESG Housing Assistance applications will be submitted to the Division of Housing whose internal staff will screen applications for threshold criteria and forward eligible applications to a scoring committee. This committee comprised of seven members representing the three Continua of Care, local government, a homeless or formerly homeless person and two at-large representatives will score applications and recommend agencies for funding. The Program Manager will present funding recommendations to the Division Director, DOLA's Executive Director and State Housing Board. DOLA's Executive Director will make the final funding decision.

#### **THRESHOLD CRITERIA**

- 501(c)(3) status or unit of general local government
- Compliance with HMIS Participation
- Dollar for dollar match requirement
- Ability to meet certification of insurance requirement

#### **SCORING CRITERIA**

- Years of experience in serving special needs population
- Staff capacity and track record for serving special needs population
- Staff capacity and track record
- Identify and document NEED for shelter and/or services

- Financial capacity
  - Policies and procedures for assessing client needs
  - Ability to conduct income determinations
  - Ability to comply with grant requirements
4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The ESG application scoring committee includes a homeless or formerly homeless individual among its seven members.

5. Describe performance standards for evaluating ESG.

Currently, the Division of Housing is relying on quarterly e-snaps reports that capture unduplicated numbers of persons or households served as well as on-site monitoring performed by DOH staff members.

In partnership with the Continua of Care, new written performance standards will be developed using the Consolidated plan, quarterly e-Snaps report, Annual Action Plan and CAPER, as a guide to which performance standards will be recorded, tracked and produced in monthly or quarterly reports. General performance standards such as the unduplicated number of persons or households prevented from becoming homeless and the unduplicated number of persons or households assisted from emergency shelters/streets into permanent housing will be reported.

### **Program Specific Requirements Discussion**

1. HOME Program subfunds: The Division of Housing will set aside 10% of its allocation for administration, \$463,855 based on an allocation of \$4,638,549. Our set aside for CHDO Reserve will be 15% of the allocation (\$695,782), and CHDO operating will be funded at 5% of our allocation, or an estimated \$231,927.

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