STATE OF COLORADO

Bill Owens,
Governor

Colorado Department of Local Affairs

Michael L Beasley, Executive Director

2005-2010 CONSOLIDATED PLAN

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Colorado, located in the Rocky Mountain West, is a state with many faces. While best known for its ski and outdoor sport industry, Colorado is home to many small farming and ranching communities, large urban areas and small towns that have a history rooted in mining. Colorado - or “colored red” in Spanish - has a landscape of Midwest plains, snow capped mountain peaks, and desert mesas. Encompassing 104,247 square miles, Colorado is the eighth largest state in the country. It is also the highest of the 50 states, with an average altitude of 6,800 feet. While our geographic area is large, Colorado is still ranked 22nd in the nation for total population. The total estimated population for Colorado for 2003, the most recent year available, is 4,550,688.

Denver is the largest city in Colorado with an estimated population of 560,882 in 2003. The entire metro Denver area has a population of 2,548,753[1]. The metro area is home to high tech industry, three major colleges and universities, four major league sports teams and a thriving downtown area. Other major cities in Colorado include Aurora, Boulder, Fort Collins, Grand Junction, Greeley, Colorado Springs, and Pueblo.

Since suffering an economic downturn that began in 2001, Colorado is demonstrating signs of recovery. Important indicators such as employment, sales tax and consumer spending are beginning to show signs of recovery, although foreclosures and bankruptcy filings remain higher than in years past. Although population growth slowed dramatically during the recent recession, net in-migration remained positive. It is projected[2] that net in-migration for the next five years will be 224,704 persons.

Colorado’s population grew an average of 1.6% from 2000 to 2005, and is expected to grow at an average rate of 1.8% from 2005 to 2010. Tech industries are showing signs of recovery and will continue to gain as the business sector increases[3]. The western slope of Colorado and its mountain communities experienced an influx of new residents from states such as California and Texas in the 1990s, but are now experiencing more tempered growth. Many of Colorado’s newer residents are self employed or retired. This slight slowdown in growth is expected to occur as the cost of living in Colorado continues to rise above that of other areas of the country.

1 State Demographer, preliminary
2 DOLA, 2004
3 Colorado Economic Outlook, Center for Business and Economic Forecasting, June 1, 2004

Housing and Community Development Needs

Housing Needs

Median incomes vary in Colorado depending upon which region of the state a household resides. The regions along Colorado's front range have a higher median income than those in other parts of the state. The metro area's median income in 2005 is $60,924. The only part of the state that has a higher median income is Region 12, which includes most of the state's largest ski areas. The area with the lowest median income in 2005 is Region 14, which includes Huerfano and Las Animas Counties.

To better understand Colorado's incomes and housing conditions, DOH contracted with the Center for Business and Economic Forecasting to produce a document that examines rent burden, issues of homeownership and a demographic picture of these issues.

There are 1,310,326 owner households and 504,824 renter households in Colorado. Not surprisingly, owner households have a higher median income than renters. In 2005, the median owner income in Colorado is $65,762 while the median renter income is $34,402.

Analysis conducted by DOH demonstrates that in Colorado households making 30 percent or less of median renter income have few affordable rental units available to them. As incomes rise, the number of units affordable at those incomes also increases. At 60 percent of median renter income, there are 86.8 affordable rental units per 100 renter households in Colorado. There are more units affordable to renters at 60 – 80 percent of median income than there are units. Many of the households that earn 0 – 60 percent of median renter income are most likely living in these units.

Our analysis also shows that 77,855 households earning 30% or less of the Area Median Income (AMI) are paying more than half of their gross income for rent. Industry standards are that a household should pay no more than 30% of its income for rent. These households from 30% to 50% AMI are said to be cost burdened[4]. The Colorado Division of Housing is working with local governments, nonprofit housing and service organizations, and citizens to make available information that allows communities to identify issues and tailor solutions for their community housing needs.

4 Division of Housing 2004

Special Needs Housing

Colorado's population is aging. The age group with the most dramatic change is those in the 55 – 75 age range – reflecting the aging of the "baby boomers". While the elderly as a percent of the total population will not change dramatically, the total number of persons age 55 and older will increase by over 189,000 between 2005 and 2010. Almost 133,000 of these persons will be aged 55-64. The housing needs of this population will play an increasing role in our economy in years to come.

DOH continues to work to create housing opportunities for other special populations, including those with chronic mental illness, physical disabilities, developmental disabilities, alcohol and drug addiction, and HIV/AIDS. This population is generally unable to hold full time employment, has higher than normal medical expenses, and may require assistance with activities of daily living (ADL). Most significantly, these populations have limited income and may have a need for special accommodations.

Homeless Needs

The Bush Administration has targeted an end to chronic homelessness by the year 2009, and the Division of Housing is taking serious aim at this target. The State believes that chronic homelessness is a serious issue that must be solved through maximization of federal, state and local resources to create additional permanent housing opportunities for the chronically homeless population. This housing must be linked with supportive, mainstream, and community-based services that address the long-term needs and issues of chronically homeless individuals.

In metro Denver, there are 220 unsheltered, chronically homeless individuals; in Colorado Springs/El Paso County, 38, and in rural Colorado, as many as 632 persons. The Division of Housing has created a Tenant-Based Rental Assistance (TBRA) program for "working" homeless families coming out of shelters. Such assistance helps create a housing-first solution to free bottlenecks from the continuum of care. DOH is also using Community Development Block Grant funding (CDBG) for homeless services in the rural areas of the state, and targeting more of its Emergency Shelter Grant (ESG) money for shelters in the metro areas where chronic homelessness is more prevalent.

The 2004 Gaps Analysis, conducted by the three Colorado Continuums of Care and shown below, estimates that as many as 19,041 persons are homeless in the State of Colorado. The Division continues to work on intermittent or sporadic homelessness through its ESG resources.

Non-Housing Community Development Needs

Since 1994, the state has compiled a listing of all category A and B water and sewer needs, which indicate a need of $668,097,061 for sewer improvements and $626,198,999 for water improvements.

Of the 600,000 children under 13 years of age in the state, approximately 66% reside in single parent or two-parent working families, and are in need of childcare. An estimated 75,000 children receive illegal care from unlicensed providers due to the significant cost of purchasing childcare.

Other needs identified for Colorado are services for an increasing elderly population, water resources, parks, economic development, solid waste management, and services that address youth and violence.

Strategic Plan

The Division of Housing used the information from the Affordable Housing Needs Impact Report, the needs section of this document, other housing market and special needs population data, consultations with other housing providers and input from our public process to develop eight housing strategies. The Colorado Division of Local Government (DLG) and the Governor's Office of Economic Development (OED) and International Trade developed the non-housing strategies for community and economic development through cooperation with staff from several other state departments, already completed strategic plans, and public hearing feedback. The following are the 11 goals adopted by the state. Section IV of this document lists the one-year actions proposed to undertake these strategies.

Priority Housing, Economic Development and Community Development Goals

To preserve the supply of existing affordable housing rental stock.

To increase the supply of existing affordable rental stock to meet community needs.

To increase the capacity, stability, participation and independence of local housing and service providers and private enterprise so they are better able to meet the housing needs of their communities.

To increase homeownership and preserve existing properties for low- and moderate-income people and minorities.

To meet the need of housing facilities or shelter beds for homeless persons.

To assist in creating an adequate supply of housing for persons with special needs coupled with appropriate services to increase independence.

To increase housing opportunities in revitalized neighborhoods.

To provide community at-large and policy-maker education and outreach about housing issues so that communities are better able to meet their housing needs.

To increase economic opportunities for communities in Colorado.

To help improve the leadership and governing capacities of Colorado communities.

To help Colorado communities identify, prioritize and address their capital improvements needs.

One Year Action Plan

HOME PROGRAM: The estimated $8,884,025 allocated to the State of Colorado for federal fiscal year 2005 will be distributed through a competitive application process, except for existing multi-jurisdictional single-family owner occupied rehabilitation programs which will receive funding in accordance with the State Single Family Owner Occupied Rehabilitation policy. Administration is expected to be 10%, $888,402. Applications will be reviewed and considered on a continuous basis by the Division of Housing, Department of Local Affairs. The Division may end or defer consideration of housing proposals when funds available have been exhausted or when proposals are incomplete or premature.

The Department of Local Affairs intends to distribute HOME funds by considering both geographical and population needs. Funding decisions will include consideration of prior housing projects funded within the areas as well as quantified need level driven by population distribution, including the needs of special populations as identified in the State of Colorado's annually approved Consolidated Plan.

The State of Colorado will reserve fifteen percent of its allocation for community housing development organizations (CHDOs). The amount available for CHDOS will be $ 1,332,603. The CHDO funds will also be distributed through a competitive process on a continuous basis.

AMERICAN DREAM DOWNPAYMENT INITIATIVE FUNDS (ADDI): The Colorado Division of Housing will include American Dream Downpayment Initiative funds in our regular application process, with local governments, housing authorities and nonprofit organizations as eligible subgrantees. These ADDI funds, estimated to be $362,057, will assist eligible first-time low-income and minority households and will become an alternative source for downpayment, closing costs and/or rehabilitation assistance. The amount of

ADDI assistance provided will not exceed $10,000 or four and a half (4 ½) percent of the FHA mortgage limit of the home, whichever is greater. Rehabilitation projects will be required to be completed within one year of the home purchase and may include, but not be limited to, the reduction of lead paint hazards and the remediation of other home health hazards. The Division of Housing in awarding ADDI funds will comply with all program requirements, including targeting residents of public housing authorities.

TENANT-BASED RENTAL ASSISTANCE PROGRAM (TBRA)

The Department of Local Affairs, Division of Housing, will accept applications for operating a tenant-based rental assistance program from a public housing authority or any other entity with the capacity to operate a rental assistance program within their community or region. Home-eligible communities can apply for Tenant Based Rental Assistance. DOH will offer tenant-based rental assistance for the next two years to address special needs populations now residing in homeless shelters. This TBRA will target homeless people, specifically for those with incomes at or below 30% AMI, who are employed. Each of the participating households will be required to access social services provided by local service providers.

TBRA is considered to be an essential part of our approved housing strategy for 2005. Each TBRA application will be judged by its impact on addressing a community's affordable housing needs, but specific consideration will be given to weighing the TBRA method of assistance with less costly housing alternatives.

EMERGENCY SHELTER GRANT PROGRAM (ESG): The Colorado Division of Housing will employ four strategies in the 2005 Federal Fiscal Year in its allocation of $1,018,213 in ESG funds. HUD has identified as a national priority the elimination of chronic homelessness. Colorado is taking serious aim at this target. Given the limited funding available, DOH intends to supplement with CDBG funds (2005 only), the homeless grant needs in *non-entitlement* areas, allowing us to expand homeless efforts in *entitlements*. Priority will be given to projects that are consistent with the following strategies:

- In order to develop a comprehensive approach to the provision of emergency shelter and delivery of services for the homeless, the first program priority is to ensure that applicant agencies are leveraging all resources, including local, state, federal and private funding in the operation of a shelter and/or the delivery of related prevention and essential services.

- The second strategy is to ensure that applicants make a significant contribution to the elimination of homelessness and that these efforts are documented.

- The third strategy is to encourage programs to use a coordinated case management approach to service delivery. Programs utilizing strong case management approaches that ensure the delivery of essential services along the continuum of care will receive priority consideration for funding.

- The fourth strategy is to encourage homeless prevention through funding of programs that provide well thought out approaches to homelessness prevention.

For non-metropolitan Denver, the State will mail ESG application kits to previously funded local governments and nonprofit organizations. Upon request, we will mail application kits to other rural homeless providers for funding consideration. In '05, DOH will fund some rural area homeless services with CDBG dollars rather than ESG dollars, and use the standard ESG application as the basis for analysis of the criteria below. DOH will then determine which rural providers will receive ESG funding and which CDBG funding.

ESG dollars freed in rural areas will then be available to fund additional shelter projects in metro Denver: Adams, Arapahoe, Broomfield, Boulder, Denver, Douglas and Jefferson Counties. For the Metro Denver area in 2005, the Division will mail ESG application kits to previously funded nonprofit organizations and use an RFP process to solicit proposals from new homeless shelters. DOH will then utilize a committee to assist in the selection of ESG projects.

Additionally, up to $40,000 in ESG funding may be awarded by the Executive Director of the Department of Local Affairs on a discretionary basis. All applicants must prioritize the activities for which they are requesting funding and are encouraged to develop programs that address supportive service needs and homelessness prevention in addition to covering basic operating expenses. Internal analysis will judge how well proposed projects meet evaluation criteria.

The problem of homelessness is a complex one that requires a variety of services and shelter facilities. All agencies funded by DOH using ESG dollars are required to participate in the state's Homeless Management Information System (HMIS). Program applicants are encouraged to develop programs that address supportive service needs and homelessness prevention in addition to covering basic operating expenses. Applicants will be required to prioritize the activities for which they will be requesting funds.

"Small Cities" Community Development Block Grant Programs

It is anticipated the state will be receiving $12,428,946 in FFY 2005 CDBG funds. From that amount DOLA will allocate the amount statutorily allowed for administration (2% +$100,000) and 1% for technical assistance, and the remaining balance will be divided one/third each for economic development, housing, and public facilities activities.

Public facilities and community development proposals may be considered by the Department on a continuous basis, or during specified application periods in conjunction with funding cycles established for the State Mineral and Energy

Impact Assistance program. Application opportunities will be announced to local government associations and to regional organizations providing technical assistance to local governments. Applicants will be expected to prioritize all applications.

All applications will be evaluated by Departmental staff on the following three major factors: project impact, public and private commitments, and management capability. The result of the staff review will be forwarded to the Executive Director who may choose to consult with the Impact Advisory Committee, the State Housing Board, or other advisory groups about the proposal. Proposals for the continuation of existing housing rehabilitation/replacement projects will not be reviewed individually by an advisory body as long as acceptable performance is maintained. The Executive Director will consider staff reviews and any advisory committee recommendations and make the final funding decisions based on the project review factors. Not less than seventy percent (70%) of funds received by the State during the period of Federal Fiscal Years 2005, 2006 and 2007 will be used for project activities that benefit low and moderate-income persons.

Housing proposals will continue to be received and considered on a continuous basis by the Division of Housing using the system outlined in the HOME program narrative. The Department may end or defer consideration of housing proposals when funds available have been exhausted and when proposals are incomplete or premature.

Business development proposals involving the provision of financing for private for-profit and nonprofit businesses will be received and considered on a continuous basis by the Governor's Office of Economic Development and International Trade. Proposals will be evaluated by staff using the same three major factors as noted above for housing, public facilities and community development proposals, and other appropriate considerations. A State Financial Review committee will review economic development proposals and make final funding decisions.

Housing Opportunities For People With Aids (HOPWA) Formula Program

In 2005, the Colorado Division of Housing will receive approximately $354,000 in HOPWA entitlement funding from HUD. The Division will work with a consortium of four Colorado Aids Project (CAP) agencies to distribute assistance for persons living with HIV/AIDS. These funds may be used to acquire housing units within the entitlement area, to provide tenant-based rental assistance, emergency assistance, and/or provide housing coordination services and supportive services to persons living with HIV/AIDS and their families.

COMMUNITY PROFILE AND NEEDS

STATE DESCRIPTION

Community Profile

Colorado, located in the Rocky Mountain West, is a state with many faces. While best known for its ski and outdoor sport industry, Colorado is home to many small farming and ranching communities, large urban areas and small towns that have a history rooted in mining. Colorado - or "colored red" in Spanish - has a landscape of Midwest plains, snow capped mountain peaks, and desert mesas. Encompassing 104,247 square miles, Colorado is the eighth largest state in the country. It is also the highest of the 50 states, with an average altitude of 6,800 feet. While our geographic area is large, Colorado is still ranked 22nd in the nation for total population. According to the Colorado State Demographer, the total estimated population for Colorado for 2003, the most recent year available, is 4,550,688.

Denver is the largest city in Colorado with an estimated population of 560,882 in 2003. The entire metro Denver area has a population of 2,548,753[5]. The Metro area is home to high tech industry, three major colleges and universities, four major league sports teams, and a thriving downtown area. Other major cities in Colorado include Aurora, Boulder, Fort Collins, Grand Junction, Greeley, Colorado Springs, and Pueblo.

Since suffering an economic downturn that began in 2001, Colorado is demonstrating signs of recovery. Important indicators such as employment, sales tax receipts, and consumer spending are beginning to turn around, although foreclosures and bankruptcy filings remain higher than in years past. Although population growth slowed dramatically during the recent recession, net migration remained positive. It is projected[6] that net migration for the next five years will be 224,704 persons.

Colorado's population grew an average of 1.6% from 2000 to 2005, and is expected to grow at an average rate of 1.8% from 2005 to 2010. Tech industries are showing signs of recovery and will continue to gain as the business sector increases[7]. The western slope of Colorado and its mountain communities experienced an influx of new residents from states such as California and Texas in the 1990s, but is now experiencing a more tempered growth. Many of Colorado's newer residents are self-employed or retired. This slight slowdown in growth is expected to occur as the cost of living in Colorado continues to rise above that of other areas of the country.

---

5 State Demographer, preliminary
6 DOLA, 2004
7 Colorado Economic Outlook, Center for Business and Economic Forecasting, June 1, 2004

Colorado's Economy

Like much of the country, Colorado has experienced changes in its economy. During the two years following 9-11, Colorado witnessed a softening of the economy, and eventually, in its housing markets. The economy, however, is beginning to show signs of improvement. Non-farm employment in Colorado increased for the third straight month compared with the same period last year. Colorado has also experienced the greatest improvements in the unemployment rates in the region[8]. Once job growth is steady and the economy recovers, employment distribution should become more diversified. Retail spending will also rise as incomes and the labor market improve.

Comprehensive Housing Affordability Strategy (CHAS) data released by the Census Bureau indicates that there are 1,638,807 households in Colorado in 2000. This report also provides the number of Colorado households by income range for renters and homeowners, and it identifies housing problems that exist in the State.

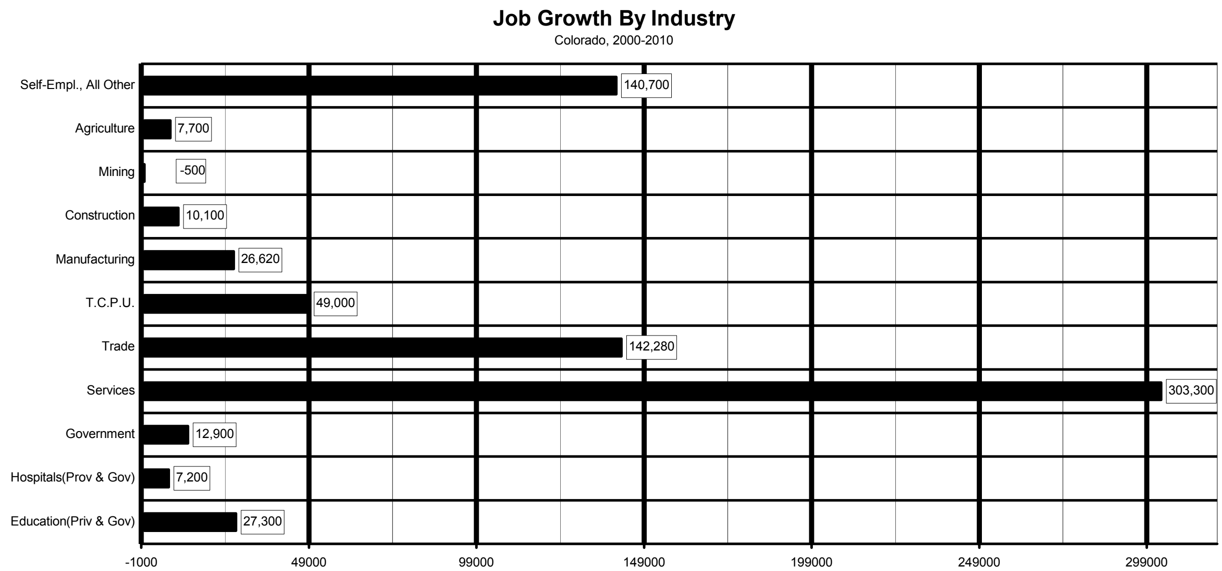
Colorado median family income is $63,500 for 2004 according to HUD. While median income grew 5.7% annually between 1990 and 1999, it slowed between 2001 and 2003 due to the 9-11 tragedy, but increased by 3.8% in 2004. Housing markets, which typically lag behind the economy, are soft but showing signs of strengthening in Colorado. It is important to note, however, that household income is still static for many, and housing remains expensive for those who have the least amount of income.

The projected 2010 population is 5,137,928[9], which represents a 1.8% expected growth rate over 2005. Colorado communities are often ranked near the top for growth in prices and real estate activity; however, according to the Office of Federal Housing Enterprise Oversight (OFHEO), house price sales in Colorado increased by only 3.51% in the past year. Both Colorado's economy and the housing markets have slowed, but housing costs are still high for many of Colorado's households.

Despite the economic slowdown, Colorado still has a low unemployment rate. Over the past 12 months, Colorado has experienced one of the greatest improvements in unemployment rates in the Rocky Mountain Region.

The service and retail trade industries continue to be the largest industries in the state. These two industries are projected to grow more than any other between now and 2010. The Colorado Department of Labor and Employment expects approximately 42% of new jobs to be the services sector.

8 U.S. Housing Market Conditions - HUD
9 Colorado State Demographer



(Colorado Department of Labor and Employment, Quarterly Census of Employment 2003)

In 2002, Colorado had the 9th highest per capita personal income of all states[10], but actually decreased by a fraction of a percent from the year before.

Colorado's average wage in 2003 was $38,942 - a 2.5% increase over 2002.[11] The average wage declined in six counties and increased in 58. Most employment sectors lost jobs in 2003 with the exception of mining, management, real estate, and finance and insurance[12]. Construction industries declined during 2003, with specialty trade contractors experiencing broad declines. The average wage in the construction sector was $39,315. The average annual wage in the retail sector, which employs 95,352, is $24,562 and the accommodation and food service sector, which employs 205,330 has an average wage of $14,300.

Colorado's Housing Market

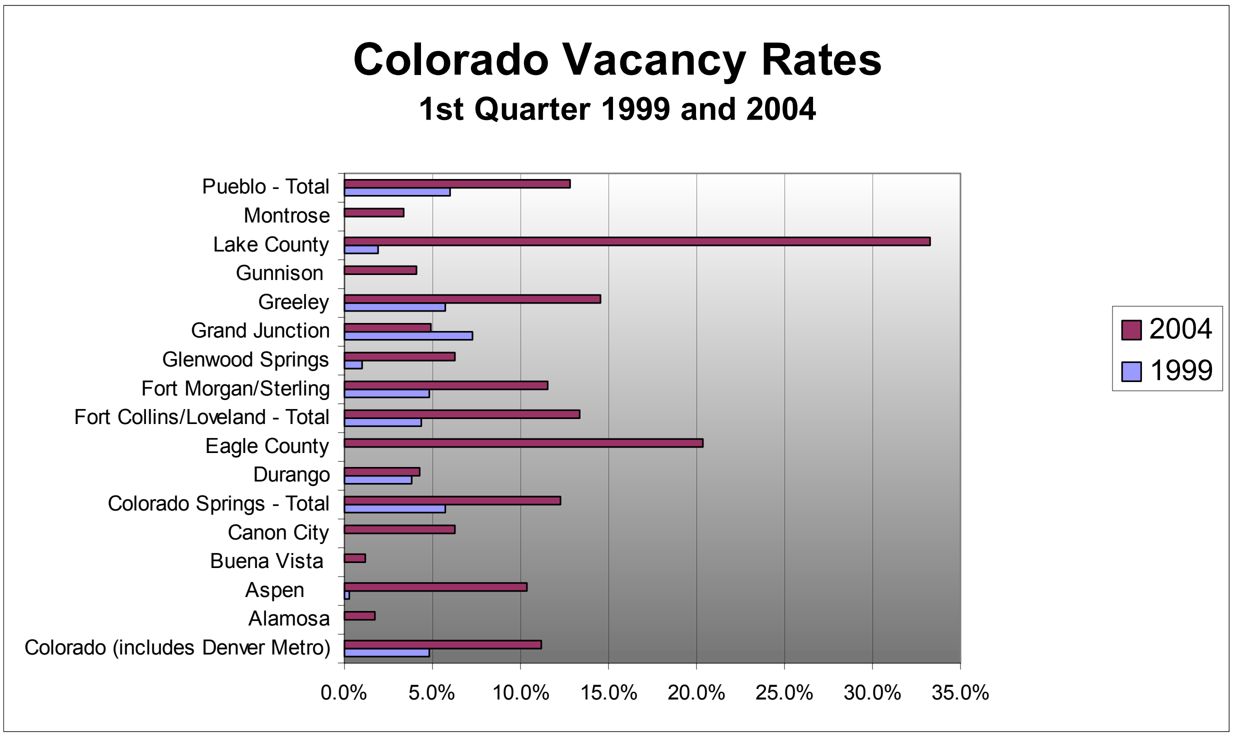
While a slow-down in housing appreciation has occurred in recent months, other community dynamics continue to create difficulty for those with the least income. Markets are influenced by a wide variety of factors.

Colorado rental vacancy rates escalated during 2003, but are now showing signs of stabilization in most areas of the state, although overall vacancies remain high. The Division of Housing surveys vacancy rates twice yearly in 22 smaller markets of the state. The overall vacancy rate for areas surveyed outside the Denver metro area for February 2004 was 12.1%, largely attributable to a loss of jobs in the state during 2002-2003 and a sluggish economy. Exceptions to these high rates exist in Alamosa, Buena Vista, Durango, Grand Junction, Gunnison

10 Bureau of Economic Analysis: Regional Economic Accounts published 2004
11 Colorado Department of Labor, Quarterly Census of Employment and Wages, 2003
12 Colorado Department of Labor and Employment

and Montrose where vacancies were below 5%. The overall vacancy rate in the metro Denver[13] area for the fourth quarter of 2003 was 10.9%.

These high rates are in contrast to the low rates that Colorado experienced in 1999 when the average statewide vacancy rate was 3.7%. The chart below compares 1999 and 2004. The types of housing problems evident in each market situation are quite different. The one thing that does not change is the lack of affordable housing at the lowest end of the spectrum: units for households at or below 30% AMI.



Colorado Division of Housing, Multi-Family Housing Vacancy and Rental Survey, February 1999 and February 2004.

Many new housing units have been constructed in Colorado in the past 10 years-- especially on Colorado's front range where, new single-family subdivisions dot once vacant land. In some of Colorado's rural towns, developers have taken advantage of the low cost of manufactured housing to develop areas with smaller new single-family homes.

The table below shows the number of new building permits issued by year in Colorado and five regions of the state between 1996 and 2002[14]. The table also shows Colorado housing construction grew between the late 1990s and early 2000s. Between 1996 and 2002, 342,629 new building permits were pulled

13 Denver Metropolitan Vacancy & Rental Survey, 4th Quarter 2003

14 Colorado Department of Local Affairs Demography Section, Housing Unit Counts and Estimates for Colorado, 1996- 2002

statewide. In 2002, the year following the 9-11 tragedy, the number of building permits declined for the first time since 1999. Economists predict overall improvements in the economy, which are expected to lead to substantial new construction in future years.

Building Permits In Colorado by Year and Area of the State

Area	1996	1997	1998	1999	2000	2001	2002
Colorado	41,135	43,502	51,156	49,313	54,593	55,012	47,918
Front Range	31,506	33,481	40,795	39,948	44,712	46,676	39,862
Percent of Total	*76.6%*	*77.0%*	*79.8%*	*81.0%*	*81.9%*	*84.5%*	*83.2%*
Western Slope	6,211	6,340	7,243	6,326	6,718	5,583	5,479
Percent of Total	*15.1%*	*14.6%*	*14.6%*	*12.3%*	*12.2%*	*10.2%*	*11.4%*
Eastern Mountains	2,145	1,938	1,764	1,832	1,942	1,663	1,654
Percent of Total	*5.2%*	*4.5%*	*3.5%*	*3.7%*	*3.6%*	*3.0%*	*3.5%*
San Luis Valley	466	519	491	485	518	491	434
Percent of Total	*1.1%*	*1.2%*	*1.0%*	*1.0%*	*1.0%*	*0.9%*	*0.9%*
Eastern Plains	807	774	863	722	703	599	489
Percent of Total	*2.0%*	*1.8%*	*1.5%*	*1.5%*	*1.3%*	*1.1%*	*1.0%*

Colorado Department of Local Affairs Demography Section, Housing Unit Counts and Estimates for Colorado, 1996-2002.

The following table shows the total number of units in Colorado by type of building, and the estimated percent that are owner and renter occupied. Because there is such a strong homeownership market in Colorado, some rental units may have been converted to owner-occupied while other units remain vacant. It is not possible to know the exact number of apartments and single-family homes that have been lost from the rental inventory. The table below uses an estimate based upon the growth in the homeownership rate in the state.

Housing Units in Colorado, 2000

	Number of Units 2000	Rentals		Owners	
		Units	Percent	Units	Percent
Total Residences	1,658,238				
Single Family Detached	1,048,560	135,259	12.9%	913,301	87.1%
Apartments/ Multifamily	411,460	351,650	85.5%	59,818	14.5%
Single Family Attached	104,920	34,626	33.0%	70,294	67.0%
Mobile Homes	91,609	20,062	21.9%	71,547	78.1%
Boat, RV, Van	1,681	336	20%	1,345	80%

Census 2000 Summary File 3 (SF3), Tenure by Units in Structure

The Census Bureau reports that new housing units authorized by building permits ranked 17th in the nation for 2003, which indicates a strong construction investment in the State despite other market forces.

Low interest rates have allowed more renters to become owners in Colorado. Colorado's homeownership rate climbed to 67.3% in 2000, and according to 2004 DOH research, the homeownership rate in Colorado now stands at 71%. In recognizing the importance of homeownership in building assets and stability for families, DOH continues to work towards increasing homeownership for low-income households and minorities while ensuring that adequate pre-homeownership counseling occurs and that post-homeownership counseling is available when needed.

Colorado Homeowner Strength, Fourth Quarter 2003

	Loans	Percent Past Due	Percent in Foreclosure
US	1,468,738	4.88%	1.29%
Colorado	863,647	3.54%	1.04%

HUD, 2004

The 2000 CHAS data provides statistics on households with housing problems. There were an estimated 172,682 owner households with incomes at or below 30% AMI, and of these, 76% were identified with some type of housing problem, including lack of complete kitchen or plumbing facilities. DOH can also report on the number of housing rehabilitation loans that have been provided through the Division of Housing to low income homeowners in the rural areas of Colorado since 1995, but have no way of tracking the number of other owners that have taken advantage of other low interest loans and rising values to bring their own homes up to code.

Since 1990, the Division of Housing has provided funding to local agencies in the rural areas of the state for the rehabilitation of 2,378 units owned by low or moderate homeowners. This does not include the number of units that were provided rehabilitation loans or grants from entitlement areas of the state.

Colorado's Households

As Colorado's population grows, so do the number of households in the state. The Colorado Division of Housing (DOH) annually commissions a study of incomes to provide a clearer picture of the number of households in Colorado and what they earn. This 2004 report, *Incomes for Colorado and its Regions*, by the Center for Business and Economic Forecasting, gives us the number of Colorado households by income range for a number of household types. The report also estimates the number of households by income range for owners and renters. This income data will be used throughout the Consolidated Plan to estimate the number of households that fall within the HUD income ranges and who meet various household characteristics.

The study, based on the Colorado State Demographer's estimates and *Incomes for Colorado and its Regions*, estimates that the number of Colorado households is 1,815,150 in 2005, an increase of 176,000 from the year 2000. The average household size is 2.56. This size has not varied greatly for the past 20 years.

Colorado's population is aging. The table below shows population projections by age group for Colorado over the next five years. While the number of persons in each age range increases over time due to growth in population, the percentages of persons in each range change. The table shows that the number of children ages 0-19 as a percent of total population in Colorado will increase between 2005 and 2010. An increase in the number of children of more than 103,000 will have a great affect on school districts and daycare providers. Many of the 25,500 new children five or younger will need space in an already overburdened daycare market.

The age group with the most dramatic change is those in the 55 - 75 age range - reflecting the aging of the baby boomers. While the elderly as a percent of the total population will not change dramatically, the total number of persons age 55 and older will increase by more than 189,000 between 2005 and 2010. Almost 133,000 of these persons will be aged 55 – 64.

Age of Colorado Population

Age Group	2000 Persons	2000 Percent of Total	2005 Persons	2005 Percent of Total	Change 00 - 05	2010 Persons	2010 Percent of Total	Change 05 - 10
0 to 4	295,882	6.9%	340,906	7.3%	15.2%	366,400	7.2%	7.5%
5 to 9	307,047	7.1%	314,118	6.8%	2.3%	364,424	7.2%	16.0%
10 to 14	310,959	7.2%	319,324	6.9%	2.7%	331,863	6.5%	3.9%
15 to 19	307,059	7.1%	344,030	7.4%	12.0%	358,879	7.1%	4.3%
20 to 24	306,507	7.1%	341,330	7.3%	11.4%	387,361	7.6%	13.5%
25 to 29	330,672	7.7%	305,552	6.6%	-7.6%	349,923	6.9%	14.5%
30 to 34	329,394	7.7%	348,676	7.5%	5.9%	334,668	6.6%	-4.0%
35 to 39	364,269	8.5%	346,603	7.5%	-4.8%	372,584	7.3%	7.5%
40 to 44	370,464	8.6%	372,002	8.0%	0.4%	362,310	7.1%	-2.6%
45 to 49	336,637	7.8%	372,061	8.0%	10.5%	379,266	7.5%	1.9%
50 to 54	281,229	6.5%	334,094	7.2%	18.8%	372,788	7.3%	11.6%
55 to 59	195,446	4.5%	274,928	5.9%	40.7%	330,355	6.5%	20.2%
60 to 64	144,357	3.4%	190,477	4.1%	31.9%	267,690	5.3%	40.5%
65 to 69	120,708	2.8%	135,634	2.9%	12.4%	178,395	3.5%	31.5%
70 to 74	105,014	2.4%	107,146	2.3%	2.0%	120,946	2.4%	12.9%
75 to 79	86,136	2.0%	86,436	1.9%	0.3%	89,028	1.7%	3.0%
80 to 84	55,780	1.3%	62,629	1.3%	12.3%	63,816	1.3%	1.9%
85 to 89	31,665	0.7%	34,667	0.7%	9.5%	39,121	0.8%	12.8%
90 to 90	16,839	0.4%	16,708	0.4%	-0.8%	18,114	0.4%	8.4%
Total	**4,296,064**	**100.0%**	**4,647,321**	**100.0%**	**8.2%**	**5,087,931**	**100.0%**	**9.5%**

Colorado Department of Local Affairs, Demographics Section

The following table illustrates the household makeup of Colorado households in 2005.

Colorado Household Composition, 2005

Household Type	Number of Households	Percent of Renters	Percent of Owners
All Households	1,815,150	29%	71%
More Than One Adult with Children	510,356	31%	69%
More Than One Adult without Children	738,183	26%	74%
One Adult with Children	89,030	36%	64%
One Adult without Children	477,581	28%	72%
Householder Age 18 - 24	117,635	80%	20%
Householder Age 25 - 44	760,640	34%	66%
Householder Age 45 - 64	646,934	17%	83%
Householder Age 65 and Older	289,940	18%	82%

Center for Business and Economic Forecasting

Most households in Colorado with children have two adults in the households. Still, 15% of households with children have only one adult at home. These households often have the lowest incomes. The majority of households in Colorado -67%- do not have children living in the household. This percent has not changed in the past five years. There are 974,348 children age 14 and under in the state, an average of 1.63 children per household with children. The number of children per household with children has decreased slightly over the past five years, while the number of children has rose by almost 74,000.

Projections on the ethnic makeup of Colorado's population are available to 2015. The Anglo's share of the state's population is projected to decline from 77.7% in 2000 to 72.7% in 2015. The total minority share is projected to increase from 22.3% in 2000 to 27.3% in 2015. Colorado's Asian population is expected to be the fastest growing ethnic group in terms of annual average percent change from 2000 - 2015. The following table shows the projected ethnic makeup of Colorado's population in 2000 and 2015.

Colorado Ethnic Makeup, 2000 - 2015

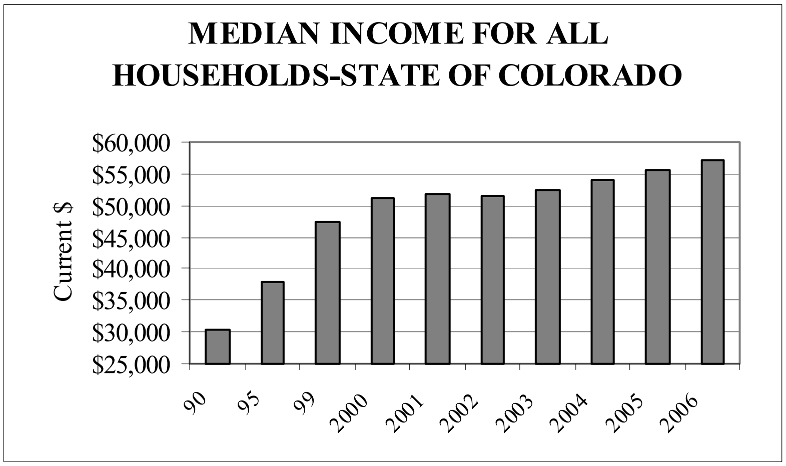
	Total Population			Share of Total Population			Average Annual Growth	Avg. Annual Chg in Pop.
	2000	2005	2015	2000	2005	2015	2000 - 2015	2000-2015
Non-Hispanic White	3,268,000	3,434,000	3,557,000	77.7%	76.1%	72.7%	19,267	0.6%
Hispanic	594,000	682,000	859,000	14.1%	15.1%	17.5%	17,667	3.0%
Black	196,000	224,000	265,000	4.7%	5.0%	5.4%	4,600	2.3%
Asian/Pacific Islander	108,000	129,000	162,000	2.6%	2.9%	3.3%	3,600	3.3%
Native American	41,000	46,000	53,000	1.0%	1.0%	1.1%	800	2.0%
TOTAL	4,207,000	4,515,000	4,896,000	100.0%	100.0%	100.0%	45,933	1.1%

Colorado Department of Local Affairs Demography Section, 2004.

Colorado Incomes

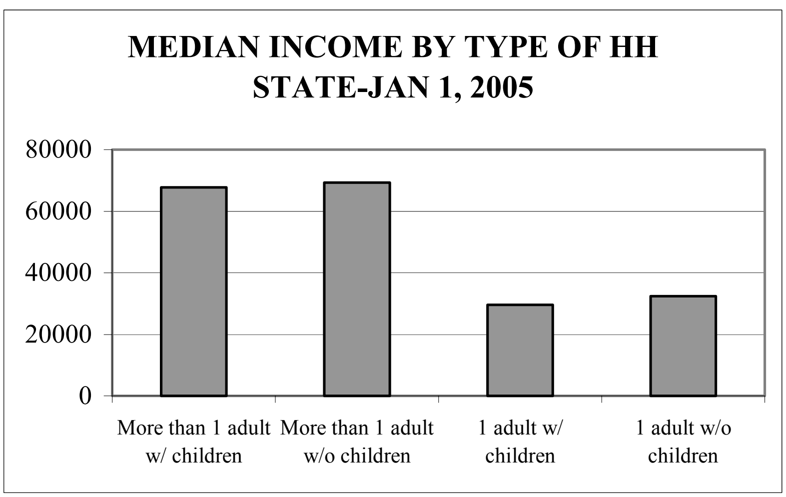
Colorado's median income has been fairly stagnant for the past five years. Estimates are that incomes will have very moderate growth between 2005 and 2006, as our economy slowly recovers. According to the *Estimates of*

Households by Income for Colorado and its Planning Regions report, incomes will rise an average of 2% per year between 2000 and 2006.



Center for Business and Economic Forecasting, Inc.

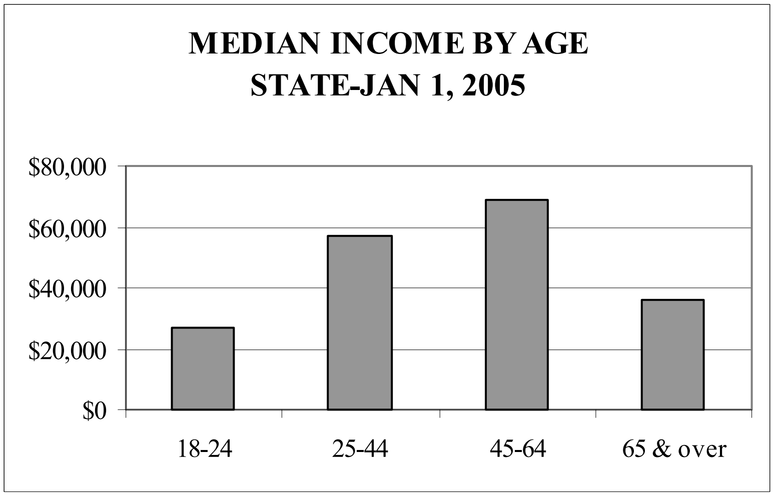
Not surprisingly, this report shows that households with more than one adult show much higher incomes than those with only one adult. The households with one adult with children have the lowest median income in 2005, $30,072. The households with one adult without children also have a much lower median income in 2005 - $32,934.



Center for Business and Economic Forecasting, Inc.

According to the income report, households in prime working years (25 - 44) are estimated to have incomes that are much higher than those with persons who are either just entering the workforce (18-24) or have left the workforce (over 65). This is illustrated in the next chart.

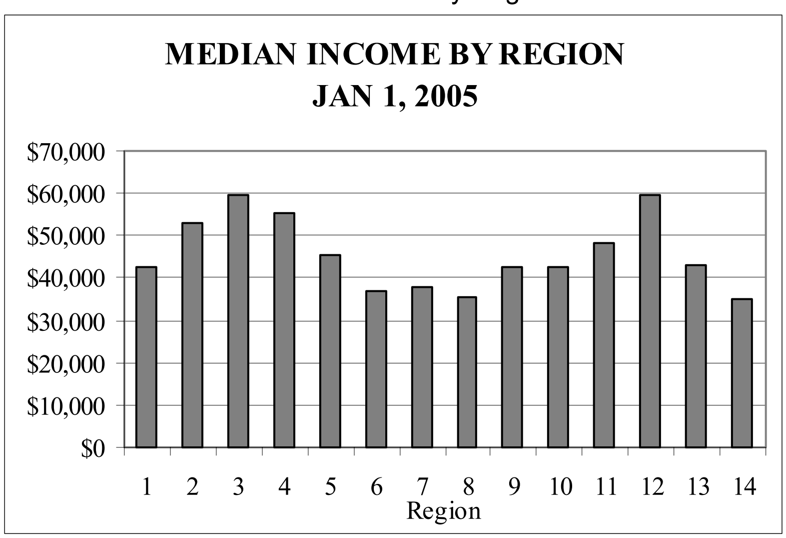
Median Income by Age



Center for Business and Economic Forecasting, Inc.

Median incomes vary in Colorado depending upon which region of the state a household resides. The regions along Colorado's front range have a higher median income that those in other parts of the state. The metro area's median income in 2005 is $60,924. The only part of the state that has higher median incomes is region 12, which includes most of the state's largest ski areas. The area with the lowest median income in 2005 is Region 14, which includes Huerfano and Las Animas Counties. (See Appendix C - Colorado Planning Regions).

Median Incomes by Region



Center for Business and Economic Forecasting, Inc

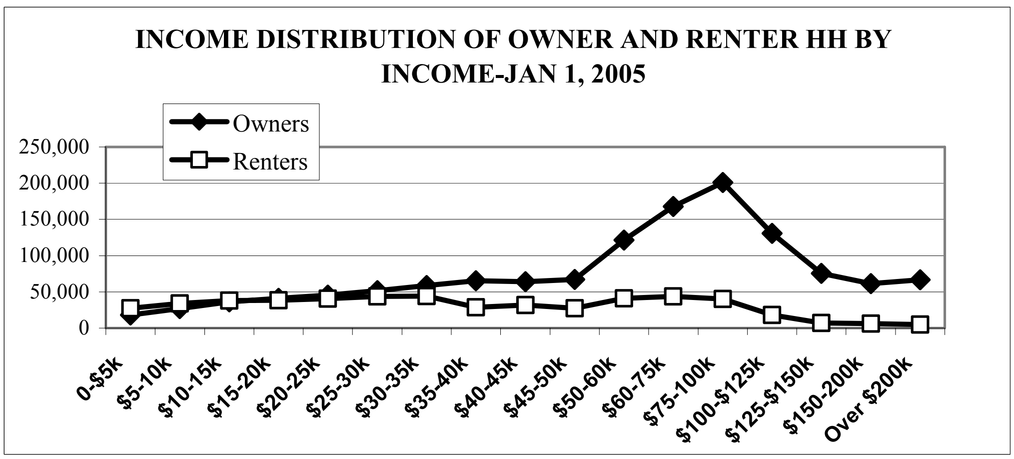
Not surprisingly, owner households have a higher median income than renters. In 2005, the median owner income in Colorado is $65,762 while the median renter income is $34,402.

Owner and Renter Median Income, January 2005

	Owners	Renters
Median Income	$65,762	$34,402
Number of Households	$1,310,326	$517,324

As incomes rise, so does the homeownership rate. The following chart illustrates this. At an income level of $50,000 or more, the percent of households that are owners increases dramatically. Households that earn less than $25,000 annually are less likely to be homeowners. Those that own in this income range are most likely elderly persons with no debt on their homes.

Owners and Renters Households by Income



Center for Business and Economic Forecasting, Inc

The following table shows the number of Colorado renter and owner households that have incomes within HUD's very-low, low and moderate-income ranges in 2005. This table also illustrates that the highest percent of very low-income households are renters. Single adult renters have the highest prevalence of lower incomes among the renters than other household categories. The largest age group of low-income renters is aged 25 - 44. For owners, those that are single with no children and those over 65 have the lowest incomes. This table shows that elderly owners are those with the lowest incomes.

Households by Tenure and Household Status – 2005

	Income as % of AMI	Renters	Percent of Renters	Owners	Percent of Owners
All Households	0 – 30%	128,709	25%	113,387	9%
	31 – 50%	105,885	20%	123,069	9%
	51 – 80%	120,064	23%	242,204	18%
More than One Adult without Children	0 – 30%	19,549	4%	9,913	1%
	31 – 50%	24,904	5%	15,156	1%
	51 – 80%	39,415	8%	46,803	4%
More than One Adult with Children	0 – 30%	35,631	7%	19,765	2%
	31 – 50%	38,918	8%	32,785	3%
	51 – 80%	50,140	10%	83,791	6%
One Adult with Children	0 – 30%	17,680	3%	9,648	1%
	31 – 50%	8,612	2%	11,859	1%
	51 – 80%	4,472	1%	17,947	1%
One Adult without Children	0 – 30%	57,456	11%	75,432	6%
	31 – 50%	34,784	7%	65,568	5%
	51 – 80%	25,611	5%	96,025	7%
Age 18 - 24	0 – 30%	34,879	7%	4,423	0%
	31 – 50%	26,585	5%	4,759	0%
	51 – 80%	19,086	4%	7,183	1%
Age 25 - 44	0 – 30%	46,499	9%	25,644	2%
	31 – 50%	50,552	10%	39,848	3%
	51 – 80%	65,976	13%	98,416	8%
Age 45 - 64	0 – 30%	23,864	5%	33,457	3%
	31 – 50%	20,662	4%	38,811	3%
	51 – 80%	24,545	5%	86,403	7%
Age 65 +	0 – 30%	25,075	5%	51,234	4%
	31 – 50%	9,417	2%	41,950	3%
	51 – 80%	10,031	2%	52,565	4%

Homeless Facilities

Colorado utilizes the Continuum of Care (CoC) system to provide a network of homeless providers across the state. The CoC areas include the Denver Metropolitan Homeless Initiative (MDHI); Homeward Pikes Peak, serving Colorado Springs and El Paso County and the "Balance of State". Within the Balance of State, there are numerous agencies that serve rural homeless persons. In the past year, DOH has also infused CDBG homeless service dollars in rural areas to better utilize ESG funding for additional shelter services in the Denver Metropolitan Area. This is in keeping with our efforts to reduce chronic homelessness in Colorado by 2010 by helping to fund services linked to housing provided by entitlement jurisdictions.

DOH currently funds 62 homeless programs and shelters: 52 are currently funded with ESG and 10 with CDBG dollars. The following is a list of shelters, safe houses, and homeless prevention programs funded by the Division of Housing and the area of Colorado that they serve.

State ESG Recipients, Location and Activities 2004

ESG Agency	Location	Activity
Adams County Housing Authority	Adams County	Homeless Prevention
Adams County Interfaith Hospitality Network	Adams County	Homeless Shelter
Park County Crisis Center	Bailey	Domestic Violence Shelter
Boulder County Safehouse	Boulder	Domestic Violence Shelter
Boulder Shelter for the Homeless	Boulder	Homeless Shelter
Almost Home, Inc.	Brighton	Homeless Shelter, Homeless Prevention
Castle Rock Interchurch Task Force	Castle Rock	Homeless Prevention Program
Women's Crisis Services/Violence Prevention Institute	Castle Rock	Domestic Violence Shelter
Pikes Peak C.A.A.	Colo. Springs	Homeless Prevention
Access Housing	Commerce City	Shelter
Delores Project	Denver	Homeless Shelter
The Empowerment	Denver	Transitional Housing
Interfaith Hospitality Network of Greater Denver	Denver	Homeless Shelter
Samaritan House	Denver	Homeless Shelter
St. Francis Center	Denver	Day Shelter

The Gathering Place	Denver	Day Shelter
Urban Peak	Denver	Homeless Shelter for Youth
Uptown Partnership	Denver	Transitional Housing
Resource Center of Eagle	Eagle County	Homeless Shelter
House of Hope	Englewood	Homeless Prevention
Interfaith Task Force	Englewood	Homeless Prevention
Jeffco Action Center	Jefferson	Homeless Shelter
Jefferson Center for Mental Health	Jefferson, Clear Creek, & Gilpin	Homeless Prevention
Interfaith Hospitality Network of Greater Denver	Jefferson County	Shelter
Catholic Charities Northern	Larimer County	Shelter
Crossroads Safehouse	Larimer County	Domestic Violence Shelter
Neighbor to Neighbor	Larimer County	Homeless Prevention Program
Share, Inc.	Fort Morgan	Domestic Violence Shelter
Summit County Family Resource Center	Frisco	Homeless Prevention
Caring Ministries	Fort Morgan	Shelter, Homeless Prevention
Advocate Safehouse Project	Glenwood Springs	Domestic Violence Shelter
Grand Valley Catholic Outreach	Grand Junction	Transitional Housing, Homeless Prevention
Hilltop Community Resource	Grand Junction	Domestic Violence Shelter, Homeless Prevention
Mountain Family Center	Hot Sulphur Springs	Homeless Prevention
Jeffco Action Center	Lakewood	Shelter, Homeless Prevention
SE Colorado Homeless Center	Lamar	Shelter, Homeless Prevention
The Inn Between of Longmont	Longmont	Shelter
Safe Shelter of St. Vrain Valley	Longmont	Domestic Violence Shelter
Alternatives to Violence	Loveland	Domestic Violence
The Pinon Project	Montezuma County	Homeless Prevention
Posada	Pueblo	Shelter
Catholic Charities	Pueblo	Homeless Prevention

Crossroads Managed Care	Pueblo	Detox Services for Homeless Persons
Advocates Against Battering & Abuse	Steamboat Springs	Transitional Housing for D.V.
Arapahoe House	Thornton	Homeless Prevention
Advocates Against Domestic Assault	Trinidad	Domestic Violence Shelter, Homeless Prevention
A Room at the Inn	Weld County	Homeless Shelter
Catholic Charities Northern	Weld County	Homeless Prevention
Greeley Transitional House	Weld County	Transitional Housing
A Women's Place	Weld County	Domestic Violence Shelter
Family Tree	Wheat Ridge	Domestic Violence Shelter
Stepping Stones	Windsor	Homeless Prevention

State CDBG Homeless Service Recipients, Location and Activities 2004

CDBG Agency	Location	Activity
La Puente	Alamosa	Shelter, Homeless Prevention
Family Crisis Services	Canon City	Domestic Violence Shelter
Loaves and Fishes	Canon City	Homeless Shelter
Housing Solutions for the Southwest	Durango	Transitional Housing and Homeless Prevention Program
VOA-Colorado Branch	Durango	Domestic Violence Shelter
Arkansas Valley Resource	La Junta	Domestic Violence Shelter
Otero County Housing Authority	La Junta	Homeless Prevention
Tri-County Resource Center	Montrose	Domestic Violence Shelter
Help for Abused Partners	Sterling	Transitional Housing for D.V.
Cooperating Ministries	Sterling	Homeless Prevention

In Colorado, these and other homeless providers are funded through a variety of sources, including ESG funds administered by the Division of Housing. The Cities of Aurora, Denver and City of Colorado Springs also receive ESG funds. FEMA funds are also used for shelter operations throughout Colorado. Colorado has a Homeless Prevention Activities Program fund that can be used for homeless prevention activities for persons at risk of homelessness. This fund provided through Colorado Income Tax Check-off donations, totaled $200,135 for homeless prevention in 2004.

Since 1996, the Colorado Coalition for the Homeless (CCH) has provided technical assistance to non-metropolitan communities across Colorado to strengthen the Balance of State Continuum of Care. The original 10 rural Continuum of Care regions have been combined into one continuum of care region that serves all of rural Colorado.

Housing Needs

Renter Housing Needs

The median renter income in Colorado is used in the Consolidated Plan to best identify the incomes of renter households, which have had little income growth in the past five years. The 2005 renter median income for Colorado is estimated to be $34,402, which is just over half of the owner median income in the state. The renter median income is also about 55% of the HUD family median income estimate for Colorado.

To determine whether Colorado renter households can afford housing in our state and in their own communities, DOH has created a "mismatch matrix" comparing the number of housing units affordable to households at certain income levels in a community to the number of households that can afford that unit. This matrix displays the discrepancy in affordable units available to each income group. The model assumes each household is occupying (or would occupy) a unit in their affordability range. In reality, some higher income households will occupy units affordable to households in lower income ranges to save on housing costs, while lower income households may be forced to occupy a unit too costly for them

Colorado Renter Housing Mismatch 2004
Number of Rental Units Per 100 Renter Households

Household Incomes	0 - 30% RMI	31% - 60% RMI	61% - 80% RMI
Colorado	66.2	86.8	178.1

Colorado Division of Housing, 2005

The above analysis demonstrates that there are too few rental units available that are affordable to households making 30 percent or less of median renter income in Colorado. As incomes rise, number of units affordable at those incomes also increases. At 60 percent of median renter income, there are 86.8 affordable rental units per 100 renter households. There are more units affordable to renters at 60 – 80% of median income than there are renters. Many of the households that earn 0 – 60% of median renter income are most likely living in these units.

2000 census data updated with the *Income Estimates for Colorado and Its Regions* data was used to create an analysis for the consolidated plan of renter households paying more than 30% of their income for housing. The table below shows the results of this analysis. Our data, which uses statewide median incomes and rents, shows that the greatest number of renter households burdened in Colorado fall below 50% of median income. That is not to say that there are no renter households at 60% or above AMI that are rent burdened, as we know is the case in the high cost areas of Colorado. This analysis can merely show that on a statewide level, there are more rental units affordable at the 60 - 80% AMI range than there are renter households in that range.

Number of Cost Burdened Renter Households Estimated in 2005

	Number of Households Paying in Excess of 30% of Income	Number of Households Paying in Excess of 50% of Income
0 - 30%	98,609	77,855
31 - 60%	51,153	22,455
61 - 80%	64,711	6,962

Colorado Division of Housing analysis; Income Estimates for Colorado and Its Regions, 2000 Census, Colorado Division of Housing, 2004.

There is no new available data on overcrowding since the 2000 census. With Colorado housing prices and incomes remaining stable since 2000, there is nothing to indicate how the percentages have changed. The following table uses the 2000 census percent overcrowded for two income ranges to estimate the number of overcrowded renter households in Colorado in 2005.

Incidence of Overcrowded Renter Households, 2000 and 2005

	Percent Overcrowded 2000	Projected number of Overcrowded Households in 2005
0 - 50%	9.3%	21,817
51 - 80%	10.9%	13,087

2000 Census HUD Special Tabulation; Colorado Division of Housing, Incomes Estimates for Colorado and its Regions, 2004.

Homeowner Needs

Existing Owners

Foreclosure and delinquency rates in Colorado indicate that, overall, Colorado homeowners are staying in their homes once they purchase them. HUD reports a 3.54 rate of loans past due in the fourth quarter of 2003 in Colorado and a foreclosure rate of 1.04. Although the rate in both categories has increased from our last Consolidated Plan in 2000, this rate is still below the 4.88 and 1.29 average delinquency and foreclosure rates posted in the United States during the same quarter.[15]

Delinquency rates for down payment assistance programs funded through the Division of Housing are very low, as are delinquency rates for Rural Development loans and CHFA loans. Rural Development reports that 13.4% of their direct loans are delinquent, the 7th lowest rate in the nation. Only 4.5% of their guaranteed loans are delinquent.

Low interest rates have allowed many renters in Colorado to become owners, as evidenced by the rising homeownership rate. A slow down in Colorado's economy has left many owners with too much house debt and lower incomes, leading to rising delinquency and foreclosure rates.

There is no new data on cost burdened homeowners in Colorado since the 2000 census. Many homeowners do cost burden themselves intentionally, and took on more home debt this decade, taking advantage of low interest rates to fix up homes or purchase other goods. We can only project how many owner households may be cost burdened by using the percentage of owners cost burdened in 1990 by income range and multiplying these percentages by the number of households in those income ranges in 2000. Most likely these numbers are low, considering the change in Colorado's economy since 2000.

Cost Burdened Owner Households, 2005 Projections

		2000 Percent	2005 Owners
0 - 50%	Cost Burden > 30%	63%	149,440
	Cost Burden > 50%	41%	61,121
51 – 80%	Cost Burden > 30%	38%	92,280
	Cost Burden > 50%	8%	7,198

There are existing owners who are in danger of losing their homes because of life safety defects. Many older Coloradoans live in homes that are old and in

15. Foreclosure and Delinquency Trends, HUD Rocky Mountain Regional Office, September, 2004

disrepair. While our economy has been growing, most of these households live on fixed incomes, many on Social Security. As was shown in the above table (page 23) categorizing owner households by income range and age, there are more than 100,000 low- or moderate-income elderly owners in Colorado. Though the equity in their homes may have increased, many cannot afford to take out a commercial loan to make necessary repairs. The Division of Housing funds 16 owner-occupied rehabilitation programs statewide that serve these households and other low-income owners. Demand for these programs has not decreased since 2000. As prices increase, other low-income households are purchasing homes that need repairs right away or within the first few years of occupancy. These households, too, can benefit from low interest rehabilitation loans.

There is no new data on the number of owners living in substandard units in Colorado. However, anecdotal information indicates that these numbers have decreased since 1990. In 1990, there were fewer than 25,000 households in the state who indicated that their homes lacked kitchen facilities or complete plumbing.

As is the case with renters, there is also no new data to indicate how many owner households are living in overcrowded situations. We can only project the number in 2005 using 2000 percentages, as was done for the renters. The following table shows these projections.

Incidence of Overcrowded Owner Households, 2005 Projections

	Percentage in 2000	Number of households projected in 2005
0 - 50% AMI	3.2%	7,576
51 – 80% AMI	3.6%	8,719

2000 Census HUD Special Tabulation; Colorado Division of Housing, Incomes Estimates for Colorado and its Regions, 2004

New Homeowners

There are 73,000 renter households in Colorado that earn between 60% and 80% of HUD's statewide median income. These are households DOH and other funders serve through homeownership assistance programs. The analysis below looks at renter incomes in this range, and the home price that they can afford. The affordable price is then compared to what DOH is calling the "benchmark modest house," the median home price for the area, and the number of units available in Colorado that are affordable to these households now.

DOH contracts with ValueWest, Inc. to determine the cost of the benchmark house. This was done by using 2002 tax assessor values and sales prices for homes sold in 2002. These values and prices were projected out to January 2004, and a benchmark house cost was established for each county in Colorado.

DOH has targeted a 1,300 square foot home as the typical modest home affordable to households at 60% to 80% of HUD's median income.

The median home price is calculated by local boards of Realtors and compiled by the Colorado Association of Realtors. This number includes all sales in the market area; therefore, it is higher than the cost of the benchmark home. The number of affordable homes available was compiled from local real estate Multi-List Service data from October of 2003.

Homeownership Opportunities

	HUD Income Limits	30% of Income	Affordable Price	Benchmark Modest House	Median Home Price	Affordable Homes Available
Colorado						
60% of Median	$38,100	$953	$160,668	$193,749	$203,000	5,350
80% of Median	$50,800	$1,270	$214,224	$193,749	$203,000	11,825

Sources: Housing Cost Estimates by County, Colorado Division of Housing, Colorado Assoc. of Realtors

Although interest rates are still low, homeownership can still be out of reach for many Colorado renters. The table above shows that while a household earning 80% of median income can afford the benchmark and median priced home, they may have trouble finding one. The Division of Housing estimates that there were only 11,825 affordable homes available in October 2003. The household earning 60% of HUD's median income will have more difficulty trying to become homeowners. Both the benchmark and median price are above what they can afford without a significant down payment.

The above table illustrates that, as incomes drop, it becomes harder for renters to afford the benchmark unit without a great deal of subsidy. In some areas of the state, renters can choose to purchase smaller units, or purchase in those neighborhoods with lower property values. As a policy option, it becomes increasingly hard to assist very low-income households to become homeowners. Home prices soar out of reach, and often these households have credit history problems which must be resolved before obtaining a loan. If rental units are made available by households moving to homeownership, however, opportunities may increase for lower income renters to find an affordable home.

Section 8 and Public Housing Authority Tenant Needs

Twenty-five years ago, the Federal Government created the Section 8 Housing Assistance Payments Program. This program contained two parts, one called "project-based" and the other "tenant-based." Project-based rental assistance is tied to units in privately owned apartment buildings where the owner has entered into a contract with HUD to receive a rental subsidy for a certain number of years. Tenant-based rental assistance, most commonly known as the “Voucher Program” provides rental assistance directly to families so that they may live anywhere they wish in the private market.

Several years ago the project-based programs faced a major challenge in losing affordable housing stock because owners had the ability to “opt out” of their contracts with HUD and list their units at market rate. Fortunately, only six percent of HUD’s project-based inventory was lost to owner opt outs. Part of the success of keeping units affordable was due to HUD’s emergency initiative called Mark-To-Market. This program increased project-based rents to market rates and restructured existing debt to a level that would support these rents. During this same time, Colorado Division of Housing worked with a number of owners and potential buyers to offer financing that kept units affordable. Using property information compiled by HUD and the National Housing Trust, DOH staff identified properties with expiring Section 8 contracts. Our financial assistance included rehabilitation loans, subordinated loans, grants, and tax- exempt bond financing.

A similar effort took place with the Department of Agriculture’s Rural Development (RD) Office. USDA Rural Development Section 515 properties faced the threat of owners opting out of their rental agreements through prepayment of their loans. Approximately 2,550 apartment units currently financed under the Section 515 program could allow prepayment of their mortgage. Property owners seeking to prepay their mortgage filed a class action suit against USDA to exercise this option. The class action suit is still pending. USDA is currently working with owners, whose properties were financed prior to 1989, to provide options in maintaining their affordability.

With a housing market that is not as strong as in the past, private owners prefer not to sell because the rental subsidies received from HUD help maintain property lease up and cash flow. DOH has the opportunity to work with these existing owners using HOME, CDBG, and state monies to keep the units in safe, decent and livable condition so that they may compete with the lower rents offered in a softer market. By doing so, the Division of Housing has made the preservation of these units a priority.

There is still not enough deep-subsidy rental assistance available to the lowest income renters in Colorado. The Section 8 tenant-based Voucher Program is undergoing budget cuts due to rising costs. Housing Authorities throughout Colorado have to reduce the number of families they serve based on HUD’s funding authority, and yet, the demand is great.

As shown in the rental needs section, more than 77,855 renters earning at or below HUD’s 50% AMI limit in Colorado are estimated to be rent burdened. Most of the new units being created throughout the state are not affordable to these households. The 98,609 renters at 30% or less of AMI often need a subsidy to make any unit affordable. A recent survey conducted by the Division of Housing of all housing authorities participating in the DOH Section 8 program shows that in Colorado there are long waiting lists for deep subsidy units. The following tables show the results of this survey. It should be noted that the total number of households on waiting lists is not an accurate measure of need. Many lists are or have been closed or capped.

Public Housing Waiting List Survey Results, 2004

	Colorado
Total Waiting List for Households	46,080
0 – 30% AMI	37,357
31 – 50% AMI	7,394
51 – 80% AMI	1,259
Families with Children	21,178
Elderly Families	6,236
Families with Disabilities	14,160
Hispanic	13,357
Non-Hispanic	32,442
Black	7,244
Native American	877
Asian Pacific	1,503

As this table illustrates, the majority of households on Colorado public housing authorities' waiting lists have incomes at 30% or below AMI for the state. Most are families with children, and many have a family member who is disabled. For those housing authorities that track it, there are an average of 29 phone calls per week for housing assistance.

The data below shows a disproportionate need among some racial groups. When compared to the percentage of persons in Colorado in each ethnic group, this data does show that all ethnic minorities in Colorado excluding Asians have a higher proportion of housing need that whites. The following table summarizes these findings.

Disproportionate Housing Needs by Ethnic Group, 2000

	Percent of Population	Percent of Waiting Lists
Hispanic	13.9%	39.0%
Black	4.3%	18.5%
Native American	.9%	3.1%
Asian Pacific	2.4%	2.0%
White	78.4%	37.4%
Total	100.0%	100.0%

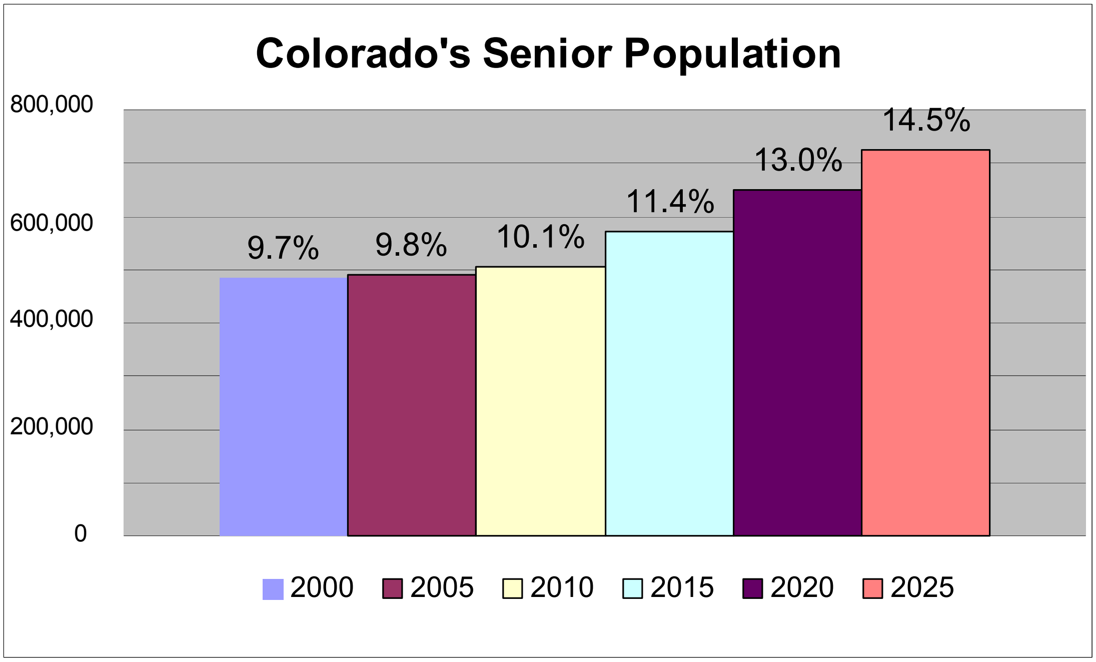
A primary housing program that is designed to reduce dependency on public assistance is the Section 8 Family Self-Sufficiency (FSS) program. This program embodies the four principals of Colorado's welfare reform. Each household participating in this program enters into a Contract of Participation. This contract provides a framework and time line for reducing their dependency on public assistance. Once the contract is fulfilled, funds allocated to an escrow account on their behalf can be used to invest in a home or pursue further education. This program is administered by the Colorado Division of Housing, as well as many other housing authorities, and is offered locally by nonprofit housing agencies and housing authorities.

Elderly Housing Needs

In 2003, a study by the Colorado Department of Human Services, Division of Supportive Housing and Homeless Programs, found an estimated unmet need for affordable rental units among households with at least one recipient of elderly benefits is 7,245 households.[16]

Senior populations in rural areas of the state are forecast to grow by .5% from 2005 to 2010 and then increase more rapidly in successive five-year periods. Senior populations for the State as a whole are forecast to remain fairly steady until 2015.

16 “Follow-up Study of Housing Needs of Low-income Populations in Colorado”, Colorado Department of Human Services, Division of Supportive Housing and Homeless Programs



Housing is an important component in serving the range of needs that our seniors have. The Colorado Four Year State Plan on Aging lists affordable housing as one of the ways to support "independent living, self-sufficiency, safety and dignity" for older adults.[17]

There are four common types of housing for seniors, each providing an increasing level of services as residents becomes less healthy and more frail.

Independent Living gives seniors who are functionally and socially independent apartment-type housing with limited services such as security, partially accessible units, transportation, housekeeping, and social activities.

Congregate Care housing provides frail, chronically ill or socially isolated seniors with the same services as independent living, with the addition of meals and occasional housekeeping.

Assisted Living provides housing and services to seniors who require 24-hour supervision. These units are small, fully accessible, and most often lack cooking facilities. In addition to the general services provided to those in independent and congregate living, residents are provided assistance with daily living by trained aides. Staff monitors tenant medications but does not administer them.

Nursing Homes provide 24-hour a day services to seniors that are unable to take care of themselves. Residents are provided with all of the above services, with the addition of the administration of medication administered

17 Colorado Four Year State Plan on Aging for October 1, 2003 - September 30, 2007. Colorado Department of Human Services.

by staff. Nursing homes have a more hospital- like setting, with full medical services.

Independent Housing Needs – Independent Elderly

DOH research estimates that there are 34,492 renter households and 93,184 owner households earning between 0 - 50% AMI in Colorado that have a householder age 65 or older. More than 25,000 of these households are renters at or below 30% AMI. According to the Colorado Department of Local Affairs Demography Section, the 60+ age group will grow faster than any other from 2010 to 2025. Many of these households live on fixed incomes.

The Colorado Division of Aging and Adult Services is responsible for developing a comprehensive system of services for older adults. These services include the Aid to the Needy Disabled (AND) and Aid to Blind (AB) Programs, Old Age Pension (OAP) Basic Grant Program, Colorado Supplement Programs, Burial Assistance Program, Old Age Pension – Supplemental Security Income Assistance Project, Adult Protection Program, Congregate Nutrition Service Program for the Elderly, Senior Community Service Employment Program, the In-Home Nutrition Service Program for Older Persons, the Transportation Services Program for Older Persons, the In-Home Services Program, the Long Term Care Ombudsman Program, and the Legal Service Developer Program. A number of these programs, which are operated by local agencies, allow seniors to reside at home for as long as possible. Many seniors are reluctant to leave their homes to move to a service-enriched housing project. Programs such as In-Home Services have proved to be effective in keeping seniors in their homes longer, and are an important component of any plan to serve the housing needs of Colorado seniors. An August 2003 report by the Colorado Commission on Aging states that finding solutions to allow more seniors to live at home is an important strategy for solving the senior housing problem.

DOH will encourage increased use of the Medicaid Home Modification program and will view positively housing rehabilitation programs that help seniors modify existing housing so they may age in place.

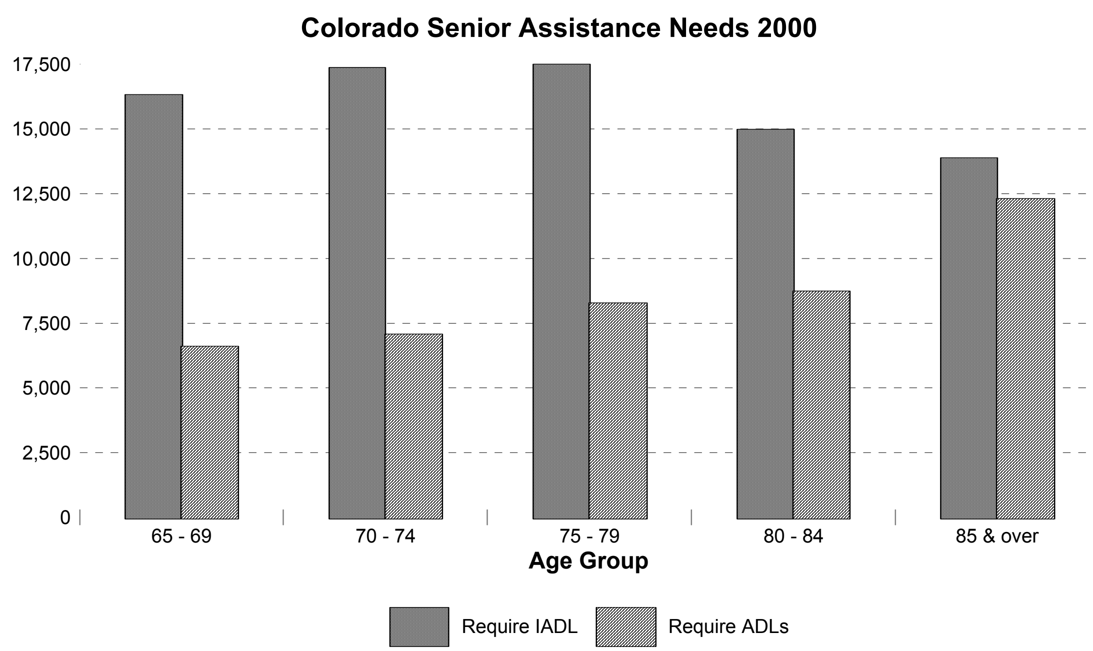
Although Colorado seniors may be able to remain in their homes by using outside services, rising housing prices and property values make it difficult for many seniors to afford their rent or property taxes. Colorado does have a property tax/rent/heating cost rebate program for low-income seniors. This rebate, with a maximum amount of $792, is available to seniors age 65+ with incomes of up to $11,000 for an individual and $14,700 for a married couple. Seniors may also defer paying property taxes by allowing the state to place liens on their property for the taxes due. Even with a $792 rebate per year, those seniors renting in the private market may find themselves priced out of their communities. Even in some of the small rural areas of Colorado, there are needs for more independent senior housing.

Although it is less of a concern in the current sluggish economy, 63 properties with rents at 110% of Fair Market Rent (FMR) could choose to opt out of their project-based Section 8 contracts in the next five years, according to HUD data. Should the housing market regain its momentum and rents once again rise, Section 8 opt-outs would be more likely to occur. The Division of Housing and other Colorado agencies work to ensure that as many of these projects are retained in the affordable housing pool as possible, no matter what the market conditions.

Need for Housing with Services - Frail Elderly

Many seniors lose their independence as they age. Using estimates from the Administration on Aging, the Division of Housing has estimated how many seniors will need assistance with Instrumental Activities of Daily Living (IADL), or Activities of Daily Living (ADL). IADLs include housework, meal preparation, money management, and shopping. ADLs include bathing, dressing, or eating. Often, seniors requiring these types of assistance are not able to continue living independently in their own homes. They may require one of many special housing options for seniors.

According to Administration on Aging estimates (2004), there are 72,155 elderly persons in Colorado that need assistance with IADLs and 31,982 that need assistance with ADLs. This number will increase as Colorado's population ages.



Colorado Department of Local Affairs, Demographics Section

In the past the Colorado Division of Housing financed 18 independent, congregate, and assisted living developments around the state. These projects have provided 516 units of affordable housing to seniors who desire to stay in their communities; however, many of these facilities are struggling with a new set of circumstances. The market for assisted living facilities has changed. Medicaid does not fully reimburse the actual costs of caring for senior citizens; thus, Medicaid beds result in a loss to those facilities. Additionally, many more seniors and their families are choosing to age in place and utilize Home Health Care programs since the cost of such care is more affordable.

As a result, the Division of Housing funds few new assisted living facilities. The Division is currently working with its rehabilitation agencies across the state to encourage the use of accessibility modifications and to encourage integration with the Medicaid Home Modification Program when feasible.

Persons with Special Needs

Colorado's economy has created new and difficult housing challenges to the State's special needs population. "Persons with Special Needs" include individuals with chronic mental illness, physical disabilities, developmental disabilities, drug and/or alcohol addiction, HIV/AIDS, and multiple diagnoses. This population generally is unable to hold full-time employment, has higher than normal medical expenses, may require assistance in activities of daily living (e.g. cooking, cleaning, personal care, etc.), and most significantly, has limited income that provides them few options in housing. Their ability to compete in the housing market for affordable and appropriate housing is limited in many cases not only by their lack of income, but also by their need for special accommodations. Many Colorado households, particularly special needs populations, are losing ground.

This competition for housing is exacerbated by the movement away from large, institutional settings for persons with disabilities toward more residential-type settings such as group homes. Many individuals are being encouraged to live independently with support services delivered to them in their home. While this is generally believed to be a more cost-effective and efficient method, it does place the development of these group homes and residents in independent living situations in direct competition with the rest of the housing market.

This increase in demand and change in philosophy in housing needs for persons with disabilities come at a time when the market is unstable. This represents an increased risk to persons with special needs. Changes in federal housing policies are also reducing the supply of affordable housing to persons with disabilities by removing the requirement that owners of federally subsidized housing make units available on an equal basis to both elderly households and people with disabilities under the age of 62. Landlords are now allowed to have "seniors only" buildings, thereby removing another source of affordable housing for non-elderly persons with disabilities.[18]

---

18 Consortium for Persons with Disabilities, *Priced Out in 2002; The Crisis Continues* May, 2002.

In Colorado, approximately 360,826[19] persons over the age of 16 have a severe disability. More than 168,878 persons are estimated to have a severe/chronic mental illness[20], approximately 16,401[21] are developmentally disabled, 88,967 are persons with physical disabilities,[22] and more than 3,684 persons are living with HIV/AIDS.[23] A 2004 DOH survey of Public Housing Authority Waiting lists found that as many as 14,160 households with disabilities and 6,236 senior households are on waiting lists for public housing assistance.

For the majority of these individuals, Supplemental Security Income benefits (SSI) provide the bulk of their income. Colorado's monthly SSI benefit is approximately $565. According to a 2002 study by the Consortium for Citizens with Disabilities, *Priced Out in 2002, The Crisis Continues*, for the first time ever, the average national rent was greater than the amount of income received by persons with disabilities from the SSI program. Specifically, the average rent for a modest one-bedroom rental unit in the United States was equal to 105% of SSI benefits — up from 98% in 2000.[24]

Colorado is no exception. According to *Priced Out in 2002, The Crisis Continues*, persons with disabilities receiving SSI benefits are among the lowest income households in the country, with income equal to only 16.2% of the average median income for Colorado. In Colorado, 94% of a person's SSI income is needed to rent an efficiency apartment, and 109.2% of a person's SSI income is needed to rent a one-bedroom apartment. SSI income equates to 20% of the state's HUD median income for one person, or only $3.43 per hour. Minimum wage, on the other hand, is $5.15 per hour.[25] From this information it is easy to see that persons with disabilities living on SSI are at a terrific disadvantage in not only finding affordable housing, but being able to retain the housing they have in the face of ever-increasing rental rates.

Most persons with special needs choose to live in units where they can remain independent. If services are needed, they prefer to access them in a site close to, but not attached to, their home. This allows greater freedom and the ability to come and go in a non-stigmatized environment. New deep-subsidy rental units are needed to expand the available inventory of housing units that are both accessible and affordable to persons living on SSI.

---

19 Census 2000, Summary File 3, Disability Status
20 Department of Human Services, "Population in Need of Mental Health Services and Public Agencies' Service Use in Colorado", January 7, 2002
21 CDHS, Dee Camersol
22 Department of Labor and Employment. U.S. Census Bureau.
23 Colorado Department of Public Health & Environment, "Monitoring the Epidemic", June 30, 2004
24 Consortium for Persons with Disabilities, *Priced Out in 2002; The Crisis Continues* May, 2002
25 Consortium for Persons with Disabilities, *Priced Out in 2002; The Crisis Continues* May, 2002

Housing Expenses Compared to Supplemental Security Income -2002

	SSI Monthly Payment	SSI as % of Area Median Income	% of SSI Needed to Rent an Efficiency Unit	% of SSI Needed to Rent a One Bedroom Unit
Boulder-Longmont	$582.00	11.5%	107.6%	128.9%
Colorado Springs	$582.00	17.5%	82.8%	89.0%
Denver	$582.00	14.3%	102.2%	122.0%
Fort Collins-Loveland	$582.00	16.4%	81.8%	101.0%
Grand Junction	$582.00	21.7%	75.3%	78.4%
Greeley	$582.00	20.8%	90.4%	99.8%
Pueblo	$582.00	21.7%	79.4%	82.1%
Non-Metropolitan Areas	$582.00	21.7%	79.2%	87.1%
State Average	$582.00	16.2%	94.0%	109.2%

Priced Out in 2002; The Crisis Continues May, 2002.

Statistics from the Colorado Department of Human Services, Division of Supportive Housing and Homeless Programs on their Section 8 tenants (all disabled), show that 80% have incomes below 30% AMI, 84% have incomes below $10,000/year. 90% have only one person in the household. Most receive SSI/SSDI or some other pension as income.

According to the Colorado Department of Human Services, one problem with expanding the inventory of housing for the disabled is the fact that persons with disabilities receive a disproportionate share of the HUD funds used to finance new deep subsidy rental units. In FY 2004, HUD will provide $783 million for senior housing programs and $251 million for housing for persons with disabilities[26]. It has also become more difficult to construct units through the 811 program with only the 811 financing. Almost all of the 811 projects constructed in Colorado in the past three years have required additional funding from the Colorado Division of Housing and entitlement areas to meet the cost of construction.

As with seniors, the disabled population could be greatly impacted should the market experience a loss of Section 8 due to expiring projects opting out. At the current time, The Colorado Department of Human Services, Division of Supportive Housing and Homeless Programs Office estimates that there are 13,379 persons living in subsidized housing in Colorado that have disabilities[27]. Although each household residing in units that have “opted out” of Section 8 will receive a voucher, this increases competition for other affordable units.

According to a study completed by the Colorado Department of Human Services supportive Housing and Homeless programs completed in August of 2003, there are an estimated 39,144 persons age 18 – 64 in Colorado receiving Supplemental Security Income (SSI) or Aid to the Needy Disabled (AND). 13,450 are already housed in affordable units. According to this analysis, there are still 11,504 persons with disabilities who need affordable housing.

Housing Needs of Persons with Disabilities

	Persons Receiving SSI/SSDI	Disabled Persons in Subsidized Housing	Persons not Housed in Subsidized Units
Colorado	39,144	13,450	11,504

Colorado Department of Human Services, Division of Supportive Housing and Homeless Programs, Follow-Up Study Of Housing Needs Of Low-Income Populations In Colorado, August, 2003

26 United States Department Of Housing And Urban Development *Fiscal Year 2004 Budget Summary*

27 Colorado Department of Human Services, Division of Supportive Housing and Homeless Programs, *Follow-Up Study Of Housing Needs Of Low-Income Populations In Colorado*, August, 2003

Persons with Severe and Persistent Mental Illness

Colorado, like all other states, has reduced state mental health hospital capacity and shortened the lengths of stay, requiring a greater need for community-based services and housing. As the trend toward deinstitutionalization of the chronically mentally ill continues, new types of housing alternatives are required to respond to the needs of this population. This change in treatment philosophy has increased the need for the development of more creative housing alternatives.

Group homes now provide a structured transition from institutional settings into more community-oriented housing. Group homes allow for a more formalized setting to monitor the residents' wellbeing and medical needs. Independent apartments with on-site service providers available to monitor and assist the residents and help them learn the skills necessary to live independently are another alternative. Many persons with chronic mental illness are able to live independently with little or no supervision, but need to have readily available support services. In many instances, caseworkers visit clients in their own home. In all settings, monitoring of medication is an essential component of the service package, and in many instances is the key to allowing these individuals to remain in semi- and fully-independent housing settings.

Due to the nature of their illness, persons with chronic mental illness may occasionally require hospitalization to re-evaluate their medical needs. While new drugs are allowing more and more individuals freedom and the chance for an independent life, medications may need to be adjusted on a periodic basis. It is crucial to this population that they be able to return to their housing units after hospital stays. To ensure this, clients must have a rental subsidy stream that will continue in the event that they are hospitalized. Many programs such as Shelter + Care provide for this event, but other programs require that the recipient reside in their housing unit during the month that the subsidy is provided, or the subsidy may be terminated. The ability to keep their housing is not only important from the housing perspective but from a therapeutic perspective. Programs that recognize the specific needs of the population are essential to prevent homelessness in this population.

The Colorado Department of Human Services, Division of Supportive Housing and Homeless Programs has a waiting list of over 1,300 individuals with a disability and families with a head of household with a disability.

The Colorado Coalition for the Homeless estimates that their Stout Street Clinic in Denver treated 9,711 persons for mental illness during 2003. Of these, 2,383 are individuals who have mental illness as their primary diagnosis, or reason for contacting the clinic. These people are homeless and are not currently in the mental health system. These numbers do not take into account the housing needs of persons with severe and persistent mental illness that are not clients of a mental health agency, but are served by a hospital or local clinic. In 2001, the TriWEST Group performed a study and analysis of mental health needs for the

Colorado Department of Human Services. This study included an inventory of existing housing and estimated housing needs across the state and concluded that the following additional beds or "slots" were needed to accommodate mental health housing needs: 571 additional Section 8 slots, 41 HUD Supportive Housing slots, 49 Single Room Occupancy Modified Rehab slots, 23 homeownership slots and 133 other housing slots were needed. This represents a total of 817 beds.

Persons with Physical Disabilities

Persons with physical disabilities face not only the problem of finding affordable housing but also finding housing that meets their physical needs. While building codes now require that newly constructed housing, especially multi-family housing, provide units that are accessible, many of the older buildings found throughout Colorado provide inappropriate housing. Non-accessible housing not only makes it difficult for the person to function within his or her own home, it may be an unsafe environment in the event of an emergency.

Landlords in Colorado are now required to allow persons with disabilities to make modifications to their units, but they may be required to return the unit to its original condition upon moving, all done at the expense of the resident. This cost can be prohibitive and force the residents to "make do". The requirements for physical accommodation of the unit can range from simply installing low or no pile carpet, to removing kitchen cabinet doors to allow residents using wheelchairs to roll up under a sink to prepare meals. Larger retrofitting of units such as baths and doorway openings is generally cost prohibitive.

The Medicaid Home Modification Program may provide assistance to low-income, disabled tenants to retrofit their homes. This program can help residents for the long term. Persons with physical disabilities tend to stay longer in their accessible rental unit simply because the home meets their needs and there are few other alternatives. Additionally, accessibility modifications at the time of rehabilitation of existing units, especially in projects funded with DOH or other federal funding, are adding to the inventory of available and appropriate rental housing for this population. All new buildings constructed with DOH funds have at least 5% of the units constructed to meet accessibility standards.

Persons with Developmental Disabilities

Persons with developmental disabilities have many of the same housing challenges as those with severe and persistent mental illness. Many individuals are able to function independently with minimal oversight; however, others may require intensive services and a highly structured environment. Again, many of the state institutions serving the developmentally disabled are closing and residents are being moved into a variety of housing types within their communities that are tailored to their specific needs. The creation and development of these housing options generally lags behind the needs of the population.

In many communities, the creation of group homes presents even greater challenges than the development of affordable rental housing. This population must live in close proximity to service providers and caseworkers to receive the essential services necessary to remain independent. NIMBY can make finding a location for group homes tough for providers.

Many persons with developmental disabilities currently live with their parents and have never lived elsewhere. However, aging parents are often not able to continue caring for a developmentally disabled child, and these individuals must move into alternative housing. This adds demand for supportive housing that is already in short supply.

An informal survey of waiting lists at local Developmental Disability providers was conducted to determine an estimate of the need for more housing options for the developmentally disabled population. Providers state a need for 315 more Section 8 vouchers and 5 new group homes throughout the state.

Persons with Alcohol/Drug Addiction

Persons with alcohol and/or drug addiction face a different housing challenge. While in treatment, their housing is often provided. But when treatment is completed, these persons must find their own affordable housing. Many of these individuals have been homeless and have no home to return to after completing treatment. According to *12 Myths and Misconceptions about Homeless* (March 2004), about 50% of homeless individuals report using alcohol and/or drugs in the month prior to the survey. Alcohol- and drug-free residential settings are an essential step in the effective treatment of persons with alcohol and/or drug dependence. Such programs need to be able to assist their clients in locating and securing appropriate housing once they are released from the treatment programs. In essence, housing becomes a critical component in the continued sobriety of these individuals.

Persons with HIV/AIDS

According to the Colorado Department of Public Health and Environment HIV/STD Surveillance Program, there have been 8,086 total AIDS cases reported in Colorado since 1982.[28] Of these, 4,799 were in Denver alone. Since 1996, the percentage of persons diagnosed with AIDS who are still living has increased dramatically due to new treatments. There are now an estimated 3,639 persons living with AIDS in Colorado.

The HIV epidemic in Colorado is concentrated in the Front Range in the counties and population centers of Denver, Boulder, Broomfield, Adams, Arapahoe, Jefferson, Douglas and El Paso Counties. These counties represent 89 percent of prevalent HIV/AIDs cases and 68 percent of Colorado's population. Fremont

28 HIV and AIDS in Colorado. Monitoring the Epidemic (through March 31, 2004). Colorado Department of Public Health and Environment, HIV/STD Surveillance Program.

County appears to have a disproportionate share of HIV because it is home to the Colorado state correctional facility that houses virtually all HIV infected prisoners.29 Although there are persons with HIV/AIDS in the rural areas of Colorado, the numbers are not great.

AIDS/HIV Cases in Colorado by Geographic Area, through March 31, 2004

Area	AIDS Cases	HIV Cases	Deaths
Adams County	391	242	237
Arapahoe County	614	460	339
Boulder County	278	247	144
Denver County	4,799	3,892	2,963
El Paso County	545	450	323
Jefferson County	499	320	279
Larimer County	133	100	66
Pueblo County	124	89	70
Weld County	110	69	58
Balance of State	593	657	271

Colorado HIV/STD Surveillance Program, HIV and AIDS in Colorado, 3/31/2004

Housing for persons with HIV/AIDS is more than simply a shelter issue - it can become a health issue. Housing is a prerequisite to many basic services frequently needed by person with AIDS/HIV. Appropriate housing allows the individuals the stability necessary to conform to the often-strict drug regimes that treatment of their illness requires. "Inadequate housing can make it extremely difficult to get appropriate health care, maintain recovery from drug or alcohol dependency, or access to substance abuse treatment or other services. A stable living arrangement has been shown to be critical to an individual's success with the new Highly Active Anti-Retro viral Therapy (HAART), commonly known as 'combination therapy' or 'the cocktail'."[30] These new drug therapies are allowing more individuals to live independently longer.

As persons with HIV/AIDS live longer, demand increases for living situations that are responsive and supportive through the entire course of a person's illness. Stable housing provides an essential base for services considered crucial to optimal health and wellbeing. Stable housing also provides a social forum for people who are feeling isolated by their disease. As individuals secure a safe,

29 Integrated Epidemiologic Profile of HIV and AIDS Prevention and Care Planning reported through June 2003. Colorado Department of Public Health.
30 *Medicine Plus*,U.S. National Library of Medicine, September 2004

comfortable residence, their emotional status often stabilizes. Housing appears to have an immediate impact on psychosocial and physical health and must be considered an important element in the full spectrum of care for persons with HIV/AIDS.

The housing and supportive service needs of persons with HIV/AIDS are defined by the episodic nature of the HIV disease. People with HIV/AIDS experience a series of infections or other conditions that may be more or less incapacitating. These severe illnesses, however, are usually short term; individuals often return to their previous physical state before the infection occurred. As a result, persons with HIV disease experience continual fluctuations in their housing and service needs. For instance, a person might be able to live independently most of the time, but need 24-hour nursing care for one to two weeks when a serious illness occurs. This is why there is still a need for assisted living and hospice housing. These facilities are in short supply.

Individuals' needs also change over the full course of the illness. They are more independent during the initial stages, less independent as they approach the latter stages of their illness. Housing providers must be prepared to provide a spectrum of support services. Frequent changes in housing may exacerbate the illness or a person's condition, as well as place an additional financial burden on an individual already struggling with medical expenses. Continuity in housing is the ideal situation for persons with HIV/AIDS.

Housing Opportunities for Persons with AIDS (HOPWA) from the United States Department of Housing and Urban Development (HUD) are now distributed throughout the state through the entitlements of the City of Denver and the State of Colorado. Regional agencies include the Northern Colorado Aids Project (N-CAP); Southern Colorado Aids Project (S-CAP), Boulder Aids Project (B-CAP) and the Western Colorado Aids Project (West-CAP). Rural areas are more difficult to serve because of the great distances that either providers or clients must travel for services.

The Metro Denver HIV/AIDS Housing plan has developed a way of estimating the number of housing units needed for low income persons living with AIDS in the metro Denver area. If tenant based rental assistance is included, this number decreases. If we use this same methodology, we can determine the number for the balance of the state outside the entitlement areas.

Estimated Housing Need for Persons Living with AIDS in Rural Colorado, 2004

	Current Data	Projected Need
Number of PLWAs – rural	979	
Percent of PLWA below poverty level[31]	76%	
Estimated Low Income PLWA	744	
If 10% need housing assistance		75
If 20% need housing assistance		150
If 50% need housing assistance		372

Calculations performed with Cases from HIV/AIDS "Monitoring the Epidemic, through March 31, 2004"

Persons with Multiple Diagnosis

Undoubtedly, one of the most difficult populations to respond to is the persons with multiple diagnosis. These individuals experience two or more of the disabilities outlined in this report. Not only is treatment of these individuals very specialized; they must also have appropriate, specialized housing, such as group homes. These facilities are without a doubt the most difficult to site in residential communities.

Supportive Housing Development

In Colorado, more service providers are either becoming housing developers or partnering with experienced nonprofit housing developers to provide supportive housing options. This segment of the population is least likely to be serviced by for-profit developers because of the need for the specialized supportive services and the low incomes of the disabled. Nonprofit service and housing providers have the sensitivity to the disabled population's needs.

In Colorado, both the Division of Housing and Department of Human Services work to increase the number of deeply subsidized units constructed or acquired to serve these needs. This includes creating partnerships between nonprofit housing providers and nonprofit service providers, finding new funding solutions for deeply subsidized housing units, and ensuring that there is the technical assistance available for nonprofit agencies to gain access to all available 811/202 funding targeted to our state, as well as using other funding for affordable housing development for those with disabilities and those with chronic mental illness.

31 Metro Denver HIV/AIDS Housing Plan

Consolidated Plan TABLE 1B NON-HOMELESS SPECIAL NEEDS POPULATIONS	U.S. Department of Housing and Urban Development Office of Community Planning and Development Consolidated Plan	
Name of Jurisdiction: COLORADO - Statewide	Data Source: (Specify) Multiple (CHAS & DHS) Current Data as of: 2004	Five Year Period: (enter fiscal yrs.) 2005-2009

1. Elderly with incomes equal to or less than 51% HAMFI	41,700 (statewide)
2. Frail elderly	12,305 (statewide)
3. Severe Mental Illness (includes 2,383 persons at Stout Street Clinic in Metropolitan Denver with mental illness/year and 817"housing slots" needed by Colorado Department of Human Services, Division of Mental Health)	3,200 (statewide)
4. Developmentally Disabled	1,259 (statewide)
5. Physically Disabled	6,970 (statewide)
6. Persons with Alcohol/Other Drug Addiction	570
7. Persons with AIDS and Related Diseases (outside metro areas)	75 - 375 (rural)
8. Other (Specify):	0

All estimates include needs in entitlement communities.

HUD 40090-A (1/93)
DATA SOURCES:
Elderly and Frail Elderly: Elderly estimate is from the Division of Housing 2004 income studies. The frail elderly number s are from the CHAS data published on HUD's website.
Severe Mental Illness: The estimate of housing needs of those with Severe Mental Illness comes from the 2001 TriWest survey and report to Colorado Department of Human Services on an estimated 817 housing slots needed in the State of Colorado. The Colorado Coalition for the Homeless provided estimates for clients treated at Stout Street Clinic in Denver that are not part of the mental health system, and is those individuals for whom mental illness is the primary diagnosis. These two numbers were added together to provide an estimated total.
Developmentally Disabled: The 2004 DD number comes from an informal survey of waiting lists (Jo Camersol, Department of Human Services, Division of Developmental Disabilities) of those agencies serving the developmentally disabled.
Physically Disabled: This number is the 11,504 estimates from the Department of Human Services Supportive Housing and Homeless Persons minus those with CMI, DD and AIDS.
Persons with Alcohol/Other Drug Addiction: This number comes from the 2004 Statewide Gaps Analysis.
Persons with AIDS and Related Diseases: See text of plan for chart. This number is for the rural areas of the State.

Homeless Needs

A homeless person is anyone who lacks a fixed, regular and adequate residence, or has a primary residence at a shelter, an institution that provides temporary residence, or in a place not designed or suitable for human beings.

Homelessness is a problem in Colorado. Because of the recession in Colorado's economy, we know that some families have become more vulnerable: certainly, the estimated 77,855 very low-income renter households identified in the renter needs section as lacking an affordable rental unit are in danger of becoming homeless because they are spending in excess of 50% of their income on housing. In 2000, 9.3% of Colorado households lived in poverty[32]. While many of these households reside in the larger entitlement areas of the state, many call rural Colorado home. In this section, we will examine the needs of the homeless throughout Colorado, and focus on the specific needs of those in rural Colorado - the geographic areas covered by this plan.

The most recent point in time count of homeless persons in the metro Denver area was in January 2004. This count showed that as many as 8,668 persons are homeless in the Denver metro area on any given day.[33] Gaps Analysis also conducted by MDHI in 2004 demonstrates that there is a need for 543 additional shelter beds, 931 transitional housing beds and 1,319 additional subsidized permanent supportive housing beds for persons with special needs - those with mental health and substance abuse problems. The Gaps Analysis also identifies 220 unsheltered chronically homeless individuals.

Many individuals and families in Colorado are experiencing intermittent homelessness caused by poverty, catastrophic financial events, domestic violence, or disabilities including severe and persistent mental illness, drug and alcohol abuse, physical disabilities or developmental disabilities. The 2004 Gaps Analysis, conducted by the three Colorado Continuums of Care and shown below estimate that as many as 19,041 persons are homeless in the State of Colorado. This Gaps Analysis does not estimate homeless by ethnic group in the state as a whole and no data is available that accurately reflects this information.

In order to prevent homelessness the Division of Housing uses Emergency Shelter Grant funds at facilities funded throughout Colorado, and has begun to use CDBG dollars to fund services in rural areas of state. The need for these dollars is greater than funding available. The Division coordinates with the Homeless Prevention Fund created through the Colorado Income Tax Check-Off Program, and encourages statewide foundations to provide monies for homeless prevention.

32 U.S. Census Bureau, 2000.

33 *Homelessness in the Denver Metropolitan Area, A Base Line Point in Time Study, January 19, 2004*. Metropolitan Denver Homeless Initiative.

Continuums of Care in Colorado

The State of Colorado has three Continuums of Care (CoCs), which include the Metropolitan Denver Homeless Initiative covering the seven-county Denver-metropolitan area, Homeward Pikes Peak covering El Paso County/Colorado Springs, and the Balance of State, which includes the other fifty-six counties. CoCs in Colorado provide services and housing for the range of needs from homeless prevention to transitional housing to permanent supportive housing to permanent housing. The Division of housing utilizes the Continuum of Care and its Emergency Shelter Grant agencies as its strategic partners in reaching out to homeless persons and assessing their individual needs. The Continuum of Care Housing Gaps Analysis Chart shown below (HUD Table 1A) demonstrates the needs across Continuum areas in the state.

These CoCs are collaborating in their efforts to end homelessness among single individuals and homeless families as well as chronic homelessness, and have agreed to work in concert with the Governor's Interagency Council on Homelessness (ICH) in addressing the needs of persons who are considered chronically homeless. The ICH is a diverse organization of members collaborating and coordinating their efforts to eliminate homelessness. This working council includes State department heads, elected officials, homeless service providers, foundations, businesses, and homeless persons. By applying a coordinated approach, State agencies, the ICH and each COC build upon the strengths of one another, to prevent duplication of effort and to lend themselves to the task of creating policies and systemic change.

Attached and incorporated into this document by reference is the paper, *Addressing Homelessness Strategic Action Plan,* which serves as the backbone for the work of the ICH in coordination with the Continuums of Care.

TABLE 1-A

Statewide -: Continuum of Care Housing Gaps Analysis Chart

		Current Inventory in 2004	Under Development in 2004	Unmet Need/ Gap
Individuals				
Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	1955	30	2174
	Transitional Housing	1059	46	611
	Permanent Supportive Housing	1788	28	1562
	Total	4802	104	4347

Persons in Families With Children

Beds	Emergency Shelter	1826	4	3617
	Transitional Housing	1703	46	3230
	Permanent Supportive Housing	641	0	702
	Total	4170	50	7549

Exhibit 2: Continuum of Care Homeless Population and Subpopulations Chart

Part 1: Homeless Population	*Sheltered*		*Unsheltered*	*Total*
	Emergency	*Transitional*		
Example:	**75 (A)**	**125 (A)**	**105 (N)**	**305**
1. Homeless Individuals	1,325(N)	962 (N)	4,597 (N,S)	6,884
2. Homeless Families with Children	386 (N)	718 (N)	2,159 (N,S)	3,263
2a. Persons in Homeless Families with Children	1,334 (N)	2,453 (N)	8,267 (N,S)	12,054
Total (lines 1 + 2a)	**2,659 (N)**	**3,415 (N)**	**12,864 (N,S)**	**18,938**

Part 2: Homeless Subpopulations	*Sheltered*	*Unsheltered*	*Total*
1. Chronically Homeless	480(N)	1,030 (N,S)	1,510
2. Severely Mentally Ill	642 (N)	Optional for	
3. Chronic Substance Abuse	570 (N)	Unsheltered	
4. Veterans	658 (N)		
5. Persons with HIV/AIDS	89 (N)		
6. Victims of Domestic Violence	838 (N)		
7. Youth (Under 18 years of age)	275 (N)		

Causes and Prevalence of Rural Homelessness

The Colorado Coalition for the Homeless estimates that 9% of those who are homeless in Colorado reside in rural areas. The 2004 Balance of State Continuum of Care process found approximately 9,306 persons who are homeless on any given day in 52 non-metro counties in Colorado.

Providers report low wages, lack of affordable housing, lack of access to services for substance abuse and/or mental health issues, and domestic violence as major causes of rural homelessness.[34] Poverty is the fundamental cause of homelessness. According to the center on Budget and Policy Priorities, inequality in income has been increasing in Colorado for two decades.[35] Their 2002 report on income trends in Colorado divides all families with children into five income categories. This analysis showed that by the mid-1990's, the richest 20% of families with children had average incomes more than 8 times as large as the poorest 20% of families. These same richest 20% had average incomes almost 2.6 times as large as the middle 20% of families.

According to the National Coalition for the Homeless, studies have shown that the homeless in rural areas are more likely to be white, female, married, currently working, homeless for the first time and homeless for shorter periods of time than those in urban areas. Other studies have shown that families, single mothers, and children make up the largest group of people who are homeless in rural areas. Rural areas also have instances of homeless Native Americans and migrant workers. Causes are more likely to be from a high rate of domestic violence and less to do with alcohol or substance abuse.[36]Other than this information, no studies are available to detail the extent of homelessness by racial or ethnic category.

Studies of rural homelessness have also found that rural homelessness is most pronounced in rural regions that are "primarily agricultural" regions whose economies are based on declining extractive industries such as mining, timber, or fishing and regions experiencing economic growth."[37] Housing quality also factors into rural homelessness.

Colorado Rural Homeless Network

Colorado Coalition for the Homeless (CCH) has provided technical assistance to non-metropolitan communities across Colorado since 1996, working to develop the Balance of State Continuum of Care. Through local community planning efforts, CCH has established need estimates for emergency shelter, transitional housing, permanent supportive housing, and various supportive services.

---

34 *Homelessness in Colorado, July 2004,*Colorado Coalition for the Homeless.
35 *Pulling Apart: A State-by-State Analysis of Income Trends*, Colorado. Center on Budget and Policy Priorities, April 2002.
36 *NCH Fact Sheet #13, Rural Homelessness*, National Coalition for the Homeless, March, 1999.
37 Ibid.

Rural Homeless Needs for Facilities and Services

CCH performed an analysis of rural Continuums of Care in 1999, and confirmed that these factors still exist in 2004 in providing for homeless populations.

1. **A need for additional homeless prevention funding.** There is a need for homeless prevention services that is greater than the community resources available to meet those needs.

2. **Some communities have no shelter facility or program for homeless people.** There is a lack of shelter facilities in some communities.

3. **The demand for transitional housing in some communities goes beyond available resources.** The lack of or shortage of transitional housing is problematic for some communities. Many families served in rural shelters have only 30 days of shelter and no next housing step. There is also a need for transitional units for persons with CMI and other disabilities.

4. **Some communities have much more extensive housing and service programs for families than individuals**. In many areas, housing and service programs are available for families, but not individuals in the community.

5. **Some Continuums of Care feel there is a need for greater community awareness of homelessness.** The public often does not understand the issues of rural homelessness.

It is important to assist communities in providing homeless facilities, beds or infrastructure where needed, although DOH can only fund shelter beds using CDBG funding, as state funding shortfalls have resulted in very limited or no state dollars for housing. Outside of the Denver Metro area, regional shelters for homeless people and victims of domestic violence are the most effective way of delivering service. These shelters are primarily located in the regional population and trade center for a particular area.

Homelessness exists in most communities in Colorado. The real estate market may make it difficult for the lowest income families to find an affordable place to live. Often these persons have mental, physical or substance abuse problems that may require additional supportive services. In rural Colorado, domestic violence is one of the main causes of homelessness.

Emergency shelters in urban areas are no longer able to meet the demand for sheltering families or individuals. In many instances, services are provided to the same persons for a long period of time due to the client's inability to stabilize and move to housing. The "Housing First" model places homeless persons into housing as quickly as possible, and, once families are stabilized, connects those families with service. Colorado is working towards this approach, and plans to coordinate with Continuums of Care and the Colorado Interagency Council on Homelessness to accomplish this task.

At the same time, however, the Division cannot fail to recognize the need for additional emergency shelter beds, especially for families, in urban settings. The Division of Housing is seeking a waiver to HUD's CDBG regulation that prohibits spending CDBG in entitlement areas. This waiver is based on the fact and finding that homeless persons, by definition, have no address, and are, therefore, not residents of a particular county or municipality.

Agencies are requested to maximize utilization of mainstream resources to provide services to the largest extent possible. This is very evident in the Division's provision of Tenant Based Rental Assistance (TBRA) targeted at getting working homeless persons out of shelters and into housing. In creating programs in Larimer County, the Denver Metro Area, Colorado Springs and Pueblo, local governments are asked to match funding to ensure that supportive services are available. As a condition of receiving housing assistance coupons, clients must agree to participate in services such as "life skills" training, counseling, and parenting classes.

The Division of Housing will also continue to fund transitional housing activities across the state, relying on our field staff working in conjunction with housing and homeless service partner agencies to provide technical assistance for the Division's application process.

Extent of chronic homelessness in Colorado:

HUD has identified as a national priority the elimination of chronic homelessness. Colorado is taking serious aim at this target within the limited scope and availability of its resources, but it is important to note that DOH believes that HUD must increase the flexibility of CDBG and HOME dollars if the State is to make any significant impact in eliminating chronic homelessness. Chronic homelessness is most prevalent in entitlement areas. DOH has determined that the homeless do not have an address and therefore do not "belong" to any one address or any one jurisdiction.

Chronic homelessness exists throughout the State of Colorado and is due primarily to disabilities such as serious and persistent mental illness, substance abuse, physical or mental disabilities, HIV/AIDS, or a combination of these factors. Based on information gathered in 2004 from the three Colorado Continuums of Care (COCs), it is estimated that there are as many as 1,510 chronically homeless persons in the State. Of these, 480 are sheltered and 1030 are unsheltered. Distribution of this population across the State is show below (Used 2003 numbers, as not all COCs completed estimates in 2004.):

Metropolitan Denver (Seven-County metropolitan area):

Chronic Homeless Subpopulation
(Based on a January 27, 2003 point-in-time survey):

Total population of chronically homeless:	480
Sheltered population of chronically homeless:	264
Unsheltered population of chronically homeless:	220

Homeward Pikes Peak (City of Colorado Springs/El Paso County):

Chronic Homeless subpopulation
(Based on May 28, 2003 point-in-time survey):

Total population of chronically homeless:	96
Sheltered population of chronically homeless:	58
Unsheltered population of chronically homeless:	38

Balance of State (Remaining 56 counties):

Total population of chronically homeless:	930
Sheltered population of chronically homeless:	158
Sheltered population of chronically homeless:	772

The State believes that chronic homelessness is a serious issue that must be solved through maximization of federal, state and local resources to create additional permanent housing opportunities for the chronically homeless population. This housing must be linked with the supportive mainstream and community-based services that address the long-term needs and issues of chronically homeless individuals. In metro Denver, there is a need for 220 beds; in Colorado Springs/El Paso County, 38 beds, and in rural Colorado there is a need for 772 beds for chronic homeless persons[38].

Discharge Coordination Policy

The Interagency Council on Homelessness has developed a Discharge Coordination Policy that is being implemented in the Denver Metropolitan Homeless Initiative area. This policy is incorporated by reference and attached to this Plan. It serves as a model for the Balance of State and Homeward Pikes Peak Continuums of Care, which are working on similar documents.

38 2003 Continuums of Care Gaps Analysis

State-wide Water & Sewer

The State of Colorado, Division of Local Government, identified the following providers of the water and sewer services that are experiencing an immediate need or a long-term/emerging need as they relate to current or potential systems problems. A provider may be an organization that operates or manages the services system, e.g.; county, city, town, special district, or unincorporated community whose corporate status may be public, nonprofit, or unincorporated.

Colorado Water and Sanitation Funding Committee Project Tracking

System	Type of Project	Estimate Project Cost	Possible Funding Program	Project Description/
Agate Water Association	Water	$200,000	RD	Upgrade water storage and distribution system and other upgrades. $17,000 RCAC Bridge Loan approved.
Alamosa, City of	Water	$16,500,000	DWRF/DOLA/RD	City supply exceeds arsenic MCL. Need to build treatment plant. Compliance schedule, seeking extension to explore cost effective treatment alternatives.
Aspen, City of	Sewer	$6,540,000	WPCRF	Stormwater runoff has high suspended solids and other pollutants, impacting health of Roaring Fork River. Improve stormwater facilities.
Berthoud, City of	Sewer / Water	?	CPCRF/DWRF	Seeking SRF planning and design grants for both water and sewer.
Boone, Town of	Water	?	DOLA	$14,000 EIAF engineering study grant awarded.
Brandon Water Association	Water	$176,799	?	Distribution and storage.
Branson, Town of	Water	$750,000 - $1,000,000	CDBG / RD	Water storage facilities; distribution lines. Offered CDBG grant $350,000 and RD $167,000.
Breckenridge, Town of	NPS	$4,500,000	WPCRF	Cadium, copper, and zinc in sections of the Blue River. Open space acquisition and mine remediation in French Gulch to improve water quality. WPCRF loan.
Brownsville Water & Sanitation District	Sewer	$5,000,000	STAG	Build wastewater collection system. $1.4m STAG offered to the District. Seeking additional $1M STAG funds.
Cedaredge, Town of	Water	$4,000,000 lines $1,000,000 treatment	RD / DWRF / EIAF	A deteriorating distribution system with frequent breaks which raises cross contamination concerns. Distribution system replacement and treatment upgrades.
Cedaredge, Town of / Orchard City, Town	Sewer	$3,000,000 (Cedaredge only); $8,500,000 (Regional)	STAG / RD / EIAF / WPCRF	Construct new sewer plant.
Center Sanitation District	Sewer	$1,000,000	WPCRF	Treatment plant upgrades. Possible SRF P&D grant.
Cheyenne Wells Sanitation District	Sewer	$120,000	WPCRF / DOLA	Improvements/expansion of WWTP.
Clifton Sanitation Dist. No. 1	Sewer	$8,000,000 - $10,000,000	EIAF / WPCRF	Consolidate or build own plant. EIAF $60,000 request for July cycle for District evaluation study to determine merits and feasibility of consolidating w/ Clifton San #2.
Cortez, City of	Water	$2,858,925	EIAF	The City's water demand nearly meets the plant's capacity, and the must meet regulations for cryptosporidium removal. Treatment plant upgrades and expansion. $500,000 EIAF application July cycle.
Crawford, Town of	Sewer	$301,705	EIAF	A small seepage was detected. Line sewer lagoons; clean sludge. $201,000 EIAF application July cycle.
DeBeque, Town of	Water	$932,000	RD / EIAF	$100,000 grant and $100,000 loan offered by EIAF. EIAF funded Master Plan. RD possible for remaining funding.
Dinosaur, Town of	Water	?	DOLA	Distribution/transmission lines.
Divide MPC MD	Water	$116,500	CWCB	3-4 new wells, and raw water pipeline.
East Alamosa Water & Sanitation	Water	?	DWRF / DOLA / RD	Water supply exceeding MCL for arsenic. Treatment upgrades needed. Awarded SRF planning and design grant.
Eastlake WSD	Water	$753,000	RD / EIAF	Systems suffers frequent line breaks. Connect to Thornton system. Applied for EIAF and RD grants. CDBG money from Thornton to help with tap fees.
Eaton, Town of	Sewer	$7,200,000	WPCRF	Improvements and expansion of WWTP.

System	Type of Project	Estimate Project Cost	Possible Funding Program	Project Description/
Eckley, Town of	Sewer	$75,000	DOLA	Upgrade existing treatment plant.
Eckley, Town of	Water	$275,000	DOLA	Replace water mains, improvements to treatment system.
Eldorado Springs/Boulder County	Sewer	$2,200,000	STAG / DOLA / RD	Build collection and treatment system to replace individual septic systems. $10,000 Planning Grant awarded from DOLA. Seeking $1M STAG.
Evans, City of	Water	?	DWRF	Distribution lines, valves, and meters. $10,000 SRF planning and design grant awarded.
Fairways Metropolitan District	Sewer	$397,150	EIAF	Long detention time is promoting algae growth, high BOD and TSS concentrations. Reduce algae growth. With some violations.
Forest Glen Sports Assoc	Water	?	RD	Add 20 taps; clean lagoon. Secondary standard Violation Iron / Manganese; 50 taps.
Forsgren Assoc / Elk Meadows HOA	Sewer	$35,000	EIAF	Clean abandon lagoon and add 20 taps.
Forsgren Assoc / Elk Meadows HOA	Water	$18,000	EIAF	$18,000 EIAF application submitted through Ouray Co for water master plan.
Fort Garland Water & Sanitation District	Sewer	$1,100,000	STATE GRANT / RD	State grant has been extended through 2005. Site application submitted and on hold pending updated info based on new RD financing.
Fowler, Town of / Westcamp	Water / Sewer	$600,000	CDBG (water) / RD (sewer)	Provide service to unincorporated area. $350,00 CDBG awarded.
Garcia	Water	$32,000	RD	New pumps, pipe, etc. Water upgrades; sewer line work and treatment improvements.
Garden Valley Water & Sanitation District	Sewer	$500,000	WPCRF	Abandon current WWTP and connect to City of Colo. Spgs. CSU connection agreement and other loan information has been submitted in an effort to begin WPCRF loan negotiations. Site application approved.
Mesa County / Gateway Community	Sewer	$489,274	EIAF	Install collection system for Gateway community.
Georgetown, Town of	Water	$30,000	EIAF / DWRF / WPCRF	Improvements to treatment plant, distribution lines, storage, supply. $10,000 planning grants for water and sewer.
Georgetown, Town of	Sewer	$2,000,000	EIAF/DWRF/ WPCRF	The Town is experiencing capacity problems. Collection improvements; new WWTP or expansion of WWTP. $200,000 grant; $100,000 loan for line work from DOLA; under enforcement for WW; $10,000 Planning Grants for water and sewer. Project will likely be phased.
Glendale, City of	Sewer	$8,800,000	WPCRF	Consolidate w/Metro. SRF planning and design grant awarded for study. Project pushed to next year timetable.
Kiowa, Town of	Water	$2,300,000	DWRF	Water storage facilities, distribution lines. Eligibility assessment is done.
La Jara, Town of	Water	?	?	Meters
Larkspur, Town of	Water	$2,200,000	RD/DWRF	Possible consolidation with Perry Park. SRF planning and design grant awarded, study done.
Limon, Town of	Water	$1,569,130	EIAF	The Town's storage and transmission lines are reaching capacity; frequent line brakes. Purchase of water rights; mock well field water line; storage tank; line replacement.
Lochbuie, Town of	Sewer	$5,000,000	WPCRF	Improvements/expansion WWWTP. Cease and Desist Order 7/03; Funding Phase I of project on their own; looking for funds for Phase II. Reg Project w/Brighton, Bromley Park MD, Hudson, Lochbuie; study underway.
Louviers Mutual Service CO.	Sewer	$300,000	RD	PER complete and under review by RD.
May Valley WUA	Water	$2,000,000	EIAF	Radionuclide/point of use/ EIAF $27,000 pilot study grant.
Meeker Sanitation District	Sewer	$418,992	EIAF	Replace aging sewer main; clarifier improvements. $251,395 EIAF.
Merino, Town of	Sewer	$2,100,000	RD/EIAF	Wastewater upgrades. $300,000 EIAF awarded. Study is done; RCAC working to identify realistic project.
Model WA	Water	$440,000	?	High radium. On Systems of Concern list.
Moffat, Town of	Water	?	?	Replace wells.
Mount Princeton HOA	Water	$30,000	EIAF, RD, DWRF	High fluoride. PFR received; looking at forming a district.
No Name Creek Water Assoc.	Water	$50,000	RD	Storage tank.

System	Type of Project	Estimate Project Cost	Possible Funding Program	Project Description/
Paonia, Town of	Sewer	$4,000,000	RD/EIAF	New Lagoon or Mech. Treatment System
Pinewood Springs Water District	Water	$3,000,000	CWCB/DWRF	Improve reliability of supply. Treatment upgrades. $1M purchase of water rights. Possible RCAC Bridge Loan. DWRF loan approved for treatment.
Prairie View HOA/Watkins	Water	$125,000	CWCB	Drill new well. Needs stuffy of $10K. All of Town of Watkins on well/septic.
Red Cliff, Town of	Sewer	$1,000,000	?	Replace Sewer Treatment Plant
Red Cliff, Town of	Water	?	?	Fix leaking water storage tank. Recent enforcement order.
Redstone Water & Sanitation District	Sewer	$1,000,000	?	Replace Sewer Treatment Plant; potential flood plain issues.
Rico, Town of	Sewer	$5,000,000 $500,000	RD/STAG/EIAF/ WPCRF/EDA	Construct new treatment plant and collection lines. $2,500,000 RD; $1,000,000 STAG; $500,000 EPA; $500,000 EIAF.
Rifle, City of	Sewer	$1,000,000	EIAF	Replace and repair lines.
Rifle, City of	Water	$260,000	EIAF	WTP improvements; lower 12" main.
Rocky Ford, City of	Water	$1,600,000	CWCB/EIAF/DW RF/RD	$1,200,000 RD; $425,000 EIAF. CWCB funded study for Ark Valley pipeline water study; need improvements to WTP, will be out of compliance with new surface water treatment requirements.
San Luis Water & Sanitation District	Water	$161,250	EIAF	System suffers water shortages due to drought, water leaks and over-usage are hard to detect due to obsolete meters. Replace existing meters with electronic meters. EIAF grant offered to meter district and Costilla County WSD contingent on management agreement between the systems.
Sedgwick, Town of	Water		RD/DWRF/EIAF	Storage and supply.
Severance, Town of	Sewer	$2,375,197	EIAF	Connect to Windsor's system to allow for growth capacity.
Silver Plume, Town of	Water		RD/CDBG/EIAF	Need additional $'s to move facility.
Sterling, City of	Water	$1,000,000		Water rights.
Toltec (Walsenburg)	Water	$500,000	?	Line replacement.
Victor, Town of	Water	$750,000	DWRF/EIAF	Study complete on system upgrades. SRF planning and design grant awarded.
Walden, Town of	Water	$1,800,000	STAG/DWRF	Treatment plant improvements; additional storage facilities. Awarded $1 million STAG grant. Awarded SRF planning and design grant.
Walsenburg, City of	Sewer	$2,200,000	WPCRF/DOLA	Replace lagoon system with activated
Weld County – Mt. View Water Assoc.	Water	$105,000	EIAF	Replace line and install meters for the water association.
Westwood Lakes Water District	Sewer	$2,000,000	WPCRF	Preparing study on new centralized wastewater system, will submit PFR when project is identified.
Wiley, Town of	Water	$1,500,000	RD/EIAF	Improvements to water treatment plant; water storage facilities.
Yuma, Town of	Sewer	$2,100,000	?	Improvements to WWTP; new biosolids handling facility; collection/interceptor construction; reuse facility.

<u>Funding Programs</u>:

CDBG Community Development Block Grant
DWRF Drinking Water Revolving Fund
EDA Economic Development Administration
EIAF Energy Impact Assistance Fund
P&D Planning & Design Grant
RD Rural Development
STAG State and Tribal Assistance Grant
WPCRF Water Pollution Control Revolving Fund

<u>Agencies:</u>

CWCB Colorado Water Conservation Board
CWRPDA Colorado Water Resources and Power Development Authority
DOLA Department of Local Affairs
RCAC Rural Communities Assistance Corporation
RD Rural Development
WQCD Water Quality Control Division

<u>Acronyms:</u>

WA Water Association
SOC System of Concern
MD Metropolitan District
HOA Homeowners Association
PFR Preliminary Funding Request
WSD Water and Sanitation District
WD Water District
SD Sanitation District
NPS Non-Point Source
WWTP Wastewater Treatment Plan
? Undetermined at this time

Description Of Factors and Trends Affecting Community

Development Needs in Colorado

Based on a June 1, 2004 report titled “Colorado Economic Outlook” written by Wilson Kendall for the Department of Local Affairs, Colorado’s recovery lags which may impact the community development needs in the state.

Following are some of Mr. Kendall’s findings:

- The State lost more than 100,000 jobs in the last 3 years;
- Colorado ranks near the bottom in state growth rankings;
- Real sales and income decline
- Real estate markets and construction activity lag
- There is a net negative migration into Colorado from within the U.S.

The entire report can be viewed online at:
http://dola.colorado.gov /demog/Economy/Forecasts/CBEFOutlook.pdf

The Colorado Municipal League released a survey of current municipal fiscal conditions across the state. In a publication entitled “Current Municipal Financial Conditions Across the State – A Mixed Bag” dated 9/13/04, ten issues were ranked as the most important concerns facing cities and town officials. In order of importance they are:

1. Health insurance cost increases
2. Unfunded street and road maintenance/improvement needs
3. Liability insurance cost increases
4. High cost of workers’ compensation
5. Slow growth in tax revenues
6. Adverse local economic conditions
7. Declining tax revenues
8. Federal mandates
9. Tax limitations
10. Lack of affordable housing.

PRIORITY HOUSING NEEDS (households)		Priority Need Level High, Medium, Low		Unmet Need	5-Year Goals
Renter	Small Related	0-30%	High	26,175	750
		31-50%	High	25,763	375
		51-80%	Medium	18,653	210
	Large Related	0-30%	High	7,561	405
		31-50%	High	7,990	950
		51-80%	Medium	7,744	150
	Elderly	0-30%	High	15,323	25
		31-50%	High	9,110	275
		51-80%	Medium	4,869	100
	All Other	0-30%	High	36,768	375
		31-50%	High	29,013	2170
		51-80%	Medium	20,761	1000
Owner		0-30%	High	45,364	50
		31-50%	High	48,411	75
		51-80%	Medium	83,403	1625
Special Needs		0-80%	High	66,104	445
Total Goals					8980
Total 215 Goals					
Total 215 Renter Goals					
Total 215 Owner Goals					

Basis for assigning the priority given to each category in Table 2A

0-30% AMI is a high priority in each category for Renters. Fewer units are available statewide to residents that make 30% of less of the Area Median Income. It is also more difficult for developers to build or acquire units for this population segment without subsidy.

31-50% AMI is of high priority in each category for Renters because this population also experiences more difficulty in locating a unit that they can afford, but as severely as 0-30%.

51-80% AMI is rated as a medium priority in each category for Renters because this population experiences the less difficulty in locating a unit they can afford, since more units are available at appropriate rents.

For homeownership, 0-30% is a high priority because of the difficulties that this population encounters in being able to afford a loan to rehab their unit; however the there may be a lack of readiness for this population segment to take on and maintain homeownership; 31-50% AMI is also a high priority since this population may be more able to take on loans for housing rehabilitation and maintain homeownership. The population at 51-80% AMI are of medium priority since they are generally the most financially capable and ready to take on the responsibilities of maintenance, rehabilitation and homeownership.

All special needs are listed as a high priority, since this population has very significant problems in locating an affordable unit.

STRATEGIC ACTION PLAN

One-Year Goals and Activities for the period of April 1, 2005 to March 31, 2006

Program Year 1 Action Plan General Questions response:

1. Describe the geographic areas of the jurisdiction (including areas of low income families and/or racial/minority concentration) in which assistance will be directed during the next year.

Colorado will direct assistance to all geographic areas of the State, prioritizing families <30% of Area Median Income

2. Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA) (91.215(a)(1)) during the next year and the rationale for assigning the priorities.

The basis for allocating HOPWA investments geographically within the Colorado during the next year is in proportion to the occurrence of HIV/AIDS in each of the four non-HOPWA entitlement regions as compared to the total HIV/AIDS non-entitlement population The four areas are defined as: the Western Slope (West-CAP), the Northern Front Range, (N-CAP); Southern Colorado (SCAP); and Boulder County (B-CAP). This allocation was used because HOPWA service agencies determined a fair, equitable and consistent way to assign HOPWA dollars and is it is needs-based.

3. Describe actions that will take place during the next year to address obstacles to meeting underserved needs.

See Section V: Other Action Steps

4. Identify the lead agency, entity, and agencies responsible for administering programs covered by the consolidated plan.

The Department of Local Affairs (DOLA), Division of Housing (DOH) is the lead agency responsible for administering programs covered by the Consolidated Plan and Strategic Action Plan for HOME, ESG and HOPWA programs, and DOH shares responsibility with the Division of Local Government and Office of Economic Development for administration of the CDBG program.

5. Identify the significant aspects of the process by which the plan was developed, and the agencies, groups, organizations, and others who participated in the process.

The Consolidated Plan and Annual Action Plan (Strategic Plan) were developed as follows:

(1) Assessed the current economic, social, housing and infrastructure climates and inventorying current programs in light of those conditions.

(2) Identified unmet needs of targeted households, determine goals and brainstorm strategies that DOH could employ to address those needs.

(3) Developed a draft framework of activities to accomplish the strategies. Concurrently, with this step, DOH began to gather input from other State agencies, including the Colorado Department of Human Services (DHS), Supportive Housing and Homeless Programs Division (SHHP), Colorado Housing Finance Authority (CHFA), State of Colorado Housing Board, Fannie Mae, U.S. Department of Housing and Urban Development (HUD); U.S. Department of Agricultural, Rural Development (RD); Local Governments throughout the State; Colorado Municipal League (CML); Colorado Counties, Incorporated (CCI), Public Housing Authorities, Community Housing Development Organizations (CHDOs); Mercy Housing, the Enterprise Foundation, the Colorado Aids Project, the Colorado Interagency Council on Homelessness, the three Colorado Continuums of Care; Colorado Coalition for the Homeless; nonprofit service providers, Colorado Housing NOW!, Colorado Affordable Housing Partnership. DOH solicited input, feedback and suggestions that were incorporated into draft documents.

(4) Focus groups were held to gain insights from minorities, persons with disabilities, the homeless community and the HIV/AIDS community.

(5) During the month of October, DOH readied the draft document for its first set of Public Hearings held in Ft. Collins, Grand Junction, Denver, Durango, and Pueblo. These public hearings resulted in significant testimony. DOH solicited comments at the annual Housing Now Conference, providing both a table/booth with hard copies of the document, and a computer program to capture attendee comment and suggestions. DOH incorporated many of these suggestions into the Plan text and planned activities.

(5) DOH next published its formal Draft, for an additional set of Public Hearings in December, and once again, it incorporated comment and suggestion.

6. Describe actions that will take place during the next year to enhance coordination between public and private housing, health, and social service agencies.

DOH will continue to participate in and facilitate interagency strategies that coordinate housing, health and social service activities of various public and private agencies.

- The Housing "Pipeline", which includes development staff from DOH, the Colorado Housing Finance Authority (CHFA), Mercy Housing Southwest, the USDA Rural Development (RD), the Department of Housing and Urban Development (HUD), Mile High Loan Fund and Funding Partners. DOH helps facilitate this group which meets once a quarter to identify common ground, common projects and issues of mutual interest.
- The Blue Ribbon Panel on Housing is charged with developing a recommended statewide vision for addressing Colorado's housing needs through broad-based community consensus-building. The panel will include members from the real estate community; business; the housing finance community; state and local government; higher education; faith-based organizations; homeless service organizations; and providers of public and private housing.
- The Colorado Interagency Council on Homelessness, is a coordinating body appointed by the Governor, designed to develop a strategic and interdisciplinary approach to ending homelessness. The Council includes representatives of the Governor's Office; Colorado Departments of Local Affairs; Human Services; and Institutions and appropriate sub-agency leaders, Colorado Coalition for the Homeless, Veterans Administration, Social Security Administration, businesses, private foundations, homeless housing and service provider agencies and homeless persons.
- Continuums of Care are broad-based, community coordinating organizations that carry out activities and design permanent supportive housing, transitional housing and service components that reduce chronic homelessness and homelessness among families, promote self-sufficiency and prevent additional homelessness. Three Continuum of Care exist in the State of Colorado: Metropolitan Denver Homeless Initiative (includes the seven counties in the Denver MSA, Homeward Pikes Peak Continuum of Care (El Paso County); and the Balance of State Continuum of Care (includes the remaining 56 counties). Each Continuum of Care includes public and private housing, health, and social service agencies, faith based organizations and state and local governments DOH will continue to coordinate with the Continuums of Care to fund housing and shelter projects appropriate to community needs and desires. In funding projects, DOH is cognizant of the federal goal to end chronic homelessness by 2008.
- Housing Colorado, Inc. is a 501(c)(3) membership organization composed of private- and public-sector housing development agencies, housing authorities, service providers, state and local agencies that provides monthly lunch workshops on housing issues, an affordable housing conference, newsletters and other activities that link and coordinate diverse organizations and interests. DOH will participate and continue to facilitate the merger of Colorado Housing Now, Colorado Housing Campaign, and Colorado Affordable Housing Partnership into the Housing Colorado organization.

- Colorado Chapter, National Association of Housing Redevelopment Organizations (NAHRO) is a statewide trade association for housing authorities and redevelopment agencies. NAHRO sponsors an annual conference which brings together housing officials, service providers and private-sector businesses. DOH will continue its active membership in this organization.

GOALS, PRIORITIES AND ANALYSIS

This section of the Consolidated Plan will provide strategies to achieve the statutory goals of providing (1) decent housing, (2) a suitable living environment and (3) expanded economic opportunities for low- low- and moderate-income residents of the State of Colorado. This document will describe:

- The strategies the state will use to address affordable housing, community and economic development for the next year in the context of the five year Consolidated Plan that we are now implementing.
- The priority designations of population groups; and
- The activities and financing programs to be used to address the priorities and strategies.

The Colorado Division of Housing (DOH) has spent time and effort over the past years trying to gauge the need for affordable housing throughout Colorado. Because 2000 census data is becoming dated, research has been conducted by both the Division of Housing and Supportive Housing and Homeless Programs. Additionally, DOH has utilized Comprehensive Housing Affordability Strategy (CHAS) Data where it is available and provides sufficient detail.

As stated in the Market Conditions section of the Consolidated Plan, DOH relies on a number of resources and publications to identify the households most in need of affordable housing in Colorado. These sources include our bi-annual Colorado Division of Housing Multi-family Housing Vacancy and Rent Survey and Incomes for Colorado and its regions. Information from these reports is supplemented by data from the Department of Local Affairs demographics section, the Census and other outside sources.

Based on the latest available U.S. Census reports, the number of people with incomes below the poverty line in Colorado was 388,952 in 2000, or 9.3% of the state's population. The number of persons living in poverty in Colorado has declined over the past decade. In 1990, the number was 375,214, which comprised 11.7% of the population. Since 1990, Colorado, like many other states, has changed their anti-poverty strategies to incorporate the changes brought about by the change in federal welfare programs.

The Division of Housing is a Community Housing Assistance team, or "CHATS" staff that works one-on-one with agencies and communities throughout Colorado on identifying housing needs, preparing housing plans and strategies, identifying potential housing projects and creating financing packages for new housing units. This team has staff in Denver and in two field offices in Colorado, and maintains a pipeline of potential housing projects throughout the state.

The Division of Housing will hold six public hearings throughout the state to gain input on priorities, strategies, and actions to best meet the affordable housing needs of Coloradoans in 2005-2010. Additionally, at least two hearings will be held in the state each year to gain input on the Consolidated Plan Action Plan in subsequent years. Consultations were held with Colorado Housing Finance Authority (CHFA) Colorado Coalition for the Homeless and the Colorado Department of Human Services, Supportive Housing and Homeless Programs (SHHP) office to gather input on homeless and special needs populations. Our Priorities, Goals and Actions reflect both information gathered from our own statewide housing research and input from the public

The staff of the Colorado Division of Local Government, and the Governor's Office of Economic Development and International Trade developed Goals IX – XI community and economic development through cooperation with several other state department staffs, already completed strategic plans and public hearings held throughout the state during 2005.

From this information and input, the state is considering adoption of the following housing and non-housing goals, priorities and activities:

Providing Decent Housing

GOAL 1

FIVE-YEAR GOAL: To preserve the supply of existing affordable rental housing.

ANALYSIS

The Affordable Housing Needs Impact Report identifies that the greatest need for rental units in Colorado is for those with the lowest incomes – at 0-30%AMI. It is at these income levels that we find the most vulnerable and rent-burdened populations. It is therefore, imperative that existing units be preserved.

Many affordable housing projects are struggling in the current market climate. Market rents are below FMR in some areas, and intense competition exists for renters. The Division of Housing will partner with HUD, CHFA, local governments and other agencies to identify and preserve units. This will be accomplished by restructuring debt, creating market-based solutions such as tenant-based rental assistance, and monitoring of financial and physical conditions of previously funded DOH projects. Funding is available to fund rehabilitation activities, lead-based paint monitoring and compliance, acquisition of properties to add to the affordable housing inventory; the purchase Section 8 project-based units where existing owners are planning to opt-out of Section 8; and foreclosure prevention activities.

The Division will also work with other Federal, state, nonprofit agencies to establish and disseminate a list of affordable housing vacancies to increase occupancy rates for those projects.

Division of Housing activities will also encourage neighborhood and community revitalization of existing housing stock in partnership with local governments throughout the state.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Provide technical and financial resources to preserve existing affordable properties.

ANNUAL OUTPUT MEASURES:

# of units preserved; GOAL = 650

% HDG-CDBG properties will receive periodic check-ups/monitoring to assess financial and physical conditions; GOAL = 25%

Retain as affordable, 100% of those properties at risk of foreclosure; GOAL = 100%

ACTIVITY 2: Encourage and provide funding for rehabilitation of existing affordable rental projects statewide.

ANNUAL OUTPUT MEASURES:

Rehab projects funded; GOAL = 18

of rental units added to the inventory through acquisition; GOAL = 500

ACTIVITY 3: Prevent opt-out of properties at the end of their affordability period.

ANNUAL OUTPUT MEASURES:

Identify and contact 100% of all tax credit properties, CDBG, HOME, HDG units at the end of their affordability period to offer options to extend affordability period.

Work with local housing agencies to identify # of properties with expiring project-based rental assistance and offer options for extending the rental assistance. Goal: Identify and analyze 100%.

ACTIVITY 4. Ensure that DOH and all subgrantees comply with HUD's Lead-Safe Housing Rule.

ANNUAL OUTPUT MEASURES:
No monitoring findings

RESOURCES

Funding for preservation of existing affordable housing stock include Division of Housing Grants and RLF, Colorado Housing and Finance Authority Programs, HOME, Federal Low Income Housing Tax Credits, Department of Energy Weatherization Assistance, Low Income Energy Assistance, HUD Section 202, HUD Section 811, Federal Home loan Bank Affordable Housing, USDA/RD Programs, State Historical Grant Funds, State and Federal Historic Tax Credits and other federal, local and private funding sources, and Private Activity Bonds that can be used by local jurisdictions and their development partners to rehabilitate affordable rental housing.

GOAL 2

FIVE-YEAR GOAL: To increase the supply of affordable rental housing to meet community needs.

ANALYSIS

The Division of Housing will work in partnership with local communities to fund new construction projects that meet local development priorities and affordable housing needs. Approval of these projects is based on the Division of Housing underwriting standards and compliance with HUD regulations. Division staff assists communities in identifying priorities, housing needs, and appropriate financial resources conduct community meetings.

The cost of land is extremely high in many Colorado communities. This is the primary barrier to developing new affordable housing. DOH encourages local government incentives to reduce the cost, acquire sites that can be leased to developers, or increase the density through zoning changes.

As an alternative to constructing new affordable housing units, DOH will fund acquisition and rehab existing housing units that were not previously affordable. Finally, DOH will provide information to remedy the fiscal impact of regulatory barriers that may inhibit or prohibit affordable housing.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Fund New Construction when it meets community need for an increase in housing units. New construction in the current market climate should be undertaken only when there is a demonstrated need and community goal for such housing.

ANNUAL OUTPUT MEASURES:

# of affordable units constructed   GOAL = 245 units

# of unit years of affordability (HUD required measure); GOAL = 245 units x 30 years

DOH subsidy for new construction should average less than $9,000/unit

ACTIVITY 2: Encourage non-profit housing organizations to bid on the acquisition of market rate rental properties to increase the affordable housing inventory.

ANNUAL OUTPUT MEASURES:

of projects funded; GOAL = 18 projects

of affordable units constructed; GOAL = 500

# of unit years of affordability; GOAL = 500 x 30

ACTIVITY 3: DOH will encourage local governments to examine regulatory documents and reduce regulatory barriers

ANNUAL OUTPUT MEASURES:

# of local governments to which we make presentations about reducing regulatory barriers; GOAL = 4

# of communities that have affordable housing elements in their comprehensive plans; GOAL = 60

# of local governments that are working on developing housing balance in their communities; GOAL = 6

ACTIVITY 4. Encourage incentives for reducing the cost of land.

ANNUAL OUTPUT MEASURES:

# of local governments that take actions to reduce land costs for affordable housing projects in their communities;

GOAL = 3

ACTIVITY 5: Explore options for long-term, stabilized funding for affordable housing in the State of Colorado, including the use of private activity bonds.

ANNUAL OUTPUT MEASURES:

# of meetings with bond market professionals and local government officials to examine ways to use the full private activity bond cap allocation; GOAL = 3

# of regional and small-scale meetings to explore with community members, additional funding sources for affordable housing; GOAL = 4

# of meetings with state and local elected officials to seek support for increasing opportunities for funding from state and local sources; GOAL = 8 meetings.

ACTIVITY 6: Establish a “Blue Ribbon Panel” on affordable housing issues.

ANNUAL OUTPUT MEASURES:

Blue Ribbon Panel meetings held annually; GOAL = 10

RESOURCES

Funding sources for increasing the supply of existing affordable housing stock include Division of Housing Grants and RLF, Colorado Housing and Finance Authority Programs, HOME, Federal Low Income Housing Tax Credits, Department of Energy Weatherization Assistance, Low Income Energy Assistance, HUD Section 202, HUD Section 811, Federal Home loan Bank Affordable Housing, USDA/RD Programs, State Historical Grant Funds, State and Federal Historic Tax Credits and other federal, local and private funding sources and Private Activity Bonds that can be used by local jurisdictions and their development partners to rehabilitate affordable rental housing.

GOAL 3

FIVE YEAR GOAL: To increase the capacity, stability, participation and independence of local housing and service providers and private enterprise so they are better able to meet the housing needs of their communities.

ANALYSIS

Federal, state and local governments cannot build affordable housing by themselves. Rather, their role is to facilitate and fund such development. The role of the developer/builder belongs to not-for-profits, housing authorities, and for-profit developers. However, not every community has developers who are both interested and capable of producing affordable housing. Helping to foster that capacity is one of DOH’s primary tasks. DOH staff has been aggressive in this activity, especially in the rural non-entitlement areas of the state. DOH organizes many workshops throughout the year in various locations around the state. One popular workshop is called “The Developer’s Tool Kit.” It covers the entire housing development process: site acquisition, market evaluation, the planning and zoning process, and the creation of financial proformas. Other recent workshops include “Single Family Owner-Occupied Rehabilitation,” Downpayment Assistance Programs,” “Reducing Hosing Costs through Regulatory Reform”, Advanced Finance Logic Model, Board Training for Nonprofit Organizations and Vacancy Issue Training. All workshops include a challenging curriculum and participants leave with comprehensive written materials for reference. Some of the workshops are taught exclusively by DOH staff, while others are presented by staff together with other experienced technical assistance providers such as the Rural Community Assistance Corporation.

DOH staff also provide intensive, on-going, one-on-one assistance to community housing developers on many topics. Staff help to evaluate potential sites, identify project funding sources, prepare application packets, create reasonable budgets, understand value engineering and cost-effective construction methods, and devise management policies. Since some projects take in excess of one year to move from concept to funding, Division staff often have a long-term investment in individual communities.

Local capacity to respond to housing opportunities has not always existed. To work effectively in the state’s current economic environment, strong, experienced executive directors and board leadership are required. DOH staff are involved at a grass roots level with many communities to organize nonprofits to address local housing needs. In 2004, DOH had 30 certified CHDOs throughout the state. CHDOs receive support from Division staff, including training, new board and staff members in housing finance, federal regulations, and board responsibilities. DOH will develop additional workshops that assist nonprofits to develop strategies to address difficult market conditions.

Beyond housing development, housing-related service providers are also important to local communities. DOH staff work with nonprofit agencies to build shelters and transitional housing for homeless people. DOH also supports the efforts of local housing authorities, which do much more than run public housing projects. They also administer HUD’s Section 8 program, which provides rental assistance to very low-income families.

Section 8 families participate in Family Self Sufficiency (FSS) programs operated by local housing authorities. This program networks the supportive services within the community to assist the families moving beyond public assistance, including the Section 8 program. DOH assists each agency in developing the HUD required administrative fees to administer the Section 8 program, DOH provides funding to pay for service coordinators. DOH manages “escrow accounts” that the FSS family can access for permanent housing or education once they have met their program goals. Division staff provide problem-solving assistance and training to the agencies and help build the capacity of small agencies to apply directly to HUD for funding. In addition, the DOH Section 8 program assists special populations such as the homeless with drug abuse problems, individuals with AIDS and victims of domestic violence.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Provide at least ten (10) Workshops and Trainings from the following list that help increase the capacity, stability and independence of local housing and service providers.

Developer's Tool Kit	Advanced finance Logic Model	Managing Nonprofits in Tough Times
Single Family Owner Occupied Rehab	Section 8 Training	Lowering Operating Costs through Energy Efficiency
Application Workshop	Basic Underwriting	Vacancy Issue Training
Board Training, including Board Recruitment, Strategic Plan, Fund Raising, Community Inventories, Marketing	Homeless Management Information Systems	Factory Manufactured Structures in Colorado
Nonprofit Business Plans	Life Cycle Costing of Construction Materials	Fair Housing
Finance Management for Nonprofits	Emergency Shelter Grants	Federal Regulatory Compliance Training

Annual Output Measures:

# of trainings; GOAL = 10

# of persons attending trainings; GOAL = 100

%of local housing providers that incorporate elements of their training into their agencies operations; GOAL = 60%

ACTIVITY 2: Over the next 12 months, provide ongoing Resource Links to local governments, nonprofits, housing authorities, Section 8 agencies, CHDOs and private developers. These resource links provide the latest housing information to housing providers and the general public. Include such activities as those below:

Link TA Providers (RCAC, RD, CRHDC< CSI, etc.) to Local Communities	Affordable Housing Vacancy List	Web-site Professional Assistance	Comprehensive List of all Down Payment Assistance

Annual Output Measures:

# of onsite, one-on-one technical assistance visits. GOAL = 5

of “hits” monthly on DOH website; GOAL = 21000 hits

of housing providers that have increased capacity to meet local housing needs; GOAL = 15

ACTIVITY 3. Over the next 12 months, provide direct financial assistance to increase the ability of 5 CHDOs to meet local housing needs.

Annual Output Measures:

# of CHDO operating fund grants provided for expanded services; GOAL = 5

ACTIVITY 4. Apply for funding sources that increase our technical assistance capacity. Assist other housing organizations in applying for funding as a partner or sponsor.

Annual Output Measures:

# of relevant funding opportunities applied for by the Division of Housing to expand technical assistance to housing organizations; GOAL = 3

ACTIVITY 5. DOH will provide varied, timely and quality training manuals, handbooks, publications, helpline and web-based resources.

Annual Output Measures:

# of Web Based training resources; GOAL = 15

# of new and updated Technical Briefs; GOAL = 6

ACTIVITY 6: Housing needs assessments are important tools that communities can undertake to understand the housing conditions and needs of their jurisdictions. DOH will work with 6 communities to encourage local incentives for creation and preservation of affordable housing with the goal of achieving a local community housing balance.

Annual Output Measures:

# of new needs assessments; GOAL = 3

# of presentations on jobs-housing balance; GOAL = 4

# of programs that integrate state weatherization with their rehab activities; GOAL = 3

Development of a Power Point Presentation that helps policy makers understand their job-housing balance

GOAL = presentation

ACTIVITY 7: Ensure that manufactured housing is a viable community option. DOH will provide technical assistance to nonprofit agencies to assist in preservation/construction of up to two manufactured housing parks.

Annual Output Measures:

# of affordable housing developments that use manufactured housing in lieu of stick built. GOAL = 1

RESOURCES

The Division of Housing will apply for any technical assistance grant funds available from HUD to expand the technical assistance and training activities available in Colorado. DOH staff provides one-on-one and other trainings in-house, allowing the agency to utilize existing staff without incurring outside cost. Some trainings that involve printed materials or subject experts include a nominal charge to cover costs. The Division will both fund needs assessments and housing studies, but will also use those assessments, as resources to better understand the housing market in Colorado.

GOAL 4

FIVE-YEAR GOAL: To increase homeownership and preserve existing properties for low and moderate-income people and minorities.

ANALYSIS

Downpayment and closing cost assistance, and infrastructure financing can assist low and moderate-income households become homeowners. Low interest loans can assist in the rehabilitation of single-family homes and condominiums.

While low interest rates have allowed many Colorado households to become owners, housing prices have remained steady, and these prices may keep many from making the move from renting to becoming owners. The 2004 Affordable Housing Needs Impact report found that there were 120,064 renter households earning between 51% and 80% AMI. This is the group most likely to become owners.

The Bush Administration has made low-income and minority homeownership a priority. Organizations such as Fannie Mae, Freddie Mac, CHFA and other lenders are creating programs that will help meet the goals set for homeownership

Now is a good time to assist low and moderate-income households become owners. An analysis in the 2004 Affordable Housing Needs Impact Report shows that homeownership is more affordable to households at 80% of median income now than in the past.

Households with incomes at less than 60% AMI are unlikely to be able to afford homeownership in Colorado without the assistance of a self-help program such as Habitat for Humanity. Down payment and closing cost assistance, as well as increasing the stock of affordable units for sale, are needed to increase Colorado's homeownership rate.

ONE-YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Provide funding for Down Payment Assistance through local housing providers. DOH will work with 8 local housing providers, rehab agencies and local governments to provide DPA coverage for all geographic areas of the state.

Annual Output Measures:

Create 350 new homeownership opportunities for households earning <80% AMI through ownership assistance or creation of new units using existing funding and American Dream Downpayment Initiative (ADDI);
GOAL = 350

ACTIVITY 2: Educate Realtors/Homebuilders regarding Down Payment Assistance Programs. Since a variety of DPA products exist, it is important for realtors and homebuilders to be aware of all resources. DOH will develop at least one training activity for realtors/homebuilders.

Annual Output Measures:

# of Realtors/homebuilders participating in trainings; GOAL = 15

Create a database of comprehensive homeownership information to realtors, buyers, and housing counselors;
GOAL = Database

ACTIVITY 3: Increase awareness of Predatory Lending Practices. DOH will participate in broad-based efforts to increase community awareness of Predatory Lending Practices.

Annual Output Measures:

Provide information on DOH Website regarding Predatory Lending

ACTIVITY 4: Assist Housing Authorities in creation of Section 8 Homeownership programs.

Annual Output Measures:

# of programs that have established Section 8 homeownership opportunities; Goal = 2 programs

ACTIVITY 5: Encourage DOH-funded agencies to provide Pre/Post Homeownership Support.

Annual Output Measures:

# of DOH programs that provide pre- or post-homeownership support; GOAL = 5

# of people successfully completing homeownership counseling;
GOAL = 350

ACTIVITY 6: Work with 12 communities to encourage local incentives for affordable housing with a goal of achieving a local community housing balance

Annual Output Measures:

Develop criteria for needs assessments;
GOAL = Criteria established

# of new needs assessments; GOAL = 4 new needs assessments

# of presentations on jobs-housing balance; GOAL = 8 presentations

Publish a resource book on local financial and regulatory incentives/opportunities; GOAL = Publication

ACTIVITY 7: Examine mobile home park practices to help communities develop strategies to preserve this housing option.

Annual Output Measures:

Research and publish methods to preserve mobile home parks.

ACTIVITY 8: Promote energy-efficiency to help people remain in their home.

Annual Output Measures:

agencies that integrate state weatherization into their rehab programs; GOAL = 3 agencies

RESOURCES

Funding sources for increasing and preserving homeownership opportunities for low income persons and minorities include Division of Housing Grants, HOME, Colorado Housing and Finance Authority Programs, Department of Energy Weatherization Assistance, Low Income Energy Assistance, Freddie Mac and Fannie Mae homeownership programs, Colorado Housing Assistance Council, USDA/RD Programs, American Dream Downpayment Initiative (ADDI) funding and other federal, local and private funding sources.

GOAL 5

FIVE YEAR GOAL: Meet the need for housing facilities or shelter beds for homeless persons

ANALYSIS

It is important to assist communities in providing homeless facilities, beds or infrastructure where needed. Outside of the Denver Metro area, regional shelters for homeless people and victims of domestic violence are the most effective way of delivering service. These shelters are primarily located in the regional population and trade center for a particular area.

Homelessness exists in most communities in Colorado. The real estate market may make it difficult for the lowest income families to find an affordable place to live. Often these persons have mental, physical or substance abuse problems that may require additional supportive services. In rural Colorado, domestic violence is one of the main causes of homelessness.

Emergency shelters in urban areas are no longer able to meet the demand for sheltering families or individuals. In many instances, services are provided to the same persons for a long period of time due to the client's inability to stabilize and move to housing. The "Housing First" model places homeless persons into housing as quickly as possible, and, once families are stabilized, connects those families with service. Colorado is working towards this approach.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Meet the needs for beds in small towns (<50,000). DOH can only fund shelter beds using CDBG funding. Provide funding for 23 Shelter Beds.

ANNUAL OUTPUT MEASURES:

# of shelter beds funded/developed in small Colorado towns (<50,000 population); GOAL = 23 shelter beds

ACTIVITY 2: Meet the needs for beds in large communities (>50,000). Provide funding for 70 Shelter Beds.

ANNUAL OUTPUT MEASURES:

# of shelter beds funded/developed in large Colorado communities (>50,000 population); GOAL = 70 shelter beds

# of alternative sources identified

# of modified HUD regulations

ACTIVITY 3: Successful implementation of HMIS

ANNUAL OUTPUT MEASURES:
Compliancy in HMIS; GOAL = 95% ESG/CDBG agencies compliant w/ HMIS

ACTIVITY 4: Work with Continuums of Care statewide to promote strategies that address chronic homelessness. Enhance local efforts to end Chronic Homelessness by 2010.

ANNUAL OUTPUT MEASURES:
# of Continuum of Care-funded projects working on Chronic Homelessness; GOAL = 5 projects

ACTIVITY 5: Meet the needs for transitional housing beds in Colorado communities

ANNUAL OUTPUT MEASURES:
# of transitional housing beds funded/developed in Colorado communities; GOAL = 25.

ACTIVITY 6: Increase coordination among agencies serving the homeless

ANNUAL OUTPUT MEASURES:
ICH or related meetings in which DOH participates; GOAL = 20

ACTIVITY 7: Coordinate efforts to assist victims of natural disaster with housing and supportive services.

ANNUAL OUTPUT MEASURES:
24-hour response time to all natural disasters as requested by the Governor; GOAL = 24-hour response time

RESOURCES

Funding will be available for the following activities: acquisition, substantial and moderate rehabilitation, new construction, related infrastructure, tenant-based rental assistance and/or support services and operating costs through the following programs: Division of Housing Grants, “Small Cities” Community Development Block Grant (only in non-entitlement areas0, ESG, HOME State Homeless Tax Check-off Fund, and Stewart McKinney Programs.

GOAL 6

FIVE YEAR GOAL: To assist in creating an adequate supply of housing for persons with special needs coupled with appropriate services to increase independence. (Special needs are defined as persons whose housing needs cannot be fully addressed without supportive services. Special populations are persons with physical disabilities, mental illness, developmental disabilities, people with AIDS and frail elderly persons**).**

ANALYSIS

Housing assistance for persons with special needs is a priority for the State of Colorado. Many of the lowest income persons in Colorado are those with special needs. Persons living on SSI or small social security checks cannot afford to pay market rents or market rates at assisted living facilities. An individual living on SSI IN Colorado would have to spend 92% of their income for an efficiency rental unit in Colorado. The Colorado Department of Human Services Supportive Housing and Homeless Programs office estimates that there are 10,276 persons with disabilities that need subsidized housing in Colorado. Since many of the institutional residential settings for persons with developmental disabilities and mental illness have closed, more housing is needed for these persons linked with supportive service. Federal, state and local governments cannot build affordable housing by themselves. Rather, their role is to facilitate and fund such development.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Connect special need projects with supportive services to foster client self-sufficiency.

Annual Output Measures:

# of local housing organizations that are linked with supportive service providers; GOAL = 3

ACTIVITY 2: Facilitate homeownership programs for special need populations.

Annual Output Measures:

# of programs; GOAL = 2

ACTIVITY 3: Encourage the option for senior populations to modify their homes to allow aging in place.

Annual Output Measures:

# of units assisted with accessibility modifications for elderly persons; GOAL = 6 units

# of rehab agencies integrating Medicaid Home Modification Program; GOAL = 3 agencies

ACTIVITY 4: Increase the supply of housing for persons at 50% AMI or less with disabilities in response to community needs

Annual Output Measures:

# of units created for persons at 50% AMI; GOAL = 79 units

# of applicants for 811/202 funding; GOAL = 5 applicants
# of units created with DOH funds that incorporate or meet universal design standards; GOAL = 8

ACTIVITY 5: Affirmatively further fair housing goals.

Annual Output Measures:
Create a DOH "Advance" on predatory lending
# of agencies receiving training through workshops on fair housing; GOAL = 7 agencies

ACTIVITY 6: Provide HOPWA funding to assist qualified agencies in non-entitlement areas.

Annual Output Measures:
# of clients who maintain housing stability, avoid homelessness and improve access to HIV treatment and other health care; GOAL = 30
# of HOPWA clients residing in HOME/CDBG funded units; GOAL = 4 units

RESOURCES

Funding is available for the following activities: acquisition, substantial and moderate rehabilitation, new construction, infrastructure improvements, support services, and operating expenses through the following programs: Division of Housing Grants and RLF, Community Development Block Grant (only in non-entitlement areas), HOME, Permanent Housing for Homeless Persons with Disabilities, Supportive Housing for Persons with Disabilities (Section 811), Federal Low Income Housing Tax Credits, and other federal, local and private funding sources, Housing Opportunities for Persons With AIDS (HOPWA), HUD Section 8 and Section 8 Homeownership programs established by DOH and Supportive Housing and Homeless Programs (SHHP) and other federal, state and local resources.

GOAL 7

FIVE-YEAR GOAL: To increase housing opportunities in revitalized neighborhoods.

ANALYSIS

There is a growing need throughout the Colorado urban neighborhoods to revitalize their economic base and increase affordable housing opportunities. The Division is willing to fund residential redevelopment in combination with local communities efforts to revitalize neighborhood commercial areas.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Jointly fund with 3 local interests neighborhood market studies that demonstrate a commercial and residential potential.

Annual Output Measures:

# of market studies completed; GOAL = 3

ACTIVITY 2: Create 2 partnerships with local governments and neighborhood organizations to jointly fund residential redevelopment projects in older urban neighborhoods.

Annual Output Measures:

# of local partnerships with local governments and neighborhood organizations; GOAL = 2

ACTIVITY 3: Explore options for using the private activity bonds as a potential tool residential redevelopment.

Annual Output Measures:

# of meetings with bond market professionals and local government officials to examine ways to use private activity bonds to fund residential redevelopment; GOAL = 3

# of local governments committed to issuing bonds for the purpose of neighborhood revitalization; GOAL = 2

RESOURCES

Funding for substantial and moderate rehabilitation occurs through the following programs: Division of Housing Grants and RLF, Colorado Housing and Finance Authority Programs, HOME, CDBG (in non-entitlement areas only) Federal Low Income Housing Tax Credits, Department of Energy Weatherization Assistance, Low Energy Income Assistance, Federal Home Loan Bank Affordable Housing, USDA/RD programs, State Historical Grant Funds, State and Federal Historic tax Credits, other federal local and private funding sources.

GOAL 8

FIVE YEAR GOAL: Provide community at-large and policy-maker education and outreach about housing issues so that communities are better able to meet their housing needs.

ANALYSIS

Colorado is an extremely diverse state. Different portions of the state can have very different compositions in their workforce. Presently, many areas of Colorado are soliciting particular types of jobs that do not pay wages that allow workers to live and work within the same region. In order to ensure that adequate housing is available for workers and citizens within all regions of the state, it is essential that the Division of Housing be able to understand the economic realities of each region.

To use resources most efficiently, it is necessary for the Division of Housing to be able to form a statewide vision for how housing resources can best be employed. This will be done through education and outreach initiatives that will build DOH knowledge of statewide needs. Our resources to accomplish this include Blue Ribbon Panel meetings, local housing forums, our publications and web-site resources, our data services, trainings, forums and brown bag luncheons. All of these tools will allow us to educate local community members, and this in turn, will allow them to give us more meaningful information on what vision they have for housing in their communities. Once DOH can determine what the unique needs of communities are throughout the state, the role of DOH will be to assist those communities with compiling data, making needs assessments, and calculating ore exactly their housing needs. It is also essential that DOH assist local communities with communicating with surrounding communities and building a regional outlook on housing.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Enhance community education and outreach through DOH Website

ANNUAL OUTPUT MEASURES:

# of new publications put on line; GOAL = 6
“Guide for Local Officials” for web use; GOAL = Publication
FAQ page; GOAL = Publication
Forum Web Page; GOAL = Publication
Monthly # of hits on website; GOAL = 21,000

ACTIVITY 2: Create manuals/handbooks
manuals/handbooks created GOAL = 2

ANNUAL OUTPUT MEASURES:

ACTIVITY 3: Create and promote training opportunities for DOH partners, including workshops and conferences.

ANNUAL OUTPUT MEASURES:

# of technical and professional trainings, regional conferences on housing issues; GOAL =20

# of DOH-sponsored “Brown Bag Lunches”; GOAL =3

Attend and promote “Philanthropy Days” events throughout the state Increase in number of such events attended; GOAL =5

Increase in number of co-sponsorships of events; GOAL =15

ACTIVITY 4: Provide media training for DOH staff to improve relations with the press and the public.

ANNUAL OUTPUT MEASURES:

# of staff to attend trainings; GOAL = 15

# of trainings on various topics presented; GOAL = 5

ACTIVITY 5: Increase participation of local policymakers

ANNUAL OUTPUT MEASURES:

# of educational meetings with policymakers; GOAL = 25

Increase number of policymakers assisted with technical application issues, and statistical information; GOAL = 8

Increase number of policymakers attending DOH events GOAL = 35

RESOURCES

To augment our current resources, the Division of Housing will work with a variety of different organizations to form partnerships and to maximize the utilization of our resources. Such partnerships and organizational outreach will include working with private sector developers and organization, nonprofit organization, local governments, public housing authorities, urban renewal organizations trade associations, and charitable foundations. Events that we plan to utilize to help us accomplish these goals include “Philanthropy Days” events, Colorado Housing Council meetings, Office of Smart Growth workshops and the Colorado Housing Now conference.

Expanded Economic Opportunities

GOAL 9

FIVE YEAR GOAL: To increase the economic opportunities for communities in Colorado.

ANALYSIS

The Executive Director of the Colorado Governor's Office of Economic Development and International Trade (OEDIT) is responsible for setting the overall economic development vision for the state while at the same time being responsive to individualized needs. OEDIT is comprised of the International Trade Division, the Business Development Division, the Business Finance Division, the Tourism Division, and the Specialty Programs Division (including Small Business Development Centers).

OEDIT works closely with the Colorado Economic Developers Council of Colorado, local economic developers, community leaders, financial leaders, business leaders, local citizens and others to obtain input on economic development policies, strategies, and priorities.

OEDIT works extensively with Colorado communities to stabilize and expand their economies. Jobs are a key measure of economic vitality and thus receive significant attention. However, economic development needs and local economic development capacity throughout the state are varied and thus OEDIT's services are customized to meet the needs and goals of each community.

OEDIT is focused on communicating, integrating and promoting a spirit of teamwork (positive culture). In 2004, OEDIT launched a bi-weekly newsletter targeted to those persons/entities interested in learning more about the following specific topics and to create continued awareness: International Trade, Business Development, Business Finance, Bio Sciences and Emerging Industries, Small Business Development Centers, Minority and Women-Owned Businesses, and Colorado Opportunities in addition to a newsletter targeted to decision makers. Through the newsletters, Business Development staff located in the regions they serve, marketing seminars, and direct program contact with communities, OED is dedicated to creating awareness of its programs and services and conversely, making OEDIT's services and programs available to all Colorado communities.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Provide financial assistance and technical assistance to businesses that will create or retain jobs in Colorado.

Annual Output Measures:

# of jobs created and retained;

Goal = Create or retain 6,000 jobs.

ACTIVITY 2: Obtain leveraging from other resources.

Annual Output Measures:

Amount of funds leveraged;

Goal = Obtain a minimum of $1 in leverage for every $1 provided by OEDIT programs.

ACTIVITY 3: For projects receiving CDBG funds, primarily provide funding for projects that benefit low and moderate income persons.

Annual Output Measures:

Percent of jobs filled by primarily low and moderate income persons;

Goal = Create or retain jobs funded with CDBG funds where at least 55% of such jobs filled by primarily low and moderate income persons.

RESOURCES

The Colorado Governor's Office of Economic Development and International Trade (OEDIT) will utilize its funds and programs, such as technical assistance provided by the Business Development Division and financial assistance provided by the Colorado Economic Development Commission, Community Development Block Grant Funds, the Certified Capital Companies' Program, the Venture Capital Authority and its other programs, to increase economic opportunities for communities in Colorado. Additionally, OEDIT will work with a variety of federal and state agencies, local economic developers, and private entities.

A Suitable Living Environment

GOAL 10

FIVE YEAR GOAL: To help improve the leadership and governing capacities of Colorado communities.

ONE YEAR GOALS AND ACTIVITIES

ACTIVITY 1: Provide goal setting assistance to communities.

Annual Output Measures:

# of formal training sessions held by staff; GOAL = 25

ACTIVITY 2: Conduct formal and informal training sessions for local officials and staff.

Annual Output Measures:

# of formal training sessions held by staff for local officials; GOAL = 20 communities

# of persons attending training sessions; GOAL = 20 X 5

Topics addressed in training sessions; GOAL = 10

# of communities represented in training sessions.

ACTIVITY 3: Assist local governments with issues related to statutory compliance.

Annual Output Measures:

Preparation of bi-annual election manual GOAL = Publication

Preparation of training materials related to 5.5% property tax limit; GOAL = Publication

Preparation of training materials related to Taxpayer Bill of Rights (TABOR); GOAL = Publication

# of informal training sessions with local governments on topics such as open meetings and open records requirements; Goal = 25

RESOURCES

Funding for these project activities will be provided through the following programs and organizational unit: Division of Local Government in cooperation with other State and Federal programs, “Small Cities” Community Development Block Grant Program, State Energy Impact Assistance Program, Limited Gaming Impact Funds, U.S.D.A. Rural Development, State Water and Power Resources Authority, Colorado Water and Conservation Board, and other State and Federal programs too numerous to mention. All requests for funding will be through an open and competitive process. Applications for assistance that are “complete” and “competitive” are given greater consideration than those that are not.

GOAL 11

FIVE YEAR GOAL: To help Colorado communities identify, prioritize and address their capital improvement needs.

ACTIVITY 1: Provide capital improvements planning assistance to communities.

Annual Output Measures:

# of capital improvements planning sessions held by staff; GOAL = 25
# of planning grants funded; GOAL = 20

ACTIVITY 2: Provide or arrange financing to communities to address health/safety hazards in water, sewer, fire, safety and other infrastructure systems.

Annual Output Measures:
# of communities receiving financing for water projects; GOAL = 35
# of communities receiving financing for sewer projects; GOAL = 18
# of communities receiving financing for fire/safety projects; GOAL = 28
# of communities receiving financing for health projects; GOAL = 8
# of communities receiving financing for other infrastructure; GOAL = 75.

ACTIVITY 3: Help secure financing from other public/private sources to assist communities.

Annual Output Measures:
Amount of other public sources secured to assist communities; GOAL = $120,000,000
Amount of private sources secured to assist communities; GOAL = $11,000,000

ACTIVITY 4: Provide funding through the Limited Gaming Impact Fund to counties to mitigate the impacts from gaming-related activities to public facilities and services.

Annual Output Measures:
# of communities receiving assistance in mitigating gaming impacts.
# of individual projects funded with Gaming Impact Fund.

RESOURCES

CDBG, CSBG, EDA, State Energy and Impact Assistance Funds, USDA Rural Development, staff, staff time, facilities, web-site, technical assistance documents.

SPECIFIC PROGRAM DESCRIPTIONS

Home Investment Partnership Program

I. FUND DISTRIBUTION

It is estimated that at least $8,884,025 will be allocated to the State of Colorado for federal fiscal year 2005. Administration is expected to be 10%, $888,402. Should the Division of Housing receive either more funding or less funding than this figure, these funds will be distributed through the same methodology as follows. The Division will utilize a competitive application process except for existing multi-jurisdictional single-family owner occupied rehabilitation programs that will receive funding in accordance with the State Single Family Owner Occupied Rehabilitation Policy. Applications will be reviewed and considered on a continuous basis by the Division of Housing, Department of Local Affairs. The Division may end or defer consideration of housing proposals when funds available have been exhausted or when proposals are incomplete or premature.

Applications for HOME should reflect local needs as well as be consistent with the State of Colorado's annually approved Consolidated Plan. The Division has also developed a set of tools to analyze applications and guide potential applicants. These tools are the **Cost and Effectiveness Rating Instrument (CERI)** and the **Funding Gap Analysis Spreadsheet**. DOH staff also reviews applications to ensure that proposals meet the federal requirements for each program, including the HOME program.

CERI and the Funding Gap Analysis Spreadsheet are used by the DOH staff and the State Housing Board to evaluate the relative merits of funding applications. Two separate assessments are made to determine the Division of Housing’s Cost Effectiveness Rating. The sum of these two assessments, the cost of housing a person and the type of housing being developed, measures the cost and the effectiveness of each development. The Division’s development staff will use the following procedures on rental and homeowner projects with single sites.

Colorado Division of Housing’s Cost Effectiveness Rating

Each of the following scales is completed to determine the cost effectiveness rating for a particular project.

Step One: Cost Per Person Housed

By completing the development cost page of our Housing Development Analysis Spreadsheet, DOH uses the total development expense to calculate the cost per person housed. The total development expense is divided by the estimated number of people housed in the proposed development. The total number of people housed in the development is determined by multiplying the total number of bedrooms by 1.5 people for family and one for efficiencies and Single Room Occupancy (SRO). This number per bedroom is based on the California Affordable Housing Cost Task Force Policy Report, 1993. The cost per person is the result of this calculation. The following is an example:

The total number of bedrooms for this example is 180. Since this is a family rental, the number of bedrooms (180) is multiplied by 1.5 persons per bedroom. If this example included efficiencies, SROs, or only seniors, the person per bedroom could be adjusted to one person per bedroom.

180 bedrooms X 1.5 persons per bedroom = 270 persons

The total development expense for this project is $4,870,000. This number is divided by the number of persons housed by the development.

$4,870,000/270 = $18,037

The answer, $18,037 is the amount of development expense required to house one person. To accurately measure the total impact, the per-person cost is divided by the affordability period. In this example, the affordability period is 30 years.

$18,037/30 = $601 per year

How does this cost compare to other developments financed by the Division? It is estimated that the average per unit cost of a two-bedroom apartment financed by the Division is $70,000. To draw this comparison, a scale is used which gives a range of the construction cost per person housed. This range is $35,000 to $11,667. These costs are divided by the minimum 10 years and the maximum 50 years for affordability to determine the following scale.

Cost Per Person Housed

$3,100		$2,300		$1,500		$700			>$100
$3,500		$2,700		$1,900		$1,100			$300
							X		
1	2	3	4	5	6	7	8	9	10

A numerical value of 8 would be given to this result. This value is marked by the X.

Step Two: Externalities

An assessment is made of a proposed housing development's effectiveness as a place to live. Ten factors are used to measure a housing development's social, environmental, and personal impact on individual residents or the community in general. The Division of Housing uses a list of ten externalities to make this determination.

The Externalities Matrix

Externalities Matrix - Each external factor below should be scored positively or negatively based on the measure indicated.	**+1**	**-1**
1. Project Impact/Need - The project meets an affordable housing need evidenced by market data.		
2. Public/Private Commitment - The project has local government or community financial support.		
3. Management Capability - The project developer has the capability of completing the project in a timely and satisfactory manner.		
4. Consistency With Local Land Use Plans - Utilities, infrastructure, transportation and public services are available to the project without undue hardship or excessive cost.		
5. Environmental Impact - The project will not have a detrimental impact on air quality, water quality, noise levels, view corridors or other locally determined areas of environmental concern.		
6. Social Impact - The project will not have a detrimental social impact on the community or the residents.		
7. Special Needs Population - Households residing in the project include persons with physical or mental disabilities or independent or assisted housing for seniors.		
8. High Growth Area - Counties with a greater than average growth in population or housing cost over the last two years.		
9. Preservation of Existing Affordable Housing - The project would acquire and/or rehabilitate existing affordable rental housing.		
10. Serving Persons With Extremely Low Incomes - The project would provide at least 5% of their rental units to persons with incomes below 30% AMI.		

Each factor receives either a +1 or a -1 in scoring each externality. The total score is then compared to the following range:

-10 -9 -8 -7 -6 -5 -4 -3 -2 -1 0 1 2 3 4 5 6 7 8 9 10

| | | | | | | | | | | | | | X | | | |

Step Three: Rent Savings

The DOH Rent Savings Rating, return on investment, compares the amount of DOH investment in a project to household rent savings. The rent savings is the amount of household income saved by a family or individual who is paying a subsidized rent compared to a market rent. The difference between subsidized rents and market rents can vary widely in Colorado.

The Division's development staff will use the following procedures for rating the rent savings of each rental project, for new construction and rehabilitation.

1. DOH development staff will complete the attached Rent Savings matrix for each proposed rental project. The "Market Rents" section will list the market rents for the entire project by bedroom size. The sources for market rents include: The DOH Multifamily Vacancy & Rental Survey, the Denver Metro Apartment Vacancy & Rent Survey, current market area appraisals, and in the absence of any market data, other comparable rent sources. The "Proposed Rents" section will list the market and affordable rents developers are proposing to charge households. The difference between the total of Market and Proposed Rents will be listed as Annual Rent Savings for each household.

2. The DOH development staff will enter the requested DOH subsidy amount. This will be used to calculate the per unit subsidy amount for rent restricted units and the return on investment shown as a percentage of the savings per unit and the DOH subsidy per unit. The following examples show that the DOH return on investment is 20%.

Rent Savings Worksheet

	Market Rents					**Proposed Rents**		
	Rents	#-units	Total Rent			Rents	# units	Total Rent
OBR		0	0		OBR	0	0	0
1BR	543	14	7602					0
2BR			0					0
3BR			0		1BR	250	6	1500
4BR	0	0	0			350	6	2100
	Total MKT rent		**$7,602**			400	2	800
					2BR	0	0	0
						0	0	0
						0	0	0
Monthly Rent Savings:		$3,202			3BR	0	0	0
Annual Rent Savings:		$38,424				0	0	0
Total Units		14						0
Annual Savings/unit:		**$2,745**			4BR			0
DOH Subsidy:		195000						0
DOH Subsidy/unit		13928.5714						0
						Total Proposed rent		**$4,400**
***Sav per unit/DOH sub per unit:**			**20%**					

*The Return On Investment (savings per unit/DOH subsidy per unit) in this example is calculated by dividing the Annual Rent savings per unit, $2,745, by the DOH Subsidy per unit, $13,928.

Return On Investment from Rent Savings

0 10% 20% 30% 40% 50%

X

2 4 6 8 10

Step Four: Leveraging

The Division uses its funding to fill a financing gap for affordable housing developments. By filling this gap with either a loan or grant, the Division forms partnerships with other financing sources to complete the financial feasibility of a development. By sharing the risk with other funding partners, the Division leverages its resources with private and public investors. The leveraging ratio is created to show the amount of funds from other sources the Division is able to match or secure by its investment. This "leveraging ratio" is measured on a ten-point scale. One point is given for each dollar leveraged, up to a maximum of 10 to 1. For developments able to leverage more than $10 for every $1 DOH, the scale is limited to a maximum score of 10. In the example, the Division invests $200,000 and leverages an additional $4.6 million. This scores 10 on our leveraging scale.

Amount Leverage

0 2 4 6 8 10

| | | | | | | | | | X|

Rating

0 2 4 6 8 10

Step Five

Cost Effectiveness Composite Score (This score is the total of all four of the above factors).

The Colorado Divisions of Housing's Gaps Analysis Spreadsheet

The second tool used by DOH staff is the **gaps analysis spreadsheet**. The spreadsheet is used to analyze project development cost, income and expense. This analysis results in a determination of how much debt a project can reasonably service, and the amount of gap funding required for the project to proceed. The gap in funding is filled through a variety of sources, including funds administered by DOH.

The combination of these two tools allows the State Housing Board (SHB) to target limited resources to the housing activities with the highest need in an individual community. As well, the amount of subsidy required can be accurately determined. Development staff can also provide community-housing developers with specific guidance regarding project development. This allows development staff to work in the planning stages, guiding and modifying projects before they go before the SHB.

Early in the process, DOH staff provides feedback to developers regarding the appropriateness of development concepts. This timely intervention is necessary because developers must incur predevelopment expenses (sometimes in excess of $100,000) before a project can be brought before the SHB. Developers are discouraged from submitting requests that do not meet DOH priorities. While staff works with developers to modify projects to meet DOH standards, only projects that meet the priority target populations are cultivated.

The results of the staff review are forwarded to the Executive Director of the Department of Local Affairs, and brought to the Colorado State Housing Board, an advisory board. The consultation with the board is usually at a regularly scheduled monthly hearing, but also may be by telephone or mail. The Department Executive Director considers staff reviews and any advisory committee recommendations and makes the final funding decisions based on the project review factors.

In making funding decisions as well as decisions on proposed modifications to funded projects, the Department Executive Director may specify alternatives or changes as he deems necessary or appropriate, consistent with the project review factors. Alternatives and changes specified may include, but are not necessarily limited to: providing more or less funding than requested, proposed, or recommended; adjusting project budget line items; providing funds for only selected activities within an overall project; making a single award to two or more separate applicants so that projects can be undertaken on a multi-jurisdictional basis; changing terms, uses, and conditions; and permitting projects to be amended to include additional, fewer, or different project activities.

DIRECT ADMINISTRATION: The Department of Local Affairs may choose to administer HOME funds directly if it determines that a specific project would benefit from such administration.

GEOGRAPHIC FUND DISTRIBUTION: The Department of Local Affairs intends to distribute HOME funds by considering both geographic and population needs. Funding decisions will include consideration of prior housing projects funded within the area as well as quantified need level driven by population distribution including the needs of special populations as identified in the State of Colorado's annually approved Consolidated Plan. Projects that occur in high growth areas are considered to be high priority projects.

II. COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS

The State of Colorado will reserve fifteen percent of its allocation for community housing development organizations (CHDOs). The amount available for CHDOs is expected to be up to $1,332,603. The CHDO funds will also be distributed through a competitive process on a continuous basis.

The Division of Housing will identify CHDOs in the state through a two-fold process. A questionnaire which will enable potential and existing CHDOs to determine if they are eligible as CHDOs will be sent to nonprofits and housing providers throughout the state upon request. At the same time, the housing development staff of the Division of Housing will continue to work to identify potential CHDOs in their specific geographic areas. Applicants and/or their sub-grantees applying through the competitive process for HOME funds will also be screened to identify any existing or potential CHDOs.

It is anticipated that the types of activities to be undertaken by CHDOs will be acquisition, rehabilitation, homebuyer programs, and new construction. It is also anticipated that some CHDOs may be interested in applying for the project specific technical assistance loans.

III. OTHER FORMS OF INVESTMENT

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.

IV. REFINANCING

HOME funds may be used to refinance existing debt on an eligible single-family, owner-occupied property when HOME funds are used to rehabilitate the unit, if the overall housing costs for the owner will be reduced and the housing made more affordable.

HOME funds may also be used to refinance existing debt on multifamily rehabilitation, or new construction projects if refinancing is necessary to permit continued long-term affordability and is consistent with the 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 being used for rehabilitation must be equal to or in excess of the amount of HOME funds being used to refinance existing debt on the property. At a minimum, the ratio of rehabilitation costs to refinancing costs must be 1 to 1, or a minimum rehabilitation cost of $5,000 per unit;
- 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;
- The application must state whether the new investment is being made to maintain current affordable units, create additional affordable units, or both;
- The required period of affordability will be a minimum of 30 years;
- The state will accept applications for refinancing statewide; and,
- HOME funds will not be used to refinance multifamily loans made or insured by any Federal program, including CDBG unless additional affordable units will be income-restricted to low income household or the affordability period is being extended.

V. COSTS RELATED TO PAYMENT OF LOANS

If the HOME funds are not used to directly pay a cost specified in this section, but are used to pay off a construction loan, bridge financing loan, guaranteed or insured loan, the payment of principal and interest for such loan is an eligible cost only if:

(1) The loan was used for eligible costs specified in this section, and

(2) The HOME assistance is part of the original financing for the project and the project meets the requirements of this part.

VI. ADMINISTRATION AND PLANNING COSTS

The Department of Local Affairs, Division of Housing may expend for its HOME administrative and planning costs ten percent (10%) of the HOME allocation.

VII. HOMEBUYERS PROGRAM

The Department of Local Affairs, Division of Housing, will accept applications for homebuyer programs if they meet the guidelines for resale or recapture as required in 24 CFR 92.254. Homebuyer program guidelines must meet the following federally required qualifications.

Qualify as affordable:

- If purchased with or without rehabilitation, the initial purchase price does not exceed 95% of the median purchase price for the type of single-family housing (1 to 4-family residence, condominium unit, cooperative unit, combination manufactured home and lot, or manufactured home lot) for the area as determined by HUD; and has an estimated appraisal value at acquisition, if standard, or after any repair needed to meet property standards in 92.251, that does not exceed 95% of the median purchase price for similar type of single-family housing.

- It must be the principal residence of the owner whose family income qualifies (equal to or less than 80% of area median family income) at the time of purchase;

- Is purchased within 36 months if a lease-purchase agreement in conjunction with a homebuyer program is used to acquire the housing;

- Meets the federally required resale restrictions or the federally required minimum affordability periods. However, the state will seek to maximize the affordability period for homeowner and rental properties. To maximize affordability periods we have established a threshold of thirty (30) years, but will make every effort to extend this period to 40 years and beyond.

STATE GUIDELINES FOR HOMEBUYER PROGRAMS

The State will assure that any homebuyer program capitalized with HOME funds will meet the following requirements for the properties and prospective homeowners to participate in this activity.

ELIGIBLE ACTIVITIES: HOME funds may be used for acquisition or for the acquisition and rehab of homes for homebuyers whose incomes are equal to or less than 80% of area median income.

ELIGIBLE PROPERTY-OWNER: The prospective purchasing household must meet two key federally required eligibility criteria in order to participate.

1) Must have a gross income that does not exceed eighty percent (80%) of the area median income. The purchasing household must be low income at the time of the household

initially occupies the property, or at the time the HOME funds are invested, whichever is later. Verification of income eligibility is good for a period of six months.
2) Must occupy the property as a principal residence. The deed and the loan documents (Promissory Note) between the buyer and seller should incorporate this requirement and the requirement that subleases are only allowed with written approval by the State.

A third criterion has been added by the state. This criterion limits homebuyer assistance to households with incomes between 60% and 80%. This criterion reflects the minimum income required by homeownership to initially purchase and maintain a home. Homeowners participating in a self-help housing program may have incomes less than 60% AMI.

ELIGIBLE PROPERTY TYPES. Property that is eligible to be used in a homebuyer program is not restricted to federal properties or to other publicly held properties. The property can be PRIVATELY or PUBLICLY held prior to sale to the homebuyer. The property can be an existing property or newly constructed. Any property which will serve as the purchaser's principal residence, including:

- A single family property (one unit);
- A two to four unit property;
- A condominium unit;
- A manufactured home and lot;
- A manufactured home lot; and,
- A cooperative unit.

FORMS OF OWNERSHIP. For purposes of the HOME program, homeownership means ownership in fee simple title, or a 99 year leasehold interest in a one to four unit dwelling or in a condominium unit, or ownership or membership in a cooperative or mutual housing project if recognized by state law as homeownership. The ownership interest may be subject only to the following:

- Mortgages, deeds of trust or other debt instruments approved by the State; and,
- Any other encumbrances or restrictions that do not impair the marketability of the ownership interest, other than the HOME program restrictions on resale.

PROPERTY STANDARDS. Before property transfer, the house must be inspected for health and safety defects. The prospective purchaser must be notified of the work needed to cure defects and the time frame which it will take to complete the repairs.

Acquisition Only -- Property must meet local housing standards or codes at the time of initial occupancy. If no standards exist, Section 8 Housing Quality Standards (HQS) must be met.

Acquisition and Rehabilitation -- where rehabilitation to the property is needed. The property must be free from any defects that pose a danger to the health or safety of occupants before occupancy and not later than 6 months after property transfer. Within 2 years of property transfer to the homebuyer, the property must meet all applicable local codes, rehabilitation standards, ordinances and zoning ordinances at the time of project completion.

All construction projects (rehabilitation and new construction) assisted with HOME funds must meet local codes, rehabilitation standards, ordinances and zoning ordinances. In the absence of local requirements, projects must meet the following:

- One of three model codes--Uniform Building Code (ICBO); National Building Code (BOCA); Standard Building Code (SBCC)
- Council of American Building Officials One to Two Family Code (CABO);
- Minimum Property Standards (MPS) in 24 CFR 200.925 or 200.926.

New construction -- Newly constructed housing must meet the Model Energy Code published by the Council of American Building Officials.

HOME-assisted construction must meet the accessibility standards of the Fair Housing and Section 504.

PROPERTY VALUE (AT TIME OF PURCHASE). The initial purchase price that does not exceed 95% of the median purchase price for the type of single-family housing for that type of housing. The state may establish the area median value by using the Section 203(b) limits or the state may establish the value through a community-wide market analysis. The value may be established by an appraisal by a qualified appraiser or qualified staff of a HOME program administrator.

INCOME QUALIFICATION AND AFFORDABILITY. There are NO federal requirements that the homebuyer remain low income after purchase of the unit. There is NO federal requirement that determines a minimum or maximum amount for the monthly housing costs (PITI) or, that the homeowner's PITI remain affordable to the homebuyer. However, the state does use a maximum household income of 80% and a minimum household income of 60% for initial eligibility, unless the purchaser is a self-help program participant below 60% AMI.

RESALE RESTRICTIONS OR RECAPTURE PROVISIONS. In accordance with the HOME Program requirements the State will accept either the resale restriction or the recapture provision for maintaining the affordability of housing in Homebuyer Program Policies submitted in applications requesting HOME funding. The restrictions and recapture provisions are the following:

OPTION ONE -- Create Another Affordable Unit by recapturing the HOME Investment

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 activity.

- ❖ Recapture entire amount - require the entire investment to be repaid.
- ❖ Reduction during affordability period - the investment amount to be recaptured may be reduced on a pro rata basis for the time the homeowner has owned and occupied the housing measured against the affordability period.
- ❖ Shared net proceeds - If the entire amount cannot be recaptured plus enable the owner to recoup their down-payment and capital investments in the property, the proceeds may be shared based on the following formula.

  HOME investment:
  HOME investment + Homeowner investment / Net Proceeds = % of HOME $ to be recaptured

  Homeowner investment:
  HOME investment + Homeowner investment / Net Proceeds = % of Amount to homeowner

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 purchase.

OPTION TWO -- Sell the Existing Property to a Subsequent Low-income Purchaser

- ❖ 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 which allows for: "fair return on investment, including any improvements" to the seller (the former homebuyer).

AND ALSO,

- ❖ The property must be affordable to a reasonable range of low-income purchasers.
- ❖ Housing may be presumed to meet all of the resale requirements (i.e., fair return, affordable, and that the subsequent buyer is low income) during the period of affordability without enforcement mechanisms if this presumption is supported by a local market analysis.
- ❖ The market analysis of the neighborhood must indicate that the housing is and will continue to be available and affordable to a reasonable range of low-income families.

AFFORDABILITY PERIOD RESTRICTIONS on sale of the property are waived if the homeowner defaults on the first mortgage and foreclosure proceedings are initiated. However, the affordability restrictions are revived if, during the original affordability period, the owner retains ownership of the property.

The amount of development subsidy required to produce the unit in excess of the fair market value is not subject to recapture. If the HOME subsidy is only used for the development subsidy in excess of the fair market value, the Option Two, the resale option, must be used.

Whether Option One or Two is used -- after the required affordability period based on the amount of HOME assistance ends -- the property may be sold at any price to any new homebuyer, without any consideration of the purchaser's income.

FORMS OF SUBSIDY: HOME funds may be used for down payment and closing cost assistance, interest subsidies, direct loans, or grants for acquisition, rehabilitation of existing units and/or construction of new units. The program may use one or more of the above forms of subsidy.

If the HOME funded subsidy is:

- ❖ down payment and/or closing cost assistance, it must be in the form of a secured debt, such as a deferred loan to help enforce the principal residency and resale provisions;
- ❖ an interest subsidy paid directly to the first mortgage lender in order to reduce the interest rate on the loan, there must be a provision that a proportionate refund will be provided to the State or its state recipient or sub-recipient if the private loan is prepaid before the loan maturity date;

The American Dream Downpayment Initiative funding for is expected to be funding of $473,715. It will be offered to all eligible down payment assistance programs in the State. Funds will be used by nonprofit down payment assistance programs as a first-time home-buyer program.

AMERICAN DREAM DOWNPAYMENT INITIATIVE FUNDS: The Colorado Division of Housing will include American Dream Downpayment Initiative (ADDI) funds of $362,047in our regular application process, with local governments, housing authorities and nonprofit organizations designated as eligible subgrantees. These funds will assist eligible first-time low-income and minority households, and will become an alternative source for down payment, closing costs and/or rehabilitation assistance. The amount of ADDI assistance provided will not exceed $10,000 or four and a half (4 ½) percent of the FHA mortgage limit of the home, whichever is greater. Rehabilitation will be required to be completed within one year of the home purchase, and may include, but not be limited to, the reduction of lead paint hazards and the remediation of other home health hazards.

TARGETING PUBLIC HOUSING AUTHORITY RESIDENTS WITH ADDI FUNDS: DOH will target residents of Public Housing Authorities and manufactured housing by (1) providing information about ADDI during Public Housing Authority Directors Meetings; (2) announcing the availability of ADDI funds at the Colorado Chapter of National Association of Housing and Redevelopment Officials Annual Conference; (3) adding material about ADDI to our Application Workshops which are conducted across the state several times during the year; (4) providing information on the DOH website; and (5) providing the information to the Manufactured Housing Association of Colorado.

ELIGIBILITY: To be eligible for ADDI assistance, individuals will be first-time homebuyers interested in purchasing single-family housing. A first-time homebuyer is defined as an individual and his or her spouse who have not owned a home during the three-year period prior to the purchase of a home with ADDI assistance. ADDI funds may be used to purchase one- to four- family housing, condominium unit, cooperative unit, or manufactured housing. Additionally, individuals who qualify for ADDI assistance will have incomes not exceeding 80% of area median income.

UNDERTAKING AND MAINTAINING HOMEOWNERSHIP: Subgrantees will be required to provide or arrange for homebuyer counseling that will enable clients to understand and maintain homeownership.

VIII. TENANT-BASED RENTAL ASSISTANCE PROGRAM (TBRA)

The Department of Local Affairs, Division of Housing, will accept applications for operating a tenant-based rental assistance program from a public housing authority or any other entity with the capacity to operate a rental assistance program within their community or region. Home-eligible communities can apply for tenant-based rental assistance. DOH will offer tenant-based rental assistance for the next two years to address special needs populations now residing in homeless shelters. This TBRA will target homelessness, specifically for those with incomes at or below 30% AMI who are employed. Each of the participating households will be required to access social services provided by their county of residence.

TBRA is considered to be an essential part of our approved housing strategy for 2005. Each TBRA application will be judged by its impact on addressing a community's affordable housing needs, but specific consideration will be given to weighing the TBRA method of assistance with less costly housing alternatives.

Applications will be evaluated based on the following factors:

1. The immediacy of the need for TBRA:
    - ❖ Displacement caused by natural disaster, job loss, domestic violence, or other emergency family situations.
    - ❖ Program responds to local market conditions
(In 2004-2005, there is a glut of units, but they are not affordable to renters without assistance).
    - ❖ A strategy for developing additional permanent rental housing supply.
    - ❖ A minimum financial contribution by the tenants.
    - ❖ The projected rents are consistent with local market conditions.

2. Program design factors:

- Must specify the local market conditions that led to the choice of this option;
- May select families in accordance with written tenant selection policies and criteria that are consistent with the purposes of providing housing to extremely low, low or moderate income families and are reasonably related to preference rules established under section 6(c)(4)(A) of the Housing Act of 1937.
- May select eligible families currently residing in units that are designated for rehabilitation or acquisition with HOME funds without requiring that the family meet the written tenant selection policies and criteria. Families so selected may use the tenant-based assistance in the rehabilitated or acquired unit or in other qualified housing. These families must be required to use the tenant-based assistance within Colorado.
- May select eligible families currently residing in rental units that are designated for rehabilitation using HOME program funds without requiring that the family be placed on the PHA's Section 8 waiting list;
- Specify if the contract for assistance will be paid to the landlord or directly to the assisted family;
- Specify the length of time the assistance will be provided. The term of assistance may not exceed 24 months but may contain the option to be renewed, subject to the availability of additional HOME funds and the required HOME match of twenty-five percent (25%) non-federal monies.
- May use HOME funds to provide loans or grants to eligible extremely low, low, or moderate-income families for security deposits as delineated in 24 CFR 92.210.
- Certify that in operating the program they will adhere to additional requirements as delineated in 24 CFR 92.211;
- Certify that the tenant will not pay more than thirty percent (30%) of his/her adjusted income for rent;
- Certify that the rent of the unit is reasonable as compared to rent charged for comparable unassisted units in the same area;
- Certify that housing occupied by a family receiving tenant-based assistance under the HOME program must meet Section 8 Housing Quality Standards; and,
- Certify that the amount of monthly assistance may not exceed the difference between 30% of the tenant's adjusted monthly income and the Section 8 Existing Fair Market Rent for the area, after adjustments for bedroom size.
- No project-based subsidy.

IX. AFFIRMATIVE MARKETING PROCEDURES AND REQUIREMENTS

The Department of Local Affairs, Division of Housing, will adopt the affirmative marketing procedures outlined below for HOME-assisted housing containing five (5) or more housing units and will require adoption by all grantees of affirmative marketing plans specific to local conditions. The procedures may include:

- Methods for informing the public, owners and potential tenants about Federal Fair Housing laws and the grantee's affirmative marketing policy. Suggested methods may include use of the Equal Housing Opportunity logotype or slogan in press releases and in solicitations for owners, distribution of the policy to media and interested public groups, and written communications to fair housing and other groups. Another method would be the display of the fair housing poster.
- Requirements and practices each owner will utilize in carrying out the affirmative marketing policy. Grantees may require owners to advertise vacant units in newspapers of general circulation and minority media if available, to display the Equal Housing Opportunity logo or fair housing poster in rental offices, and/or to notify the PHA of vacant units.
- Procedures to be used by owners to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing without special outreach. Special outreach may be undertaken, at the grantee's option, by individual owners or by the grantee on behalf of all owners. Special outreach may be accomplished through the following methods:
- Newspaper announcements in general circulation newspapers and/or ethnic, neighborhood, community, or school newspapers;
- Announcements in church or school bulletins, posters, or oral presentations to community organizations; and,
- Posters publicizing the program placed in grocery stores, job center sites, community centers, churches, schools, or other places where potential tenants may visit.

Each unit of general local government that subgrants the administration of this program must adopt affirmative marketing procedures and requirements that meet the requirement in paragraphs (a) and (b) of 24 CFR 92.351.

The grantee must maintain a file that contains copies of all marketing efforts and the records necessary to assess the results of these actions. This file will be inspected by the Division of Housing staff to evaluate the marketing efforts. The file should contain copies of newspaper ads, memos of phone calls, copies of letters and any other pertinent information.

The Division of Housing will monitor, at least annually, the compliance efforts made by its grantees and owners through review and approval of the affirmative marketing plans; comparison of predetermined occupancy goals to actual occupancy data that the owner will be required to maintain; and, review of outreach efforts on the part of the grantee and/or owners.

If the grantee and/or owner fail to follow the affirmative marketing requirements, corrective actions shall include extensive outreach efforts to appropriate contacts to achieve the occupancy goals or other actions the Division of Housing may deem necessary.

X. MINORITY AND WOMEN BUSINESS OUTREACH PROGRAM

In accordance with Section 281 of the HOME Investment Partnership Act and 24 CFR 92.350, the Department of Local Affairs, Division of Housing, will prescribe procedures acceptable to HUD to establish and oversee a minority outreach program. The program shall include minority and women-owned businesses in all contracting activities entered into by the state to facilitate the provision of affordable housing authorized under this Act or any other Federal housing law applicable to the state.

The Department of Local Affairs, Division of Housing will encourage the use of women and minority owned businesses in bids for the various programs throughout the state under the Colorado HOME program through coordination with the Governor's Minority Business Office established in 1989.

The outreach program, at a minimum, will consist of the following:

- Development of a systematic method for identifying and maintaining an inventory of certified minority and women's business enterprises (MBEs and WBEs), their capabilities, services, supplies and/or products;
- Usage of the local media, electronic and print, to market and promote contract and business opportunities for MBEs and WBEs;
- Development of informational and documentary materials (fact sheets, program guides, procurement forecasts, etc.) on contract/subcontract opportunities for MBEs and WBEs;
- Development of solicitation and procurement procedures that facilitate opportunities for MBEs and WBEs to participate as vendors and suppliers of goods and services;
- Sponsorship of business opportunity-related meetings, conferences, seminars, etc., with minority and women business organizations; and,
- All grantees and subrecipients will be required to maintain statistical data on the use and participation of minority and women business enterprises as contractor/subcontractors in HOME assisted program contracting activities. Owners will be required to identify projects that were bid by minority and women owned entities and the number of minorities or women hired as a result of activities undertaken using HOME funds.

HOME MATCHING REQUIREMENTS

The Division of Housing provides HUD with HOME match using State Energy Impact Grants and Loans funds spent on HOME eligible activities, local funding used in HOME projects, foundation funds used in HOME projects, and other HOME eligible match sources.

Emergency Shelter Grant Program (ESG)

I. Program Description

GOAL. The goal of the Colorado Emergency Shelter Grants (ESG) Program is to assist homeless persons by providing better facilities, a complete continuum of supportive services at emergency shelters/transitional housing programs and to assist potentially homeless persons by providing expanded prevention programs.

Program Objectives

- To support the operating costs of emergency shelters.
- To assist in the prevention of homelessness.
- To assist in improving the quality and range of services necessary for a complete continuum of care that encourages self-sufficiency for the homeless.
- To increase the availability of emergency shelter and transitional housing programs.
- To include homeless families and individuals to the maximum practicable extent in maintaining, renovating, operating, and constructing homeless facilities.

Program Strategies

The Colorado Division of Housing will employ four strategies in the 2005 Federal Fiscal Year in its allocation of $1,018,213 in ESG funds, those entities so choose. HUD has identified as a national priority the elimination of chronic homelessness. Colorado is taking serious aim at this target. Given the limited funding available, DOH may supplement with CDBG funds (2005 only), the homeless grant needs in *both entitlement and non-entitlement* areas, allowing us to expand homeless efforts. Priority will be given to projects that are consistent with the following strategies.

- In order to develop a comprehensive approach to the provision of emergency shelter and delivery of services for the homeless, the first program priority is to ensure that applicant agencies are leveraging all resources, including local, state, federal and private funding in the operation of a shelter and/or deliver of related prevention and essential services.
- The second strategy is to ensure that applicants make a significant contribution to the elimination of homelessness as documented statistically.
- The third strategy is to encourage programs to use a coordinated, case management approach to service delivery. Programs utilizing strong case management approaches that ensure the delivery of essential services along the continuum of care will receive priority consideration for funding.
- The fourth strategy is to encourage homelessness prevention through funding of programs that provide well-thought-out approaches to homelessness prevention.

II. Emergency Shelter Grant Utilization

For FY 2005, it is anticipated that Colorado Division of Housing will receive an ESG allocation of at least $1,018,213.

III. Eligibility

Units of local government or nonprofit organizations within the State of Colorado are eligible to apply for Emergency Shelter Grant funding. Local governments may apply for assistance on behalf of nonprofit organizations or may deliver services directly. The State may distribute Emergency Shelter Grant funds directly to private nonprofit organizations.

If a nonprofit agency applies directly to the State for ESG funds, it is a federal requirement that they submit with their application a letter certifying approval of the application by the relevant unit of local government. In determining the relevant unit of local government for this certification, the local agency needs to determine its primary service area. If the primary service area is a town or city, the agency should seek approval of the town or city government. Programs whose primary service area is county wide or covers multiple towns and unincorporated areas, should ask approval of county governments. As a condition of grant award, applicants and grantees will be required to complete the appropriate Emergency Shelter Grants Program Certifications, have proof of Internal Revenue Service (I.R.S.) 501(c) status, and submit current I.R.S. W-9 Federal tax identification forms.

Local certifications include:

- ❖ Emergency Shelter Grant Program Assurances and Certifications;
- ❖ Certification of Local Approval for Nonprofit organizations;
- ❖ Certification of Exemption from requirements of the National Environmental Protection Act (See Environmental Review Section IX.), and;
- ❖ Certification of Consistency with the appropriate approved Consolidated Plan.

NOTE: The following entities have Consolidated Plans: Adams County; Arapahoe County; City of Arvada; City of Aurora; City of Boulder; City of Centennial; City of Colorado Springs; City and County of Denver; Douglas County; City of Fort Collins; City of Greeley; City of Grand Junction, Jefferson County; City of Lakewood; City of Longmont; City of Loveland; City of Pueblo, Pueblo County; and the City of Westminster. ESG applicants from these areas will obtain Certifications of Consistency with Consolidated Plan from these jurisdictions. The DOH will provide Certifications of Consistency with the Consolidated Plan for ESG applicants located in non-entitlement areas.

State Certifications include:

- ❖ Emergency Shelter Grant Assurances and Certifications Program;
- ❖ Prohibition of the use of federal funds for lobbying certification;
- ❖ Certification of consistency with the 2000 Colorado Consolidated Plan.

IV. Eligible Activities

The activities listed below are eligible for funding under the Emergency Shelter Grant Program.

- Payment for costs of operation and maintenance which include such items as insurance, utilities, operating staff, and furnishings;
- Essential services;
- Homeless prevention services;
- Grant administration (for local governments or subdivisions thereof).

V. Allocation And Selection Criteria

For non-metropolitan Denver, the State will mail ESG application kits to previously funded local governments and nonprofit organizations. Upon request, we will mail application kits to other rural homeless providers for funding consideration. In '05, DOH may fund some rural area homeless services with CDBG dollars vs. ESG dollars, and use the standard ESG application as the basis for analysis of the criteria below. DOH will then determine which rural providers will receive ESG funding and which CDBG funding. ESG dollars freed in rural areas will then be available to fund additional shelter projects in metro Denver, Adams, Arapahoe, Broomfield, Boulder, Denver, Douglas and Jefferson Counties. Community Service Block Grant (CDBG) dollars may be used to fund services in Adams County.

For the Metro Denver area in 2005, the Division will mail ESG application kits to previously funded nonprofit organizations and use an RFP process to solicit proposals from new homeless shelters. DOH will then utilize a committee to assist in selection of ESG projects and awards using the selection criteria listed below (Criteria are the same for rural and Denver Metro areas). The Division of Housing may elect to utilize CDBG dollars for homeless services in the Metropolitan Denver Area.

Additionally, up to $40,000 in ESG funding may be awarded by the Executive Director of the Department of Local Affairs on a discretionary basis.

All applicants must prioritize the activities for which they are requesting funding and are encouraged to develop programs that address supportive service needs and homelessness prevention in addition to covering basic operating expenses. Internal analysis will judge how well proposed projects meet evaluation criteria.

The evaluation criteria, in order of priority, will include the following:

1) The extent and urgency of the identified homeless needs;
2) The level of funding support for the applicant (Agency has sufficient funds to address the needs);
3) Leverage of resources (local, state, federal and charitable investment in the organization);
4) The capacity of the local government and/or nonprofit organizations to carry out the project(s). For existing subgrantees, we will take into account monitoring issues and timeliness of reports (compliance);

5) The anticipated project impact upon the identified needs;

6) Proximity to other homeless provider agencies (non-duplication);

7) The commitment to provide coordinated essential services and homelessness prevention activities within the applicant organization and in cooperation with other local nonprofit and governmental service providers (e.g. case management, centralized intake, a voucher system to assure payment for services provided by outside organizations);

8) The location of the service organization (geographic distribution);

9) Capacity to comply with HUD's requirement that client level information be entered into a Homeless Management Information System, upon HUD's final ruling;

10) The availability of other sources of funding for rehabilitation and emergency repair.

Program requirements will be the same for CDBG-funded projects and ESG-funded projects, and the funding cycles will also be the same. All applicants should show at least a dollar-for-dollar, or 1:1 match for ESG funds requested. The state will adjust contractual matching requirements based on the need of the subgrantee up to the $100,000 federal statewide match waiver.

To comply with federal program rules, the state will ensure that not more than 30% of the aggregate amount of all ESG funds received by Division of Housing will be used for homeless prevention. The State will further ensure that not more than 30% of the aggregate amount of all ESG funds received will be used for essential services. Finally, the State will ensure that not more than 10% of the aggregate amount of all ESG funds received will be used for operating staff costs. In each of these cases, the State may vary the percentage of homeless prevention, essential services, and operating staff amounts it distributes to individual state recipients, respectively.

VI. Reallocation

Any local government or nonprofit organization that fails to enter into a contract within sixty (60) days from the date of the award notice will subject their award to recapture and reallocation. Additionally, any local government or nonprofit organization that fails to request reimbursement for eligible activities within sixty (60) days from the contract execution date will subject their funds to recapture and reallocation.

VII. Monitoring And Reporting

Each local government or nonprofit agency receiving grant funds will submit to the State a quarterly report about accomplishments and expenditures. Quarterly reports will be due 20 calendar days after the end of each quarter. The State will perform grantee monitoring and provide required reports to HUD.

VIII. Environmental Review

Colorado assumes federal responsibility for assessing environmental effects of the proposed Emergency Shelter Grant activities in accordance with 104(g), Housing and Community Development Act of 1974, [procedural provisions of the National Environmental Protection Act (NEA)], and regulations contained in 24 CFR Part 58. Unless the project involves rehabilitation, conversion, or major repairs, repairs with costs greater than $500, project activities are exempt from NEA requirements.

IX. Homeless Management Information System (HMIS)

Colorado will implement HMIS through training activities conducted with subgrantees in 2005. Requirements for subgrantee participation in HMIS will be secured through a statement of "Assurances and Certifications" that must be signed by each subgrantee. HMIS Systems Operators for each of Colorado's three Continuums of Care will issue Certificates of Compliance that certifies that each agency funded with ESG funding is compliant with HMIS. This certificate will be placed in subgrantee files.

X. Projected Emergency Shelter Grant Schedule (Subject To Change)

March 1, 2005	ESG Notice of Funding Availability published or application request letters mailed
April 1, 2005	ESG application deadline
May 16, 2005	ESG Awards made
July 1, 2005	Effective starting date of FY 2005 funding

Housing Opportunities For People With Aids (HOPWA) Formula Program

I. Program Description

In 2005 the Colorado Division of Housing will receive approximately $354,000 in HOPWA entitlement funding from HUD. The Division will work with a consortium of four Colorado Aids Project (CAP) agencies to distribute assistance for persons living with HIV/AIDS. These funds may be used to acquire housing units within the entitlement area, to provide tenant-based rental assistance, emergency assistance, and/or to provide housing coordination services and supportive services to persons living with HIV/AIDS and their families.

II. Program Services

HOPWA funding will be used to assist clients in accessing housing and related supportive services. Several small (two or three unit) projects are anticipated to acquire housing units for HIV/AIDS clients. Funds will be used to enable low-income persons living with HIV and their families in Colorado to achieve housing stability and access to health-care and related supportive services.

III. Funding Allocations

In determining distribution of the $354,000 allocated to the State of Colorado for federal fiscal year 2005,the Division of Housing is working with a consortium of four Colorado Aids Project (CAP) agencies to assess the required levels of funding for rental and emergency assistance and supportive services across CAP regions based on current trends and historic need (CAP regions reflect HUD's recent entitlement changes.). We will utilize recommendations from this consortium in making awards. Applicants will be HOPWA-eligible organizations or projects. The Division of Housing will also utilize a small amount of funding for administrative costs.

IV. Program Oversight

The Division of Housing will have oversight of the grant. All spending caps on administration of this grant will be observed.

“Small Cities” Community Development Block Grant Programs

I. Foreword

The State of Colorado, through the Governor's Office of Economic Development and International Trade (OED), and the Department of Local Affairs, will administer the "Small Cities" Community Development Block Grant (CDBG) program for non-entitlement jurisdictions of the State for Federal Fiscal Year 2005.

Local-State discussions of state administration of the CDBG program began in 1981 and resulted in the State opting to assume the responsibility for administration of the program starting in federal Fiscal Year 1983. These discussions have continued each year and have consisted of a direct consultation process with local governments and the public, including at least one public hearing each year, and deliberations with advisory groups. The State CDBG program, as presented in this document, represents the collective effort of all the individuals, local governments and organizations that have participated in its development. While unanimity may not have been achieved on all issues, constructive compromises and agreements were generally realized. The time and effort committed by all who have participated in the development and refinement of the program is greatly appreciated.

The Governor's Office of Economic Development and International Trade is responsible for all projects involving the use of CDBG funds to provide financing for private for-profit businesses, with one exception. The exception is the case in which the financing for a private, for-profit business is for the rehabilitation of non-residential properties when such properties are integral parts of local government sanctioned and planned community redevelopment efforts or when such properties are of key historic or commercial importance to a community or neighborhood. The Department of Local Affairs is responsible for this type of rehabilitation and for all other eligible CDBG project activities, including housing, public facilities and community development. The Department's Division of Housing has "lead" responsibility for housing and homeless assistance projects funded through the program. The Financial Services section of the Department's Division of Local Government (DLG) is responsible for CDBG-assisted public facilities and community development projects. The Department's Division of Local Government is responsible for overall coordination of the State's CDBG program. Appropriate State staff can be reached at the following numbers:

Governor’s Office of Economic Development (Denver)		(303) 892-3840
Department of Local Affairs – TDD		(303) 866-5300
Division of Housing (Central Number)		(303) 866-2033
Field Offices – Denver	Connie Campos	(303) 866-4650
	Liz Smith	(303) 866-5577
	Ann Watts	(303) 866-4652
Pueblo	Rick Hanger	(719) 544-2466
Grand Junction	Bill Whaley	(970) 248-7302

Division of Local Government (Central Number)	(303) 866-2156
Field Offices –Golden	(303) 273-1787
Durango	(970) 247-7311
Sterling	(970) 522-2672
Grand Junction	(970) 248-7333
Loveland	(970) 679-4501
Pueblo	(719) 544-6577
Monte Vista	(719) 852-9429
Silverthorne	(970) 668-6160

II. Introduction

The federal Community Development Block Grant (CDBG) program was established by the Housing and Community Development Act of 1974. The program is designed to help communities meet their greatest community development and redevelopment needs, with particular emphasis on assisting persons of low and moderate income. The overall program consists of two major elements:

- **The "entitlement" program**. This portion of the overall program is administered by the U.S. Department of Housing and Urban Development (HUD) and provides assistance to those communities that are "entitled" to CDBG funds by virtue of their size or metropolitan area status. Essentially, entitlement communities are those cities which are within a metropolitan area and which have a population of 50,000 or more or are designated as a "central city," and those counties which are within a metropolitan area and which have a combined population of 200,000 or more in their unincorporated areas and non-entitlement municipalities. There are currently 16 entitlement jurisdictions in Colorado: Adams County (unincorporated areas and Bennett, Broomfield, Brighton, Federal Heights, Northglenn and Thornton), Arapahoe County (unincorporated areas and Bow Mar, Centennial, Cherry Hills Village, Columbine Valley, Deer Trail, Englewood, Glendale, Greenwood Village, Littleton, and Sheridan), Douglas County (unincorporated areas and Castle Rock, Larkspur, Lone Tree and Parker) and Jefferson County (unincorporated areas and Arvada, Edgewater, Golden, Mountain View, and Wheat Ridge), Aurora, Boulder, Colorado Springs, Denver, Fort Collins, Grand Junction, Greeley, Lakewood, Longmont, Loveland, Pueblo and Westminster.
- **The "non-entitlement," or so-called "Small Cities," program**. This portion of the overall program provides assistance to those communities who do not qualify for the entitlement program. The State assumed responsibility for administration of this portion of the CDBG program starting in federal Fiscal Year 1983.

Review and Comment by Local Governments and Citizens

The State's annual Performance and Evaluation Reports provide a basis for review and comment on the performance of the State. Pursuant to the State open records law and the federal CDBG law, records on use of any prior year and future Small Cities CDBG funds by the State or a local government or recipient must be available for access by citizens and units of general local government. The State's records are available through the Department of Local Affairs, 1313 Sherman Street, Room 521, Denver, Colorado. These records may be examined in the State's offices and copies may be obtained for a fee during regular working hours.

The State will provide to citizens and to units of general local government reasonable notice of, and an opportunity to comment on, any proposed substantial changes in these Program Guidelines or in the use of CDBG funds.

Compliance With Federal and State Requirements

These Program Guidelines and grantee guidance have been developed to comply with all existing federal requirements. When revised federal regulations for the state-administered "Small Cities" program are published for effect, those new regulations and any subsequent changes in the law, regulations or policy will govern in the event of any inconsistencies with these Program Guidelines.

The program design also takes into account that, in administering the program, the State and local applicants and grantees must assume responsibility for assuring compliance with many federal and State laws and regulations that apply to the CDBG program. A brief description of some of the applicable federal requirements is included in Section VIII.

III. Goal And Objectives

Goal: Colorado's goal in administering the CDBG program is to establish a program that is responsive to local community development needs, strategies and priorities, and that produces a measurable improvement in the communities served by the program.

Primary Objective: The primary objective of the State's program is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, not less than seventy percent (70%) of federal Fiscal Years 2005, 2006, and 2007 funds and State program income will be used for project activities that benefit persons of low and moderate income.

Broad Objectives: The federal Housing and Community Development Act of 1974 establishes three broad national objectives for the CDBG program:

- Benefit persons of low and moderate income;
- Prevent or eliminate slums or blight; and
- Address other urgent needs.

The primary objective of the State's program will be achieved through a program that gives maximum feasible priority to funding activities that benefit persons of low and moderate income or aid in the prevention or elimination of slums or blight. Funding may also be provided for activities which grantees certify meet other community development needs that have arisen during the preceding 18-month period and have a particular urgency.

Additionally, it is the intent of the State and of Congress that CDBG funds not be used to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of CDBG assistance.

Benefit to Persons of Low and Moderate Income

Except as otherwise specified in federal law and regulations, a local project activity will be determined to address the broad national objective of "benefit to persons of low and moderate income" if not less than fifty-one percent (51%) of the beneficiaries of the CDBG-funded project activity are low and moderate income persons.

Low and moderate-income persons are defined as those persons who are members of households whose annual incomes do not exceed HUD-prescribed income limits, which are based on eighty percent (80%) of median family income. Two sets of income limits are contained in the appendices of these Program Guidelines. Depending on the nature of the specific local project activities and on the specific techniques to be used, CDBG grantees are required to use one or the other of the two sets of income limits.

- Contained in Section IX are income limits stated in current (2003) dollars. CDBG grantees and applicants whose projects involve the individual selection and qualification of beneficiaries based on their current incomes (as is the case in housing rehabilitation, job creation and other "direct benefit" projects) must use these income limits in determining whether beneficiaries are low and moderate income persons. CDBG grantees and applicants undertaking "area-wide benefit" projects and using State-approved surveys to obtain information on the current incomes of project beneficiaries must use these income limits to estimate the low and moderate income benefit of project activities to low and moderate income persons.
- HUD has provided the State data on the number and percentage of low and moderate-income persons in all municipalities, counties, enumeration districts, census tracts and block groups for "area-wide benefit" projects. These data are available from the State on request.

Prevention or Elimination of Slums or Blight

Contained in Section X are the requirements that must be met in determining that a project activity meets the broad national objective of "prevention or elimination of slums or blight." For the purpose of determining whether a local project activity addresses this broad national objective, the definition of "slum" is the definition of "slum area" contained in 31-25-103 C.R.S., as amended, and, similarly, the definition of "blight" is the definition of "blighted area" contained in 31-25-103, C.R.S., as amended.

Address Other Urgent Needs

To comply with the national objective of meeting community development needs having a particular urgency, an activity will be considered to address this objective if the applicant certifies that conditions exist which:

- pose a serious and immediate threat to the health or welfare of the community,
- are of recent origin or recently became urgent,
- the grantee is unable to finance on its own; and
- other resources of funds are not available.

A condition will considered to be of recent origin if it developed or became critical within 18 months preceding the grantee's certification.

IV. Eligible Activities And Recipients

Eligible Activities and Recipients: Eligible activities and services under the State CDBG program are those which:

- ❖ are consistent with the program goal and objectives stated above; and
- ❖ are included as eligible activities under Section 105 of Title I of the Housing and Community Development Act of 1974, as amended, and are otherwise eligible under other sections of Title I and under detailed federal regulations. Excerpts from Section 105 and other sections of the federal CDBG law relevant to activity eligibility are presented in the Eligible Activities Section.

Activities which involve involuntary, permanent displacement of persons are not ineligible; however, it is a federal requirement that local plans and policies be established to minimize involuntary, permanent displacement; replace low/moderate-income dwelling units demolished or converted to another use as a direct result of CDBG assistance; and assist persons actually displaced as a result of CDBG-assisted activities.

The State has certified to HUD that it will not refuse to distribute the CDBG funds to any unit of general local government on the basis of the particular eligible activity selected by such unit of general local government to meet its community development needs, except that this does not prevent the State from establishing priorities in distributing the CDBG funds on the basis of the activities selected.

Eligible Recipients: Except for CDBG funding for homeless services (see below) eligible recipients are those municipalities and counties not eligible for federal "entitlement" CDBG funds; that is, eligible recipients are all municipalities and counties except: Adams County (unincorporated areas and Bennett, Broomfield, Brighton, Federal Heights, Northglenn and Thornton), Arapahoe County (unincorporated areas and Bow Mar, Centennial, Cherry Hills Village, Columbine Valley, Deer Trail, Englewood, Glendale, Greenwood Village, Littleton, and Sheridan), Douglas County (unincorporated areas and Castle Rock, Larkspur, Lone Tree, and Parker), Jefferson County (unincorporated areas and Arvada, Edgewater, Golden, Lakewood, Mountain View, and Wheat Ridge), Aurora, Boulder, Colorado Springs, Denver, Fort Collins, Grand Junction, Greeley, Lakewood, Longmont, Loveland, Pueblo and Westminster.

Per HUD's definition of homelessness, a homeless person lacks a fixed, regular place to live: “A person is considered homeless when he/she resides in one of the places described below:

i. in places not meant for human habitation, such as cars, parks, sidewalks, and abandoned buildings;
ii. in an emergency shelter;
iii. in transitional or supportive housing for homeless persons who originally came from the streets or emergency shelter;

iv. in any of the above places, but is spending a short time (up to 30 consecutive days) in a hospital or other institution;

v. is being evicted within a week from a private dwelling unit and no subsequent residence has been identified and the person lacks the resources and support networks needed to obtain housing; or

vi. is being discharged within a week from an institution in which the person has been a resident for more than 30 consecutive days and no subsequent residence has been identified and he/she lacks the resources and support networks needed to obtain housing."

The Division of Housing hereby finds that the homeless do not have a specific address.

Homeless persons have no home and can be considered residents of the non-entitlement areas of the state. Therefore, DOH may provide CDBG funds to shelter facilities in the entitlement areas of the State of Colorado.

The State encourages arrangements between and among eligible entities that will ensure adequate provision of common or related community development activities and services. Also, municipalities and counties may contract with other entities or parties (Councils of Governments, Regional Planning Districts, Special Districts, Local Development Corporations, Downtown Development Authorities, Urban Renewal Authorities, Housing Authorities, non-profit corporations, etc.) to carry out project activities as provided for under statutes (including 31-51-101 (1) (c), 30-11-101 (1) (d), 29-1-203 and 29- 1-204.5, C.R.S., as amended), ordinances and resolutions, and State and local financial management procedures.

Multi-Jurisdictional Projects

A "multi-jurisdictional" project is one in which two or more municipalities and/or counties carry out an activity or set of closely-connected activities that address an identified common problem or need. The following specific requirements must be met in multi-jurisdictional projects:

- One of the participating municipalities or counties must be authorized by the other participating municipalities or counties to act in a representative capacity for all of the participants. This designated entity must assume overall responsibility for ensuring the entire project is carried out in accordance with all program requirements. The overall responsibility and any related individual responsibilities must be specified in a legally binding cooperation agreement between the designated entity and all other directly participating municipalities and counties.
- To meet the citizen participation requirements of Section 104(a)(2) of the Housing and Community Development Act of 1974 ("the Act"), as amended, all the requirements listed in paragraph 2 of "Grantee Responsibilities" must be met, including the requirements that:
- Each participating jurisdiction must hold a public hearing; and
- The proposed and final project plan/application for the combination of project participants must be made available in each of the participating jurisdictions.
- To meet the citizen participation requirements of Section 104(a)(3) of the Act, each participating jurisdiction must have and follow a detailed citizen participation plan which

addresses the six areas of concern specified in paragraph 3 of "Grantee Responsibilities".

- To meet the requirements of Section 104(d) of the Act, each participating jurisdiction must have and follow a Residential anti-displacement and relocation assistance plan. (See paragraph 5 of "Grantee Responsibilities.")
- To meet the requirements of Section 106(d)(5) of the Act, each participating jurisdiction must make and comply with the displacement, fair housing and other certifications described in paragraphs 6, 7, and 8 of "Grantee Responsibilities".)

V. Method Of Funds Distribution

A total of $12,428,946 in FFY 2005 funds is expected to be allocated to the State for the 2005 program. Of this amount, about $11,956,078 will be available for commitment to local projects, and about $348,579 will be available to the State for its administration of the program. Any unobligated prior years funds, for local projects will also be available for commitment to local projects, as well as any committed funds which may be subsequently recovered by the State and any additional funds which may be awarded to the State by HUD, less the State administration allowance.

Program income (i.e., amounts earned by the recipient or its subrecipient, if not a qualifying nonprofit, that are generated from the use of CDBG funds) paid to the State, less the State administration allowance, will be directly available for commitment to local projects or will be set aside by the State in a revolving loan fund for commitment to local projects which generate program income. (Program income paid to the State and available for award is projected to total about $0 during the twelve (12) month program year.) Local recipients will be allowed to retain program income if it can be demonstrated to the satisfaction of the State that the program income is to continue to be used to finance projects of the same type and that there is adequate capacity to administer the funds. The state will determine when an activity is considered to be continued. The state will use up to two percent (2%) of locally retained program income for state program administration expenses. Any available funds that are not committed, including funds set aside from program income payments, will be carried forward for commitment during a subsequent period.

In FFY 2005, the state will use up to one percent (1%) of the amount of the amount available to the state ($124,289) for technical assistance to local governments and nonprofit program recipients.

Not less than seventy percent (70%) of funds received by the State during the period of FFYs 2005, 2006 and 2007 will be used for project activities that benefit low and moderate income persons.

Interim/Short-Term Financing Grant Program

Significant portions of the CDBG funds allocated to the State will remain unused for relatively long periods, even after these funds are committed by the State to eligible recipients for local projects. In order to maximize the use of these funds, which are available to the State under letters of credit from HUD, the State may choose to use these funds to provide grants to eligible recipients for interim or short-term financing of eligible economic development, housing and public facilities project activities which are consistent with the federal and State program goals and objectives. Program income or other funds paid to the State under the Interim/Short-Term Financing Grant Program will be used by the State to meet its other grant commitments to recipients. A recipient will be allowed to retain program income if it can be demonstrated to the satisfaction of the State that the program income is likely to be needed to finance projects of the same type and that there is adequate capacity to administer the funds.

Because the availability of funds for subsequent use depends on the payment of these funds from the initial user, there is some risk to subsequent users. This risk will be minimized through the use of irrevocable and unconditional letters of credit (to be required by recipients of borrowers, so that letter of credit proceeds will be available to the State through recipients) and/or other appropriate measures.

In reviewing proposals under the Interim/Short-Term Financing Grant Program, the State will consider:

- The proposed direct benefit of the project activities to low and moderate-income persons.
- The nature and extent of the effect of interim/short-term financing on project cost, feasibility and benefit, including the consequences of not providing a grant for the interim/short-term financing.
- The likelihood that program income or other funds will be available to the State in the amount and at the time proposed by the recipient so that the State will be able to meet its other grant commitments to recipients.
- If the interim/short-term assistance is to be provided to a private, for-profit entity to carry out an economic development project, the State will determine whether the assistance is "necessary or appropriate" (as required by federal statute, regulation and policy).

Regular Grant Program Funding

The following amount of funds were set aside for the three major categories of projects and activities for the regular FFY 2004 grant program. It is anticipated that FFY 2005 funds will be approximately the same:

	Program Income	FFY05
Business financing (through OED)	$0	$ 3,985,359
Housing (through Local Affairs)		$ 3,985,359
Public facilities/community development (through Local Affairs)		$ 3,985,360
	$0	$11,956,078

More or less than these amounts for each project category may actually be awarded, depending on the relative quality of proposals received and on State and local priorities.

The state will provide information, upon request, for those communities interested in applying for guaranteed loans funds under Subpart M, the Section 108 Loan Guarantee program as well as give consideration to funding multi-year and/or multi-purpose applications.

Maximum and Minimum Grant Amounts

There are no absolute limits to the amount of funding an applicant may request. It is suggested for public facility/community development projects that $300,000 be considered the maximum grant guideline. 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.

Review Process for Housing, Public Facilities, and Community Development Proposals

Public facilities and community development proposals may be considered by the Department of Local Affairs periodically, on a continuous basis, during specified application periods or in conjunction with funding cycles established by the Department. Local government associations and regional organizations providing technical assistance to local governments will be advised of application opportunities.

The Department may end or defer consideration of public facilities/community development proposals when funds available have been exhausted and when proposals are incomplete or premature.

The term "community development proposals" includes such projects as public improvements in downtown or other commercial areas, public and private non-profit tourist facilities and attractions, public and private non-profit business incubators, and rehabilitation of publicly and privately owned non-residential properties when such properties are integral parts of local government sanctioned and planned community redevelopment efforts, or when such properties are of key historic or commercial importance to a community or neighborhood.

Housing proposals will continue to be received and considered on a continuous basis by the Division of Housing using the same system outlined in the HOME program narrative. The Department may end or defer consideration of housing proposals when funds available have been exhausted and when proposals are incomplete or premature. Business development proposals involving the provision of financial assistance for private-for-profit and nonprofit businesses will be received and considered on a continuous basis by the Governor’s Office of Economic Development and International Trade. Proposals will be evaluated by staff using the same three major factors as noted above for housing. The Governor’s Financial Review Committee reviews business development proposals and makes final funding decisions.

Given the fact that HUD has targeted Chronic Homelessness, but has not provided additional funding, the Department of Local Affairs, Division of Housing will take aim at this target with CDBG funding. Given the limited Emergency Shelter funding available, DOH intends to increase the funding targeted to homelessness utilizing CDBG funds in *non-entitlement* areas, allowing us to expand ESG homeless efforts in *entitlements*. Priority will be given to projects that are consistent with the following strategies.

❖ In order to develop a comprehensive approach to the provision of emergency shelter and delivery of services for the homeless, the first program priority is to ensure that applicant agencies are leveraging all resources, including local, state, federal and private funding in the operation of a shelter and/or deliver of related prevention and essential services.

- ❖ The second strategy is to ensure that applicants make a significant contribution to the elimination of homelessness as documented statistically.
- ❖ The third strategy is to encourage programs to use a coordinated, case management approach to service delivery. Programs utilizing strong case management approaches that ensure the delivery of essential services along the continuum of care will receive priority consideration for funding.
- ❖ The fourth strategy is to encourage homeless prevention through funding of programs that provide well thought out approaches to homelessness prevention.

Applicants for public facilities and community development projects (including all participants in multi-jurisdictional projects) are expected to prioritize all applications to the Department for CDBG funds. When submitted, housing, public facilities and community development proposals will be evaluated by Department staff on the following three major factors:

- ❖ Project Impact
- ❖ Public and Private Commitments
- ❖ Management Capability

No points are assigned, however, regional field and program staff review each application and a consensus is reached on level of funding recommendation. Applications are considered until all funding is committed. Recommendations range from full funding, high or low partial funding, to no funding.

The results of the staff review will be forwarded to the Executive Director of the Department of Local Affairs, who may consult with the State Housing Board or other advisory groups on the proposal. The consultation may be by telephone or mail, or may involve a meeting or hearing. Proposals for the continuation of existing housing rehabilitation/replacement projects will not be reviewed individually by an advisory body as long as acceptable performance is maintained, including performance in obtaining commitments of local cash and other public and private funds for their projects.

The Department Executive Director will consider staff reviews and any advisory committee recommendations and make the final funding decisions based on the project review factors.

In making funding decisions as well as decisions on proposed modifications to funded projects, the Department Executive Director may specify alternatives or changes as he deems necessary or appropriate, consistent with the project review factors. Alternatives and changes specified may include, but are not necessarily limited to: providing more or less funding than requested, proposed or recommended; adjusting project budget line items; providing funds for only selected activities within an overall project; making a single award to two or more separate applicants so that projects can be undertaken on a multi-jurisdictional basis; changing terms, uses and conditions; and permitting projects to be amended to include additional, fewer or different project activities.

Review Process for Business Development Proposals for Private Businesses

Business development proposals involving the provision of financial assistance for private for-profit and non-profit businesses (except for any financing to be provided by the Department of Local Affairs for "community development proposals," as previously described) will be received and considered on a continuous basis by the Governor's Office of Economic Development and International Trade (OED). Such proposals include those which would provide funding through, local or regional loan funds and those which would provide infrastructure to benefit specific businesses.

The OED may end or defer consideration of business financing proposals when funds available for award for such projects have been exhausted and when applications are incomplete or premature. Proposals will be evaluated by staff using the same three major factors as noted above for housing, public facilities, and community development proposals. The Governor’s Financial Review Committee will review the economic development proposals and make final funding decisions.

Review Factors for All Public Facilities and Economic Development Proposals

The following are the factors that will be used by staff in evaluating proposals. Under the various factors are listed many of the general and specific questions that may be asked, as appropriate, by staff in reviewing proposals and determining ratings.

1. Project Impact. The purpose of consideration of this factor is to determine the extent to which the community, particularly its low and moderate-income residents, will benefit from the proposed project.

a. Benefit to Low and Moderate Income Persons

For all projects, on an activity-by-activity and on a project-wide basis:

- What amount(s) of CDBG and non-CDBG funds will directly benefit low and moderate-income persons?
- What percentage(s) of CDBG and non-CDBG funds will directly benefit low and moderate-income persons?
- What number(s) of low and moderate-income persons will directly benefit from CDBG and non-CDBG funds?
- What percentage(s) of all persons directly benefited by CDBG and non-CDBG funds are low and moderate-income persons?
- What local application, hiring, and other procedures will be used to ensure that benefits projected to be provided to low and moderate income persons will actually be realized by such persons?
- How will the actual benefit to low and moderate-income persons be documented?
- Are the jurisdiction's projections or commitments with respect to low and moderate-income benefit realistic and attainable?
- If the proposed project will increase operational costs, what will be the effect on low and moderate-income persons?

b. Extent and Urgency of the Need, and Extent to Which the Need is Addressed in a Timely Fashion

For all projects:

- What is the need to be addressed?
- How serious is the need?
- Is the public health or welfare threatened?
- What actions have previously been taken to remedy the problem?
- What are the results of these past actions?
- Have alternative means of addressing the need been adequately considered?

- What actions are proposed to meet the need?
- Are the proposed actions effective, efficient, appropriate, reasonable, and feasible?
- How does the proposed project differ from past efforts?
- Can the proposed activities be undertaken and completed in a reasonable period of time?
- What additional actions, in addition to the proposed CDBG project, may be necessary to meet the need?
- To what extent is the need met by the proposed project?
- What are the consequences of CDBG funds not being approved for the proposed project activities?
- Is resident and/or business displacement minimized? Are provisions made to assist persons involuntarily, permanently displaced?
- Will the project result in the demolition or conversion of dwelling units for the low- moderate-income persons?
- What measures are proposed to ensure that results to be achieved by the project will be adequately maintained in the future?
- If appropriate, has consideration been given and commitment made to recovering and reusing CDBG and other funds to continue efforts to address the need?

For projects including supportive human services activities (including job training and day care aspects of economic development projects):

- How are such activities critical to the accomplishment of overall objectives?
- Will CDBG funding supplant local, federal or other State assistance available for such activities?
- Is the requested CDBG assistance for such activities sufficient to complete the activities, or must the activities continue in order to achieve overall objectives?
- What percentage of total project costs will be spent on these activities?

For economic development projects:

- How many permanent jobs (both full-time and part-time) will be created and/or retained by the proposed project?
- Are the required factors used to determine that assistance to a private, for-profit entity "appropriate"?
- What types of permanent jobs will be created or retained?
- What effect will the proposed project have on the local tax base?
- Has adequate consideration been given to the relationships between job training needs, resources available, and the proposed project?
- When the proposed project involves public improvements in the central business district, are the proposed improvements being undertaken in designated slums or blighted areas?
- When the proposed project involves industrial sites and/or facilities, is a prospect "in hand"?

For economic development projects that involve grants or business loan funds or loan guarantees:

- At what point will the full amount of the loan(s) be repaid, if applicable?
- Is the local selection process for grants, loans, and other forms of assistance open and equitable, and address the greatest needs to the extent feasible?

For site acquisition and/or other development projects:

- Does the site meet lender or other site selection standards?
- Are preliminary engineering/architectural designs or plans, specifications and cost estimates or studies completed? When will final plans, specifications and cost estimates be completed?
- Have proper studies been completed which demonstrate that there is a market for the proposed project and that it is financially feasible?

For public facilities projects:

- Is any attempt planned to recover any capital costs of public improvements assisted with CDBG funds?
- If applicable, is the proposed project on the State Water or Sewer Needs Project Tracking List?

c. Consistency with Local Development Strategies and Coordination with Other Activities.

For all projects:

- How long has the proposed project been a priority or identified in an approved plan?
- What is the priority for the proposed project relative to other CDBG and Impact requests?
- Does the proposed project comply with, or not contradict, existing local planning regulations, such as zoning ordinances and subdivision regulations?
- How is the proposed project part of and consistent with an overall local capital improvements and maintenance plan and budget?
- If the community is included in an adopted development strategy or comprehensive plan for a larger geographic area, is the proposed project in conformance with, or not in contradiction to, such a strategy or plan?
- How long has the proposed project represented a documented need?
- To what extent does the proposed project complement, supplement or support other local, State or federal projects, programs or plans already in effect or to be implemented?
- Is there duplication of effort or overlap?
- To what extent does the proposed project further other related local projects or plans?
- If the proposed project lends itself to a multi-jurisdictional approach, has such a joint approach been adequately considered?
- When projects involve public improvements in the central business district, are downtown public improvements being undertaken in coordination with, or by a representative local economic development organization?

2. Public and Private Commitments. The purpose of consideration of this factor is to determine the extent of public and private commitments to the proposed project. Both the amount or value of commitments and the viability of commitments will be considered. Communities are strongly encouraged to take primary responsibility for resolving their housing, economic development and public facilities problems. In specific projects this may involve making financial commitments; adjusting development regulations, user rates and fees, and capital construction and maintenance programs; creating improvement districts; establishing development and redevelopment authorities; and generally sharing in or leveraging funds and management for development and redevelopment.

a. Local Financial Commitments.

For all projects:

- To the extent of their abilities, have the local government and project participants and beneficiaries engaged and/or committed to engage generally in taxing efforts to address their own continuing development and maintenance needs?
- To the extent of their abilities, have the local government and local project participants and beneficiaries appropriated/committed funds specifically for the proposed project and/or committed to alter fees to ensure the success of the specific project?
- When the proposed project involves business loan funds or loan guarantees, what is the ratio of private and/or local public investment to the amount of CDBG funds requested? How was this determined?
- When the proposed project involves public improvements in the central business district, has the private sector demonstrated a commitment to reinvest (e.g., through formation of an improvement district or through committing to business loans)?
- When a proposed development project requires interim and/or permanent financing, is the needed financing firmly committed? If not, is there a conditional or preliminary commitment, and what is the likelihood that a firm commitment will be made?

b. Local Non-Financial Commitments.

For all projects:

- If necessary, has the community committed to alter local regulations to ensure the success of the project?
- Has the community made good faith efforts to involve residents, including low and moderate income persons and minorities, in assessing community needs and developing strategies to address its needs?
- Have the directly affected parties in the community demonstrated active support for the project?

c. Other Commitments

For all projects:

- Have any grant funds been sought for or committed to the proposed project?
- What are the sources, amounts and availabilities of these grant funds?

3. Management Capability. The purpose of consideration of this factor is to evaluate the ability of the local government submitting the proposal to administer the project as described.

a. Staff and Contractors.

For all projects:

- Does the local government have adequate and experienced programmatic and fiscal staff and contractors, or has the applicant thoroughly considered the types of staff and contractor experience and qualifications necessary to carry out the project, including extensive statutory and regulatory requirements?
- How have the local government and its contractors performed in the past in carrying out development and redevelopment activities, and any type of activity with extensive statutory and regulatory requirements?
- To what extent will local government staff be directly involved in project management?
- What criteria and procedures will be used for selecting contractors?
- Have the roles and responsibilities of project participants been clearly established?

For economic development projects:

- Has the local government established an advisory or decision-making committee knowledgeable in economic development matters including small business support, industrial recruiting, business loan funds, etc.?
- Does the jurisdiction have business management experience sufficient to review pro forma, cash flow statements and business plans? If not, how will these tasks be accomplished?

b. Budget. Administrative costs as well as other costs will be compared with those of other similar proposals.

For all projects:

- Are the proposed administration and overall project budgets (including appropriate development and operating budgets in the case of development projects) adequate, reasonable and realistic given the project work plan?

c. Statutory and Regulatory Compliance.

- Does the proposed project involve or result in residential displacement? If so, have all reasonable steps been taken to minimize displacement? Is there a plan to replace all low/moderate income housing demolished or converted, and to assist persons being relocated?
- Does the proposed project involve real property acquisition or relocation of any persons or businesses? Are the Uniform Act requirements triggered? Are cost and time requirements reasonably estimated?
- Have labor wage costs been reasonably estimated? (Especially, has the applicant considered whether the proposed project is subject to Davis-Bacon prevailing wage requirements?)
- Is the proposed project in a floodplain or geological hazard area or does it affect cultural or historic resources? Are there other environmental considerations? If so, what mitigation measures are proposed and what alternatives have been considered?

VI. Technical Assistance

The State will continue a coordinated technical assistance program to assist communities in the areas of CDBG project management and project formulation and planning, particularly in coordination with State programs such as impact grants, housing grants and loans, emergency water and sewer grants, and economic dislocation funds. Special project management technical assistance will be targeted to those communities that have never administered a CDBG grant, and to those that have experienced or are experiencing difficulty in administering a CDBG grant. Project formulation and planning assistance will be targeted to those communities that need more long-term technical assistance to prepare for CDBG or other State funding in the future and that have committed to undertake overall development and maintenance planning and budgeting efforts. State technical assistance may be in the form of personal contact with local government officials and staff, workshops, brokering assistance from private or local public sources, and documents and materials. Staff have prepared a CDBG Guidebook which is available on-line at www.dola.state.co.us/LGS/FA/cdbg.htm. The Guidebook contains information on Project Start-up, Financial Management, Reporting, Environmental Review, Civil Rights, Acquisition, Relocation, Labor and Construction, Project Close-Out, and Monitoring. All sections are available in PDF or Word format. This Guidebook is also given to grantees in hard copy at the time of award.

VII. Grantee Responsibilities

As previously indicated, municipal and county governments are strongly encouraged to take primary responsibility for resolving housing and community development problems. In specific projects, this may involve adjusting development regulations, user rates and fees and capital construction and maintenance programs, creation of improvement districts, and generally sharing in or leveraging funds and management for development and redevelopment.

Also, local governments and project sponsors are strongly encouraged to use advisory committees in assessing needs and in formulating, implementing and modifying local development and redevelopment strategies. Use of such committees can often lend continuity and objectivity to the planning and development process. Additionally, jurisdictions submitting proposals and, as required, other project participants must comply with the following specific requirements by means of addressing the preceding "Review Factors" and providing specific certifications and statements:

1. Develop a community development program so as to give maximum feasible priority to activities that will benefit persons of low and moderate income or aid in the prevention or elimination of slums or blight. An applicant may also describe activities that the applicant certifies are designed to meet other community development needs that have arisen during the preceding 12-month period and have a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available.

2. Provide in a timely manner and as required, opportunities for citizen participation, hearings, and access to information with respect to its community development program, specifically including:

- Furnishing citizens information concerning the amount of funds available for proposed community development and housing activities and the range of activities that may be undertaken, including the estimated amount proposed to be used for activities that will benefit persons of low and moderate income and its plans for minimizing displacement of persons as a result of activities assisted with CDBG funds and to assist persons actually displaced as a result of such activities;

- Publishing a proposed project plan/application in such a manner to afford affected citizens an opportunity to examine its content and to submit comments on the proposed project plan/application and on the community development performance of the applicant;
- Holding one or more public hearings to obtain the views of citizens on community development and housing needs;
- As applicable, providing citizens with reasonable access to records regarding its past use of CDBG funds;
- In preparing its project plan/application, considering any such comments and views and, if deemed appropriate, modifying the proposed project plan/application;
- Making the final project plan/application available to the public;
- In the event it is awarded CDBG funds by the State, providing citizens with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of CDBG funds from one eligible activity to another by following the same procedures required in this paragraph for the preparation and submission of the final project plan/application.

3. Follow a detailed citizen participation plan which:
   - Provides for and encourages citizen participation with particular emphasis on participation by persons of low and moderate income who are residents of slum and blight areas and of areas in which CDBG funds are proposed to be used;
   - Provides citizens with reasonable and timely access to local meetings, information, and records relating to its proposed and actual use of CDBG funds;
   - Provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the applicant;
   - Provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;
   - Provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and
   - Identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

4. Prior to submitting a proposal for funds, identify and document community development and housing needs, including the needs of low and moderate income persons, and the activities to be undertaken to meet such needs.

5. Follow a residential anti-displacement and relocation assistance plan which shall in the event of such displacement, provide that:
   - Governmental agencies or private developers shall provide within the same community comparable replacement dwellings for the same number of occupants as could have been housed in the occupied and vacant habitable low and moderate-income dwelling units demolished or converted to a use other than for housing for low and moderate income persons, and provide that such replacement housing may include existing housing assisted with project based assistance provided under section 8 of the United State's Housing Act of 1937;
   - Such comparable replacement dwellings shall be designed to remain affordable to persons of low and moderate income for 10 years from the time of initial occupancy;
   - Relocation shall be provided for all low or moderate income persons who occupied housing demolished or converted to a use other than for low or moderate income housing, including reimbursement for actual and reasonable moving expenses, security deposits, credit checks, and other moving-related expenses, including any interim living costs; and, in the case of displaced persons of low and moderate income,

provide either:

- Compensation sufficient to ensure that, for a 5-year period, the displaced families shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent; or
- If elected by a family, a lump-sum payment equal to the capitalized value of the benefits available under sub-clause (I) to permit the household to secure participation in a housing cooperative or mutual housing association:
- Persons displaced shall be relocated into comparable replacement housing that is for:

  < decent, safe, and sanitary;
  < adequate in size to accommodate the occupants;
  < functionally equivalent; and
  < in an area not subject to unreasonably adverse environmental conditions.

6. Will not plan or attempt to recover any capital costs of public improvements assisted in whole or in part with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (A) CDBG funds received are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than CDBG; or (B) for the purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, the grantee certifies to the State that it lacks sufficient funds received from the State to comply with the requirements of (A).
7. Conduct and administer its program in conformity with the Civil Rights Act of 1964 and The Fair Housing Act.
8. Complete a self-evaluation of its current policies and practices to determine whether they meet the requirements of Section 504 of the Rehabilitation Act of 1973 as amended and the HUD implementing regulations at 24 CFR Part 8.
9. Comply with other provisions of Title I of the Act and other applicable federal and State laws and regulations. (A summary of many of the federal laws and regulations is contained in Appendix A.)

Finally, it should be noted that, to the greatest extent permitted by federal law and regulations, it is the State's intent that the local governments' monitoring and evaluation of projects be in accordance with program and financial oversight responsibilities to their citizens under State statutes and fiscal rules. Principal matters for monitoring and evaluation will be project progress, financial management, subcontracts, documentation, project benefit to low and moderate income persons, and compliance with federal and State laws and regulations. The State may require quarterly financial and program performance reports, a completion performance report and other reports. An audit is required. Information requested will serve to provide the State with a basis for evaluation of grantee performance. In addition, the reports will provide additional assurance of compliance with applicable federal and State laws and regulations.

VIII. Federal Laws and Regulations

APPLICABLE TO THE STATE-ADMINISTERED COMMUNITY DEVELOPMENT

BLOCK GRANT PROGRAM

National Environmental Policy Act of 1969 (42 USC 4321 et seq.), as amended, and the implementing regulations of HUD (24 CFR Part 58) and of the Council on Environmental Quality (40 CFR Parts 1500 - 1508) providing for establishment of national policy, goals, and procedures for protecting, restoring and enhancing environmental quality.

National Historic Preservation Act of 1966 (16 USC 470 et seq.), as amended, requiring consideration of the effect of a project on any district, site, building, structure or object that is included in or eligible for inclusion in the National Register of Historic Places.

Executive Order 11593, Protection and Enhancement of the Cultural Environment, May 13, 1971 (36 FR 8921 et seq.) requiring that federally-funded projects contribute to the preservation and enhancement of sites, structures and objects of historical, architectural or archaeological significance.

The Archaeological and Historical Data Preservation Act of 1974, amending the Reservoir Salvage Act of 1960 (16 USC 469 et seq.), providing for the preservation of historic and archaeological data that would be lost due to federally-funded development and construction activities.

Executive Order 11988, Floodplain Management, May 24, 1977 (42 FR 26951 et seq.) prohibits undertaking certain activities in flood plains unless it has been determined that there is no practical alternative, in which case notice of the action must be provided and the action must be designed or modified to minimize potential damage.

Flood Disaster Protection Act of 1973 (42 USC 4001), placing restrictions on eligibility and acquisition and construction in areas identified as having special flood hazards.

Executive Order 11990, Protection of Wetlands, May 24, 1977 (42 FR 26961 et seq.) requiring review of all actions proposed to be located in or appreciably affecting a wetland. Undertaking or assisting new construction located in wetlands must be avoided unless it is determined that there is no practical alternative to such construction and that the proposed action includes all practical measures to minimize potential damage.

Safe Drinking Water Act of 1974 (42 USC 201, 300 et seq., 7401 et seq.), as amended, prohibiting the commitment of federal financial assistance for any project which the Environmental Protection Agency determines may contaminate an aquifer which is the sole or principal drinking water source for an area.

The Endangered Species Act of 1973 (16 USC 1531 et seq.), as amended, requiring that actions authorized, funded, or carried out by the federal government do not jeopardize the continued existence of endangered and threatened species or result in the destruction or modification of the habitat of such species which is determined by the Department of the Interior, after consultation with the State, to be critical.

The Wild and Scenic Rivers Act of 1968 (16 USC 1271 et seq.), as amended, prohibiting federal assistance in the construction of any water resources project that would have a direct and adverse affect on any river included in or designated for study or inclusion in the National Wild and Scenic Rivers System.

The Clean Air Act of 1970 (42 USC 1857 et seq.), as amended, requiring that federal assistance will not be given and that license or permit will not be issued to any activity not conforming to the State implementation plan for national primary and secondary ambient air quality standards.

HUD Environmental Criteria and Standards (24 CFR Part 51), providing national standards for noise abatement and control, acceptable separation distances from explosive or fire prone substances, and suitable land uses for airport runway clear zones.

Section 104(d) of the Housing and Community Development Act of 1974, as amended (42 USC 5301), known as the "Barney Frank Amendment," and the HUD implementing regulations requiring that local grantees follow a residential anti-displacement and relocation assistance plan which provides for the replacement of all low/moderate income dwelling units that are demolished or converted to another use as a direct result of the use of CDBG funds, and which provides for relocation assistance for all low/moderate income households so displaced.

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended -- Title III, Real Property Acquisition (Pub. L. 91-646 and HUD implementing regulations at 49 CFR Part 24), providing for uniform and equitable treatment of persons displaced from their homes, businesses, or farms by federal or federally-assisted programs and establishing uniform and equitable land acquisition policies for federal assisted programs. Requirements include bona fide land appraisals as a basis for land acquisition, specific procedures for selecting contract appraisers and contract negotiations, furnishing to owners of property to be acquired a written summary statement of the acquisition price offer based on the fair market price, and specified procedures connected with condemnation.

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended -- Title II, Uniform Relocation Assistance (Pub. L. 91-646 and HUD implementing regulations at 49 CFR Part 24), providing for fair and equitable treatment of all persons displaced as a result of any federal or federally-assisted program. Relocation payments and assistance, last-resort housing replacement by displacing agency, and grievance procedures are covered under the Act. Payments and assistance will be made pursuant to State or local law, or the grant recipient must adopt a written policy available to the public describing the relocation payments and assistance that will be provided. Moving expenses and up to $22,500 for each qualified homeowner or up to $5,250 for each tenant are required to be paid.

Davis-Bacon Fair Labor Standards Act (40 USC 276a - 276a-5) requiring that, on all contracts and subcontracts which exceed $2,000 for federally-assisted construction, alteration or rehabilitation, laborers and mechanics employed by contractors or subcontractors shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor. (This requirement applies to the rehabilitation of residential property only if such property is designed for use of eight or more families.)

Assistance shall not be used directly or indirectly to employ, award contracts to, or otherwise engage the services of, or fund any subcontractor or subrecipient during any period of debarment, suspension, or placement in ineligibility status under the provisions of 24 CFR Part 24.

Contract Work Hours and Safety Standards Act of 1962 (40 USC 327 et seq.) requiring that mechanics and laborers employed on federally-assisted contracts which exceed $2,000 be paid wages of not less than one and one-half times their basic wage rates for all hours worked in excess of forty in a work week.

Copeland "Anti-Kickback" Act of 1934 (40 USC 276 (c)) prohibiting and prescribing penalties for "kickbacks" of wages in federally-financed or assisted construction activities.

The Lead-Based Paint Poisoning Prevention Act -- Title IV (42 USC 4831) prohibiting the use of lead-based paint in residential structures constructed or rehabilitated with federal assistance, and requiring notification to purchasers and tenants of such housing of the hazards of lead-based paint and of the symptoms and treatment of lead-based paint poisoning.

Section 3 of the Housing and Community Development Act of 1968 (12 USC 1701 (u)), as amended, providing that, to the greatest extent feasible, opportunities for training and employment that arise through HUD-financed projects, will be given to lower-income persons in the unit of the project area, and that contracts be awarded to businesses located in the project area or to businesses owned, in substantial part, by residents of the project area.

Section 109 of the Housing and Community Development Act of 1974 (42 USC 5309), as amended, providing that no person shall be excluded from participation (including employment), denied program benefits or subjected to discrimination on the basis of race, color, national origin or sex under any program or activity funded in whole or in part under Title I (Community Development) of the Act.

Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352; 42 USC 2000 (d)) prohibiting discrimination on the basis of race, color, religion or religious affiliation, or national origin in any program or activity receiving federal financial assistance.

The Fair Housing Act (42 USC 3601-20), as amended, prohibiting housing discrimination on the basis of race, color, religion, sex, national origin, handicap and familial status.

Executive Order 11246 (1965), as amended by Executive Orders 11375 and 12086, prohibiting discrimination on the basis of race, color, religion, sex or national origin in any phase of employment during the performance of federal or federally-assisted contracts in excess of $2,000.

Executive Order 11063 (1962), as amended by Executive Order 12259, requiring equal opportunity in housing by prohibiting discrimination on the basis of race, color, religion, sex or national origin in the sale or rental of housing built with federal assistance.

Section 504 of the Rehabilitation Act of 1973 (29 USC 793), as amended, providing that no otherwise qualified individual shall, solely by reason of a handicap, be excluded from participation (including employment), denied program benefits or subjected to discrimination under any program or activity receiving federal funds.

Age Discrimination Act of 1975, (42 USC 6101), as amended, providing that no person shall be excluded from participation, denied program benefits or subjected to discrimination on the basis of age under any program or activity receiving federal funds.

Armstrong/Walker "Excessive Force" Amendment, (P.L. 101-144) & Section 906 of Cranston-Gonzalez Affordable Housing Act of 1990, requires that a recipient of HUD funds must certify that they have adopted or will adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within their jurisdiction against individuals engaged in nonviolent civil rights demonstration; or fails to adopt and enforce a policy of enforcing applicable state and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstration within its jurisdiction.

Government-wide Restriction on Lobbying, (P.L. 101-121), prohibits spending CDBG funds to influence or attempt to influence federal officials; requires the filing of a disclosure form when non-CDBG funds are used for such purposes; requires certification of compliance by the state; and requires the state to include the certification language in grant awards it makes to units of general local government at all tiers and that all sub-recipients shall certify accordingly as imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to civil penalty of not less than $10,000 and not more than $100,000 for each failure.

Department of Housing and Urban Development Reform Act of 1989 (24 CFR Part 12) requiring applicants for assistance for a specific project or activity from HUD, to make a number of disclosures if the applicant meets a dollar threshold for the receipt of covered assistance during the fiscal year in which an application is submitted. An applicant must also make the disclosures if it is requesting assistance from HUD for a specific housing project that involves assistance from other governmental sources.

EXHIBIT B
Effective March 2004

MAXIMUM INCOMES FOR "LOW-INCOME" AND "MODERATE-INCOME" HOUSEHOLDS -- in current (2003) dollars
(to be used only for CDBG projects funded under the 1988 and subsequent CDBG Program Guidelines)

"**Low Income**" is defined as being 50% of area median income. "**Moderate Income**" is defined as being 80% of area median income.
Persons whose current household incomes do not exceed these maximum income limits are considered to be low and moderate income (LMI) persons in the CDBG program. CDBG grantees and applicants whose projects involve the individual selection and qualification of beneficiaries based on their current incomes (as is the case in housing rehabilitation, job creation and other "direct benefit" projects) must use these income limits in determining whether beneficiaries are LMI persons. CDBG grantees and applicants using Department-approved surveys to obtain information on the current incomes of project beneficiaries must use these income limits to estimate the LMI benefit of project activities.

		Household Size							
COUNTY	Type of Household	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
ADAMS COUNTY	Moderate	39150	44750	50350	55900	60400	64850	69350	73800
	Income	24450	27950	31450	34950	37750	40550	43350	46150
	Low Income								
ALAMOSA COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
ARAPAHOE COUNTY	Moderate	39150	44750	50350	55900	60400	64850	69350	73800
	Income	24450	27950	31450	34950	37750	40550	43350	46150
	Low Income								
ARCHULETA COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
BACA COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								

COUNTY	Type of Household	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
BENT COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
BOULDER COUNTY	Moderate	40250	46000	51750	57500	62100	66700	71300	75900
	Income	30450	34800	39150	43500	47000	50450	53950	57400
	Low Income								
BROOMFIELD	Moderate	39150	44750	50350	55900	60400	64850	69350	73800
COUNTY	Income	24450	27950	31450	34950	37750	40550	43350	46150
	Low Income								
CHAFFEE COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
CHEYENNE COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
CLEAR CREEK	Moderate	36300	41450	46650	51850	56000	60150	64300	68450
COUNTY	Income	22700	25900	29150	32400	35000	37600	40200	42750
	Low Income								
CONEJOS COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
COSTILLA COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
CROWLEY COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
CUSTER COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								

COUNTY	Type of Household	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
DELTA COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
DENVER COUNTY	Moderate	39150	44750	50350	55900	60400	64850	69350	73800
	Income	24450	27950	31450	34950	37750	40550	43350	46150
	Low Income								
DOLORES COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
DOUGLAS COUNTY	Moderate	39150	44750	50350	55900	60400	64850	69350	73800
	Income	24450	27950	31450	34950	37750	40550	43350	46150
	Low Income								
EAGLE COUNTY	Moderate	40250	46000	51750	57500	62100	66700	71300	75900
	Income	26850	30700	34500	38350	41400	44500	47550	50600
	Low Income								
ELBERT COUNTY	Moderate	40250	46000	51750	57500	62100	66700	71300	75900
	Income	29100	33250	37400	41550	44850	48200	51500	54850
	Low Income								
EL PASO COUNTY	Moderate	34800	39750	44700	49700	53650	57650	61600	65600
	Income	21750	24850	27950	31050	33550	36000	38500	41000
	Low Income								
FREMONT COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
GARFIELD COUNTY	Moderate	33950	38800	43650	48500	52350	56250	60100	64000
	Income	21200	24250	27250	30300	32700	35150	37550	40000
	Low Income								
GILPIN COUNTY	Moderate	40250	46000	51750	57500	62100	66700	71300	75900
	Income	28600	32700	36750	40850	44100	47400	50650	53900
	Low Income								

COUNTY	Type of Household	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
GRAND COUNTY	Moderate Income	35050	40050	45050	50100	54100	58100	62100	66100
	Low Income	21900	25050	28150	31300	33800	36300	38800	41300
GUNNISON COUNTY	Moderate Income	32800	37500	42200	46900	50650	54400	58150	61900
	Low Income	20500	23450	26350	29300	31650	34000	36350	38700
HINSDALE COUNTY	Moderate Income	28950	33100	37200	41350	44650	48000	51300	54600
	Low Income	18100	20700	23250	25850	27900	30000	32050	34100
HUERFANO COUNTY	Moderate Income	28950	33100	37200	41350	44650	48000	51300	54600
	Low Income	18100	20700	23250	25850	27900	30000	32050	34100
JACKSON COUNTY	Moderate Income	28950	33100	37200	41350	44650	48000	51300	54600
	Low Income	18100	20700	23250	25850	27900	30000	32050	34100
JEFFERSON COUNTY	Moderate Income	39150	44750	50350	55900	60400	64850	69350	73800
	Low Income	24450	27950	31450	34950	37750	40550	43350	46150
KIOWA COUNTY	Moderate Income	28950	33100	37200	41350	44650	48000	51300	54600
	Low Income	18100	20700	23250	25850	27900	30000	32050	34100
KIT CARSON COUNTY	Moderate Income	28950	33100	37200	41350	44650	48000	51300	54600
	Low Income	18100	20700	23250	25850	27900	30000	32050	34100
LAKE COUNTY	Moderate Income	28950	33100	37200	41350	44650	48000	51300	54600
	Low Income	18100	20700	23250	25850	27900	30000	32050	34100
LA PLATA COUNTY	Moderate Income	31750	36300	40800	45350	49000	52600	56250	59900
	Low Income	19850	22700	25500	28350	30600	32900	35150	37400

COUNTY	Type of Household	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
LARIMER COUNTY	Moderate	37250	42550	47900	53200	57450	61700	65950	70200
	Income	23300	26600	29950	33250	35900	38550	41250	43900
	Low Income								
LAS ANIMAS COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
LINCOLN COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
LOGAN COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
MESA COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
MINERAL COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
MOFFAT COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
MONTEZUMA COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
MONTROSE COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
MORGAN COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								

COUNTY	Type of Household	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
OTERO COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
OURAY COUNTY	Moderate	32600	37250	41900	46550	50300	54000	57750	61450
	Income	20350	23300	26200	29100	31450	33750	36100	38400
	Low Income								
PARK COUNTY	Moderate	36050	41200	46350	51500	55650	59750	63900	68000
	Income	22550	25750	29000	32200	34800	37350	39950	42500
	Low Income								
PHILLIPS COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
PITKIN COUNTY	Moderate	40250	46000	51750	57500	62100	66700	71300	75900
	Income	32200	36800	41400	46000	49700	53350	57050	60700
	Low Income								
PROWERS COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
PUEBLO COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
RIO BLANCO COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
RIO GRANDE COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
ROUTT COUNTY	Moderate	37750	43150	48550	53900	58250	62550	66850	71150
	Income	23600	26950	30350	33700	36400	39100	41800	44500
	Low Income								

COUNTY	Type of Household	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
SAGUACHE COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
SAN JUAN COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
SAN MIGUEL COUNTY	Moderate	39950	45650	51350	57050	61600	66150	70750	75300
	Income	24950	28500	32100	35650	38500	41350	44200	47050
	Low Income								
SEDGWICK COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
SUMMIT COUNTY	Moderate	40250	46000	51750	57500	62100	66700	71300	75900
	Income	26650	30450	34250	38050	41100	44150	47200	50250
	Low Income								
TELLER COUNTY	Moderate	37450	42800	48150	53500	57800	62100	66350	70650
	Income	23400	26750	30100	33450	36150	38800	41500	44150
	Low Income								
WASHINGTON	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
COUNTY	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								
WELD COUNTY	Moderate	31000	35450	39900	44300	47850	51400	54950	58500
	Income	19400	22150	24950	27700	29900	32150	34350	36550
	Low Income								
YUMA COUNTY	Moderate	28950	33100	37200	41350	44650	48000	51300	54600
	Income	18100	20700	23250	25850	27900	30000	32050	34100
	Low Income								

X. DEFINITIONS - SLUMS AND BLIGHT

State Statutory Definitions

"Slum area" means an area in which there is a predominance of buildings or improvements, whether residential or nonresidential, and which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime and is detrimental to the public health, safety, morals, or welfare. (31-25-103 C.R.S., 1973, as amended.)

"Blighted area" means an area which, by reason of the presence of a substantial number of slum, deteriorated, or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility, or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, unusual topography, defective or unusual conditions of title rendering the title non-marketable, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of the municipality, retards the provision of housing accommodations or constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare in its present condition and use. (31-15-103 C.R.S., 1973, as amended)

Federal Regulatory Definitions and Clarifications

Activities meeting the following criteria, in the absence of substantial evidence to the contrary, will be considered to aid in the prevention or elimination of slums or blight:

1. Activities to address slums or blight on an area basis. An activity will be considered to address prevention or elimination of slums or blight in an area if:

- The area, delineated by the grantee, meets a definition of a slum, blighted, deteriorated or deteriorating area under State or local law;
- Throughout the area there is a substantial number of deteriorated or deteriorating buildings or the public improvements are in a general state of deterioration;
- Documentation is maintained by the grantee on the boundaries of the area and the condition which qualified the area at the time of its designation; and
- The assisted activity addresses one or more of the conditions that contributed to the deterioration of the area.

Rehabilitation of residential buildings carried out in an area meeting the above requirements will be considered to address the area's deterioration only where each such building rehabilitated is considered substandard under local definition before rehabilitation, and all deficiencies making a building substandard have been eliminated if less critical work on the building is undertaken. At a minimum, the local definition for this purpose must be such that buildings that it would render substandard would also fail to meet the housing quality standards for the Section 8 Housing Assistance Payments Program-Existing Housing (24 CFR 882.109).

2. Activities to address slums or blight on a spot basis. Acquisition, clearance, relocation, historic preservation and building rehabilitation activities that eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area will meet this objective. Under this criterion, rehabilitation is limited to the extent necessary to eliminate specific conditions detrimental to public health and safety.

XI. ELIGIBLE ACTIVITIES

Eligible activities and services under the Community Development Block Grant (CDBG) Program are those which:

- ❖ are consistent with the stated program goal and objectives; and
- ❖ are included as eligible activities under Section 105 of Title I of the Housing and Community Development Act of 1974 (the "Act"), as amended, and are otherwise eligible under other sections of Title I and under detailed federal regulations.

The following list of eligible activities is excerpted from Section 105(a) of Title I of the Act. (Emphasis has been added to facilitate its use.) HUD regulations further define and specify activities and services eligible under the CDBG program.

(1) the acquisition of real property (including air rights, water rights, and other interests therein) which is

(A) blighted, deteriorated, deteriorating, underdeveloped, or inappropriately developed from the standpoint of sound community development and growth;

(B) appropriate for rehabilitation or conservation activities;

(C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development;

(D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this title; or

(F) to be used for other public purposes;

(2) the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation which promote energy efficiency) of public works, facilities (except buildings for the general conduct of government), and site or other improvements;

(3) code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public or private improvements or services to be provided, may be expected to arrest the decline of the area;

(4) clearance, demolition, removal, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for rehabilitation, and rehabilitation of privately-owned properties and including the renovation of closed school buildings);

(5) special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

(6) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by activities under this title;

(7) disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this title or its retention for public purposes;

(8) provisions of public services, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, homeless assistance, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government (through funds raised by such unit, or received by such unit from the State in which it is located) during any part of the twelve-month period immediately preceding the date of submission of the statement with respect to which funds are to be made available under this title, and which are to be used for such services, unless the Secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government, except that not more than 15 percent of the amount of any assistance to a unit of general local government under this title may be used for activities under this paragraph unless such unit of general local government (or in the case of non-entitled communities not more than 15 percent statewide) used more than 15 percent of the assistance received under this title including program income for the previous fiscal year for such activities (excluding any assistance received pursuant to Public Law 98-8), in which case such unit of general local government may not use more than the percentage or amount of such assistance used for such activities for such fiscal year, whichever method of calculation yields the higher amount;

(9) payment of the non-federal share required in connection with a federal grant-in-aid program undertaken as part of activities assisted under this title;

(10) payment of the cost of completing a project funded under Title I of the Housing Act of 1949;

(11) relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate;

(12) activities necessary

(A) to develop a comprehensive community development plan, and

(B) to develop a policy-planning-management capacity so that the recipient of assistance under this title may more rationally and effectively

(i) determine its needs,

(ii) set long-term goals and short-term objectives,

(iii) devise programs and activities to meet these goals and objectives,

(iv) evaluate programs and activities of such programs in accomplishing these goals and objectives, and

(v) carry out management, coordination, and monitoring of activities necessary for effective planning implementation;

(13) payment of reasonable administrative costs related to establishing and administering federally approved enterprise zones and payment of reasonable administrative costs and carrying charges related to planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities, and including the carrying out of activities as described in section 701(e) of the Housing Act of 1954 on the date prior to the date of enactment of the Housing and Community Development Amendments of 1981;

(14) provision of assistance including loans (both interim and long term) and grants for activities which are carried out by public or private nonprofit entities, including:

(A) acquisition of real property;

(B) acquisition, construction, reconstruction, rehabilitation, or installation of

(i) public facilities (except for buildings for the general conduct of government), site improvements, and utilities, and

(ii) commercial or industrial buildings or structures and other commercial or industrial real property improvements; and

(C) planning;

(14) assistance to neighborhood-based nonprofit organizations, local development corporations, nonprofit organizations serving the development needs of the communities of non-entitlement areas, or entities organized under section 301(d) of the Small Business Investment Act of 1958 to carry out neighborhood revitalization or community economic development or energy conservation project in furtherance of the objectives of section 101(c), and assistance to neighborhood-based nonprofit organizations, or other private or public nonprofit organizations, for the purpose of assisting, as part of neighborhood revitalization or other community development, the development of shared housing opportunities (other than construction of new facilities) in which elderly families (as defined in section 3(b)(3) of the United States' Housing Act of 1937) benefit as a result of living in a dwelling in which the facilities are shared with others in a manner that effectively and efficiently meets the housing needs of the residents and thereby reduces their cost of housing;

(16) activities necessary to the development of energy use strategies, related to recipient's development goals, to assure that those goals are achieved with maximum energy efficiency, including items such as:

(A) an analysis of the manner in, and the extent to, which energy conservation objectives will be integrated into local government operations, purchasing and service delivery, capital improvements budgeting, waste management, district heating and cooling, land use planning and zoning, and traffic control, parking, and public transportation functions; and

(B) a statement of the actions the recipient will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low- and moderate-income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities.

(17) provision of assistance to private, for-profit entities, when the assistance is appropriate to carry out an economic development project (that shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods) that-

(A) creates or retains jobs for low- and moderate-income persons;

(B) prevents or eliminates slums and blight;

(C) meets urgent needs;

(D) creates or retains businesses owned by community residents;

(E) assists businesses that provide goods or services needed by, and affordable to, low- and moderate-income residents; or

(F) provides technical assistance to promote any of the activities under (A) through (E).

(18) the rehabilitation or development of housing assisted under Section 17 of the United States' Housing Act of 1937.

(19) provision of assistance to facilitate substantial reconstruction of housing owned and occupied by low and moderate income persons

(A) where the need for the reconstruction was not determinable until after rehabilitation under this section had already commenced, or

(B) where the reconstruction is part of a neighborhood rehabilitation effort and the grantee

(i) determines the housing is not suitable for rehabilitation, and

(ii) demonstrates to the satisfaction of the Secretary that the cost of substantial reconstruction is significantly less than the cost of new construction and less than the fair market value of the property after substantial reconstruction.

(20) provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities, which assistance shall not be considered a planning cost as defined in paragraph (12) or administrative cost as defined in paragraph (13).

(21)

(A) housing services, such as housing counseling, energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in housing activities authorized under this section, or under Title II of the Cranston-Gonzalez National Affordable Housing Act, except that activities under this paragraph shall be subject to any limitation on administrative expenses imposed by any law;

(B) lead-based paint evaluation and reduction as defined in Section 1004 of the Residential Lead-Based Paint Hazard reduction Act of 1992.

(22) provision of assistance by recipients under this Title to institutions of higher education having a demonstrated capacity to carry-out eligible activities under this subsection for carrying out such activities.

(23) provision of assistance to public or private organizations, agencies, and other entities (including nonprofit and for-profit entities) to enable such entities to facilitate economic development by-

(A) providing credit (including providing direct loans and loan guarantees, establishing revolving loan funds, and facilitating peer lending programs) for the establishment, stabilization, and expansion of microenterprises;

(B) providing technical assistance, advise, and business support services (including assistance, advise, and support relating to developing business plans, securing funding, conducting marketing, and otherwise engaging in microenterprise activities) to owners of microenterprises and persons developing microenterprises; and

(C) providing general support (such as peer support programs and counseling) to owners of microenterprises and persons developing microenterprises.

(24) activities necessary to make essential repairs and to pay operating expenses necessary to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such housing in primarily low and moderate income neighborhoods; and

(25) provision of direct assistance to facilitate and expand home ownership among persons of low and moderate income (except that such assistance shall not be considered a public service for purposes of paragraph 8) by using such assistance to-

(A) subsidize interest rates and mortgage principal amounts for low and moderate income homebuyers;

(B) finance the acquisition by low and moderate income homebuyers of housing that is occupied by the homebuyers;

(C) acquire guarantees for mortgage financing obtained by low and moderate income homebuyers from private lenders (except that amounts received under this title may not be used under this subparagraph to directly guarantee such mortgage financing and grantees under this title may not directly provide such guarantees);

(D) provide up to 50 percent of any down payment required from low and moderate income homebuyer; or

(E) pay reasonable closing costs (normally associated with the purchase of a home) incurred by low- and moderate-income homebuyers.

(26) provision of direct assistance to facilitate homeless services including operations, essential services and homeless prevention.

The following is a provision affecting activity eligibility excerpted from Section 105 of Title I of the Act. (Section 105(d) was added to the Act by amendments enacted in 1983. Section 105(d) was added to the Act by amendments enacted in 1992.)

(1) In any case in which an assisted activity described in paragraph (14) or (17) of subsection 105(a) is identified as principally benefiting persons of low and moderate income, such activity shall:

(A) be carried out in a neighborhood consisting predominantly of persons of low and moderate income and provide services for such persons; or

(B) involve facilities designed for use predominantly by persons of low and moderate income; or

(C) involve employment of persons, a majority of whom are persons of low and moderate income.

(D) for purposes of subsection (c)(1)(C):

(1) if an employee resides in, or the assisted activity through which he or she is employed, is located in a census tract that meets the federal enterprise zone eligibility criteria, the employee shall be presumed to be a person of low and moderate income; or

(2) if an employee resides in a census tract where not less than 70 percent of the residents have incomes at or below 80 percent of the area median, the employee shall be presumed to be a person of low and moderate income.

(2) In any case in which an assisted activity described in subsection 105(a) is designed to serve an area generally and is clearly designed to meet identified needs of persons of low and moderate income in such area, such activity shall be considered to principally benefit persons of low and moderate income if not less than 51 percent of the residents of such area are persons of low and moderate income.

(3) Any assisted activity under this title that involves the acquisition or rehabilitation of property to provide housing shall be considered to benefit persons of low and moderate income only to the extent such housing will, upon completion, be occupied by such persons.

The following is a provision affecting assistance to for-profit entities excerpted from Section 105(f) of Title I of the Act. (Section 105(f) was added to the Act by amendments enacted in 1992.)

In any case in which an activity described in paragraph (17) of subsection (A) is provided assistance such assistance shall not be limited to activities for which no other forms of assistance are available or could not be accomplished but for that assistance.

The following is a provision affecting micro-enterprise and small business program requirements excerpted from Section 105(g) of Title I of the Act. (Section 105(g) was added to the Act by amendments enacted in 1992.)

In developing program requirements and providing assistance pursuant to paragraph (17) of subsection (A) to micro-enterprise or small business, the Secretary shall:

(1) take into account the special needs and limitations arising from the size of the entity; and

(2) not consider training, technical assistance, or other support services costs provided to small business or microenterprises or to grantees and subgrantees to develop the capacity to provide such assistance, as a planning cost pursuant to section 105(a)(12) or an administrative cost pursuant to section 105(a)(13).

The following is a provision affecting activity eligibility excerpted from Section 104(b)(5) of Title I of the Act. (Section 104(b)(5) was added to the Act by amendments enacted in 1983.)

The grantee will not attempt to recover any capital costs of public improvements assisted in whole or part (with CDBG) funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:

(A) funds received (from the CDBG program) are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this title; or

(B) for the purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of (low) income, the grantee certifies to the (State) that it lacks sufficient funds received under (the CDBG program) to comply with the requirements of subparagraph (A).

The following is a provision affecting lump-sum payments excerpted from Section 104(h) of Title I of the Act. (Section 104(h) was amended by the Cranston-Gonzalez National Affordable Housing Act of 1990.)

> "Units of general local government receiving assistance under this title may receive funds, in one payment, in an amount not to exceed the total amount designated in the grant (or, in the case of a unit of general local government receiving a distribution from a State pursuant to section 106(d), not to exceed the total amount of such distribution) for use in establishing a revolving loan fund which is to be established in a private financial institution which is to be used to finance rehabilitation activities assisted under this title. Rehabilitation activities authorized under this section shall begin within 45 days after receipt of such payment and substantial disbursements from such fund must begin within 180 days after receipt of such payment."

The following is a provision affecting program income excerpted from Section 104(j) of Title I of the Act. (Section 104(j) was amended per the 1992 Housing and Community Development Act.)

> "Notwithstanding any other provision of law, any unit of general local government may retain any program income that is realized from any grant distributed by a state, under section 106 if (1) such income was realized after the initial disbursement of the funds received by such unit of general local government under such section; and (2) it will utilize the program income for eligible community development activities in accordance with the provisions of this title. A state may require as a condition of any amount distributed by such state under section 106(d) that a unit of general local government shall pay to such state any such income to be used by such state to fund additional eligible community development activities, except that such state shall waive such condition to the extent such income is applied to continue the activity from which such income was derived, except that the Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this subsection creates an unreasonable administrative burden on the unit of general local government."

The following is a provision affecting Section 108 Loan Guarantee Authority excerpted from Section 108(d) of Title I of the Act. (Section 108(d)(2) of the Act was amended by the Cranston-Gonzalez National Affordable Housing Act of 1990.)

"To assist in assuring the repayment of notes or other obligations and charges incurred under this section, a State shall pledge any grant for which the State may become eligible under this title as security for notes or other obligations and charges issued under this section by any unit of general local government in a non-entitlement area of the State."

OTHER ACTION STEPS

Anti-Poverty Strategy

Based on the latest available U.S. Census reports, the number of people with incomes below the poverty line in Colorado was 388,952 in 2000, or 9.3% of the state's population. The number of persons living in poverty in Colorado has declined over the past decade. In 1990, the number was 375,214, which comprised 11.7% of the population. Since 1990, Colorado, like many other states, has changed its anti-poverty strategies to incorporate the changes brought about by the change in federal welfare programs.

In 1996, federal welfare reform legislation required each county in Colorado to design a plan to administer the federally funded Temporary Aid for Needy Families (TANF). These plans were required to include the county anti-poverty strategies on TANF planning, organizational restructuring, staff development, work requirements, work activities, good cause exemptions, sanctions and appeals processes. In June 2003, 14,287 families were receiving TANF cash assistance in Colorado[39]. Many additional families receive non-cash assistance enabling them to stay at work.

Although each county has the ability to design how it will administer TANF funds, one thing is certain: successful welfare reform is highly dependent upon the TANF households receiving job training, housing, childcare, transportation, family health care, educational support and continuous employment. Providing training and employment opportunities to TANF recipients has been a challenge for many counties, especially those with limited job availability.

The Colorado Works caseload declined from approximately 26,700 in July 1997 to 15,560 in May 2004, a 41% decline. Although Colorado's sluggish economy in recent years has resulted in a caseload increase of 33 percent from May 2001 through May 2004, the rate of increase is slowing. There was only a two percent caseload increase between May 2003 and May 2004.

In accordance with federal requirements, Colorado Works imposes a 60-month cumulative lifetime limit on the receipt of basic cash assistance and requires most adult recipients to be in a work activity within 24 months of being deemed job-ready[40].

---

39 Colorado Department of Humans Services, 2004
40 Colorado Department of Human Services, Fact Sheet July 2004

Coordination of supportive services seems to be the key factor to assist families in escaping poverty. Federal agencies such as the Departments of Agriculture, Education, Health and Human Services, and Housing and Urban and Development are requesting that state departments plan and coordinate their supportive service programs and create a unified plan for requesting future block grant federal funding. In addition, local governments and non-profits are required to coordinate supportive services in their local areas in order to apply for new program funding. The coordinated effort of linking job training, education, employment opportunities, childcare, transportation, housing and food stamp benefits, it is hoped, will enable poverty stricken families to receive a full benefits package to assist them in getting off the welfare rolls.

Beyond the efforts to improve coordination, the Division has taken the lead in funding programs that can become models for communities throughout Colorado. Because the Division's funding is primarily discretionary, it is used as the catalyst for other supportive housing efforts. The Division of Housing can finance hard assets such as housing construction or rehabilitation, or soft costs such as rental subsidies. The direct impact of housing development is quality housing and additional construction jobs for a community.

Colorado Housing Finance Authority (CHFA) is also exploring ways of to provide low-interest and no-interest loans for housing development that serves families at 30% of AMI. The Division and CHFA, as well as other housing fund agencies, often coordinate their funding in order to make affordable housing projects successful. CHFA and DOH are also working in a collaborative manner to preserve affordable housing projects that have financial problems due to the economic slow down and resultant vacancy issues and intense market competition.

DOH received $100,000 in Housing Development Grant funds for State fiscal year 2005. It is unknown to what extent the state legislature will allocate such funding in the future. When available, these state funds are the most flexible of the Division's funding, and allow tailored community solutions to help ensure that the poorest families in Colorado have an increasing supply of rental units affordable to them.

The Division believes that supportive services linked to housing are key to assisting families in escaping poverty. State agencies and organizations, including the Division of Housing (DOH), Supportive Housing and Homeless Programs (SHHP) and the Colorado Interagency Council on Homelessness are working to better link housing for low-income residents and for homeless persons who are working but coming out of shelters, with services that lead to independence. These services such as job training, education, employment opportunities, childcare, transportation, housing and food stamp benefits will assist poverty-stricken families in achieving economic self-sufficiency.

A primary housing program that is designed to reduce dependency on public assistance is the Section 8 Family Self-Sufficiency (FSS) program. This program provides a framework and time line for reducing dependency on public assistance and is administered by the Colorado Division of Housing and Department of Human Services, Supportive Housing and Homeless Programs. It is offered locally by nonprofit housing agencies, housing authorities and service providers.

- The Colorado Division of Housing currently works with 11 FSS programs in Colorado and provides approximately $60,000 to fund FSS-related staff. Between 125 and 140 families participate in the program. 70 families have current escrow accounts in various communities with the Division, and 126 individuals have successfully graduated.
- Many of the Division Section 8 contractors who administer the FSS programs have developed innovative ways to provide support to the families they serve. Two agencies have developed revolving emergency loan programs so that when a family is in need of funds for necessities, they can take out a low- or no-interest loan. One agency provides $25 to $50 incentives when an FSS client completes a GED, vocational or college course. Other innovative approaches exist.
- SHHP currently partners with seven local service providers in Colorado to provide an FSS program to 37 persons with disabilities and formerly homeless families. Seventeen families and individuals have current escrow accounts in various communities with SHHP, and 15 persons with disabilities have successfully graduated.

The Division of Housing also operates a Housing Choice Voucher Special Needs Program to coordinate organizations that provide supportive services. This program offers rental assistance to 75 families through the Homeless with Substance Abuse initiative. Five hundred disabled families receive rental assistance through independent living centers. Forty families receive assistance through the Colorado AIDS project; and 100 families in the Families Unification Program receive rental assistance, as well as 167 families who are homeless or at the risk of being homeless.

Although it is not a DOH program, it is important to note that the Department of Human Services (DHS) Supportive Housing and Homeless programs (SHHP) administers a Section 8 rental subsidy for persons with disabilities and homeless families. SHHP partners with 60 local mental health centers, developmental disabilities service providers, independent living centers, homeless service providers, and county departments of human services to provide housing to persons with special needs. SHHP administers 2994 Section 8 vouchers for the special needs population, and 251 Shelter Plus Care vouchers for previously homeless persons with disabilities. Included in the SHHP programs are the following projects for special populations:

- 170 units for the Section 8 Welfare-to-Work program
- 100 Family Unification program vouchers for youth aging out of foster care,
- 50 Project Access vouchers to assist younger persons with disabilities in moving from institutions into the community;
- 50 Veterans Administration Supportive Housing vouchers that provide permanent housing to homeless veterans.

Institutional Structure - Housing

PUBLIC INSTITUTIONS

State of Colorado, Department of Local Affairs.

Division of Housing coordinates the state's affordable housing efforts and works to foster cooperation between private enterprise and local, state and federal governments. Its goal is to facilitate construction, acquisition and rehabilitation of affordable housing units, particularity for lower income households. The Division is responsible for enforcement of the federal Manufactured Home Construction and Safety Standards for all manufactured homes built in the state. It provides both technical assistance and direct financial support to local governments and non-profit agencies through the following programs:

- State Housing Development Grant Program;
- State Revolving Loan Fund;
- Federal "Small Cities" Community Development Block Grant Housing Program;
- Federal Home Investment Partnership Program;
- Private Activity Bond Program;
- Federal Permanent Housing for the Handicapped Homeless Program;
- Emergency Shelter Grant Program (ESG);
- Housing Opportunities for Persons with AIDS (HOPWA)

The Community Housing Assistance Section staff are assigned specific regions of the state, and field offices are located in Grand Junction and Pueblo. This section works with local communities to identify housing needs; assists in identifying the type, cost, location and number of housing units needed in the community); assemble a housing development team; works with community to create a housing development project team; and helps secure private and public funding for the community's housing project.

In addition, the Division of Housing manages the statewide balance of Private Activity Bond allocation, which is accessed by application to the Department of Local Affairs. A Bond Allocation Committee of eight members appointed by the Governor reviews application and advises the Executive Director on specific allocation proposals.

The **State Housing Board,** whose seven members are appointed by the Governor, serves as an advisory unit to the Division and the Governor. The

Board meets monthly to review and recommend funding decisions on housing applications for the various funding programs administered by the Division, passes regulations for manufactured structures, and adopts building codes for multifamily housing in counties with no codes.

Division of Local Government administers three programs that directly and indirectly affect statewide housing efforts.

- The *Impact Assistance* program provides grants for the planning, construction and maintenance of public facilities and the provision of public services. Loans, in addition to grants, are available for water and wastewater projects. Eligible recipients are municipalities, counties, school districts, special districts and other political subdivisions socially or economically impacted by the development, processing or energy conversion of minerals and mineral fuels.
- The *"Small Cities" Community Development Block Grant* program, which provides grants for public facility projects.
- Through the *Enterprise Zone* program, the department designates certain economically-distressed areas of the state as Enterprise Zones. Businesses may qualify for special state tax incentives to encourage job creation and investment in these zones.

Division of Local Government functions as the outreach arm of the department. The staff, located in the eight field areas, works with local clients to define needs; identify and develop response capacity; coordinate the delivery of department services; provide follow-up with evaluation of services and project effectiveness; and serve as advocate for both local government clients and for department agencies.

Denver-based staff works to build independent local government capacity through a variety of general government and community development services and provides or arranges some financing.

- *Technical Services*, in coordination with Field Services, provides a broad range of specialized technical assistance, training, and published materials to enhance administrative capabilities for local governing entities. These services include budgeting and financial management; capital improvement and land use planning; purchasing; environmental matters; water and sewer financing and operations; and financial capacity research and analysis.
- *Demography* provides demographic and economic information, assistance and coordination to public and private organizations. Services include all decennial census data; general and special population estimates and projections; cooperative programs with the U.S. Bureau of the Census; and special economic and demographic analysis and development projects.

State of Colorado, Department of Human Services.

Mental Health Services provides public mental health services for persons with serious mental illness of all ages, delivering those services through contracts with six specialty clinics and 17 private, nonprofit community mental health centers. The services provided include inpatient treatment, emergency services, case management, in-home family preservation, day services, residential support services, peer/family support, and public education. Two state mental health institutes at Pueblo and Fort Logan provide inpatient hospitalization for Colorado residents with serious mental illness. These institutions function as part of the integrated public mental health system with policy direction and program, monitoring provided by the Division of Mental Health. Mental Health Assessment and Services Agencies (MHASAs) are the newest component of Colorado's public mental health system. Presently, there are eight MHASAs responsible for implementing the Medicaid Mental Health Capitation program in all 64 counties through contracts with the State.

Developmental Disabilities Services is responsible for services and support provided through the state-operated Regional Centers and 26 Community Center Boards. The Regional Centers provide 24-hour residential services in the "most restricted setting in the continuum of residential services", as well as medical, vocational, and educational services. The Community Center Boards are private, nonprofit organizations located throughout the state whose functions include: needs assessments, planning, coordination of service, and service/supports from approved service agencies. General services provided by this Division to people with developmental disabilities include: case management, residential services/supports, day program services/supports, and family services/supports.

Youth Services administers and contracts with private providers for statewide services for juveniles aged 10 to 21 years of age who have demonstrated delinquent behavior. These providers serve youth in both institutional and community settings.

Supportive Housing and Homeless Programs (SHHP) is a statewide housing agency that operates within the Colorado Department of Human Services, Office of Behavioral Health and Housing. SHHP's rental assistance programs provide Section 8 assistance to families and individuals with special needs, including mental and physical disabilities. Certificates and vouchers are passed through to 60 local community service providers who provide supportive services to the households. SHHP also administers special rental assistance programs including the Single Room Occupancy Moderate Rehabilitation Program, the Veterans Affairs Supportive Housing Program and a Shelter Plus Care program. They are also active in finding homeownership opportunities for disabled persons.

Colorado Housing and Finance Authority (CHFA)

Is an independent, self-sustaining establishment with nearly $3 billion in assets which sells bonds enabling it to provide financing for single-family mortgages to qualifying homebuyers and facilitates development of multi-family apartment units for low- and moderate-income residents. CHFA also makes loans to Colorado-owned small and medium-sized businesses and also administers the Low Income Housing Tax Credit Program. The Division of Housing works closely with CHFA.

Local Governments or Regional Quasi-Public Organizations

The Division of Housing works closely with local governments and Councils of Governments throughout the state to deliver housing assistance. Many homeowner rehabilitation programs and downpayment assistance programs are administered regionally through one local government or Council of Governments. The Division of Housing has engaged local governments in analyzing the regulatory costs associated with housing development by publishing reports and conducting trainings for local government staff. *DOH has also published Housing Colorado: A guide for local officials*, a manual distributed to Colorado local governments to teach local governments about the importance of affordable housing and how to identity local housing needs. In addition, DOH convenes regional housing summits that bring together local officials, housing providers, and community members to better understand their housing goals.

Nonprofit Organizations

Colorado communities are served by a large group of nonprofit housing development and service agencies. There are several nonprofit housing organizations that develop housing, or deliver housing assistance or services on a statewide basis. Many others serve a single regional area. Since 1991, the Division of Housing has worked with many local communities on the creation of regional Community Housing Development Organizations (CHDOs). DOH now has 42 certified CHDOs throughout the state. Many of these serve poor rural communities with a variety of housing services.

The Division of Housing has also focused attention on increasing the capacity of rural housing authorities to produce more housing in their communities. Many housing authorities that may have owned only one small property have now developed new rental units for families and seniors using a variety of financing resources including tax credits.

DOH works with these housing authorities, CHDOs, and regional nonprofit organizations during all steps of the development process, from identifying housing demand to putting together financing packages to managing lease up. These efforts have resulted in the creation of many rural projects that would not have happened otherwise. DOH continues to work with these partners on new projects and to identify new rural and urban nonprofit partners. DOH is also working to strengthen existing nonprofit organizations by providing training that increases their capacity, stability, participation and independence.

Foundations

There are many foundations that have programs that provide funds for the development of housing and for the delivery of housing-related services. Because DOH works statewide with many organizations, our staff is aware of those foundations that are apt to fund various types of housing projects. DOH staff members have developed a technical brief, or *Advance*, on Foundations and Corporate Giving to help our nonprofit and local government partners access foundation funds. Many rural foundations have funded housing projects in their communities.

The Colorado Association of Realtors has a grant pool called the Housing Opportunity Fund (CARHOF). These funds, which come from local boards of realtors, are distributed regionally and on a statewide level for many housing projects, including downpayment assistance programs. A DOH staff person sits on the board of this organization. The Division of Housing also has produced an Advance on the CARHOF funds to ensure that all funds are utilized statewide. Funds are distributed for a variety of projects, including housing. Again, DOH staff has disseminated information about this fund and its grants cycle to nonprofit housing organizations. Many have been successful in receiving funds for their housing development projects.

A new foundation collaborative, called the Housing and Homeless Funding Collaborative is looking at ways to improve linkage and communication among various Colorado housing and homeless providers. The Division of Housing will continue to explore new foundation and private funding sources for housing activities in the communities that we serve.

Private Industry

This group includes the corporations, commercial banks, savings and loans, mortgage companies, credit unions, and pension funds. It also includes the construction and real estate industry. Colorado has had a high level of participation from the development and homebuilder community around the issue of affordable housing. These groups came together to support an increase in the level of state funding to the Division of Housing for the Housing Development Grant program. Local banks have begun providing long term financing to housing projects in their areas, some with more flexible loan terms. Some larger banks have begun offering their own affordable housing mortgage products.

The Colorado Housing Council is a working group that includes both private industry representatives, such as homebuilders and nonprofit organizations. The Division of Housing will continue to engage these groups in the discussion of increasing the amount of affordable housing in Colorado.

Institutional Structure — Non-Housing

Public Institutions

State of Colorado, Department of Local Affairs

Division of Local Government (DLG) administers programs which directly or indirectly affect statewide efforts: the *Energy and Mineral Impact Assistance (IA)* Program, the *"Small Cities" Community Development Block Grant* (CDBG), *the Community Services Block Grant* (CSBG), *the Local Government Gaming Impact Fund*, *Waste Tire Program, Conservation Trust Fund (CTF), and the Search and Rescue Fund*

Regional field managers function as the marketing arm of the department for the non-housing community development needs of the state. The staff are located in eight regional offices and work with local clients to define their needs; to identify and develop response capacity; coordinate the delivery of the department's non-housing services; provide follow-up with evaluation of services and project effectiveness; and serve as advocate for both local government clients and for department agencies.

Given the various goals of the programs, the IA and CDBG programs have a statewide multi-purpose design. The other five programs have a very specific clientele and will only be mentioned casually throughout this discussion. The IA and CDBG programs operate open-competitive grant programs. The IA program may offer loans, but only for very specific water and sewer purposes. By design, no loans are offered through the CDBG program. All applications for IA or CDBG funding are reviewed by the regional field staff members who prepare the staff evaluation for each application. Providing input into the staff review process are numerous state agencies:

Solid Waste & Landfill	Office of Energy Conservation Local Government Department of Health
Drinking Water/Treatment	Local Government Department of Health
Sewer/Wastewater/Sludge	Local Government Department of Health
Flood Control/Drainage	Colorado Water Conservation Board
Hazardous Material/Emergency Warning	Division of Emergency Services
Education, Distance Learning	Department of Education
Historical	Department of Higher Education/Historic
Aviation	Department of Transportation
Parks & Recreation	Department of Natural Resources

Also, a listing of all applications is shared with USDA Rural Development for the purpose of determining its interest in working with DLG on a particular project/s. Except in emergency situations, all IA applications for funding are reviewed by the State Impact Assistance Advisory Committee that makes recommendations to the Executive Director of the Department of Local Affairs for funding. Applications for CDBG are reviewed by staff members, who make recommendations to the Executive Director for funding.

The Department is represented on numerous boards and advisory groups. Of particular note is the intergovernmental Water and Sewer Needs Committee, which is composed of state and federal agencies normally concerned with sewer and water issues. The Committee is made up of the Colorado Municipal League, Special District Association of Colorado, Colorado Counties, Inc., USDA Rural Development, Colorado Rural Water Association, and the Colorado Water Resources and Power Authority. Coordination is provided through DLG.

The Office of Economic Development and International Trade (OED) has the purpose of retaining Colorado's existing businesses, helping them expand, encouraging out-of-state companies with good quality paying jobs to locate to Colorado, and of assisting persons or entities starting businesses in the state. The mission of OED is to provide effective, professional assistance to the state's business community and to local communities; to make essential information easily accessible to business owners throughout the state; to promote the development and expansion of minority businesses; to offer state job training, marketing, and assistance programs to every region of the state; and to encourage new businesses, business retention, expansion and relocation resulting in the retention or creation of Colorado jobs. OED is made up of the following programs: Business Development, Business Finance, Small Business Development Centers, Economic Development Commission, Governor's Financial Review Committee, Minority Business Office, Tourism, Research and Special Projects and International Trade.

The Governor's Financial Review Committee reviews all CDBG economic development applications and makes final funding decisions.

Gaps in Institutional Structure Assessment:

Affordable housing has become an issue familiar to much of Colorado. While there are still partnerships to be forged and groups to be educated, local governments, private industry, nonprofit organizations and state government have worked hard to tackle the issues involved in providing affordable housing. Under former Governor Roy Romer and now Governor Bill Owens, there has been a Smart Growth process that includes affordable housing as a growth issue. Representatives of all sectors have participated in these efforts. The gaps remaining in the institutional structure in Colorado are educating the public and reducing the Not In My Backyard (NIMBY) phenomenon; developing better coordination and cooperation between special needs providers and the organizations that produce housing units; and continuing to educate local agencies to increase the production of affordable housing units statewide.

Local non-profit organizations and housing authorities: Many of these groups not only lack funds to meet the demands, they also lack the staff expertise and capacity to expand or diversify their existing services. While many small agencies have taken on developing new housing units in the past five years, there is not enough capacity within the nonprofit community to develop the number of very low, low, and moderate-income units needed in many areas of the state. For-profit developers are creating units in some markets, but for the very lowest income households, those with special needs or a need for service enriched housing, there must be increased capacity to produce more housing.

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

Strategy to Overcome Gaps

The Colorado Division of Housing will continue to lead efforts to increase the coordination and involvement of state and federal agencies, public and private nonprofit 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 for the extremely low, low, and moderate income families and individuals who reside in the State of Colorado. DOH staff will continue to work with local governments and housing providers to increase their capacity to create new affordable housing units. This one-on-one technical assistance will be supplemented by statewide training such as the Developer's Toolkit, *Housing Colorado: a guide for local officials*, Creative Finance, Managing Nonprofits in Tough Times, Basic Underwriting, Advanced Financing, and other workshops which can help increase the capacity of Colorado's housing providers.

The Division of Housing will work with the Department of Human Services and local special-needs providers to encourage partnerships between service providers for special needs populations and housing development agencies. These partnerships are essential to increasing the supply of affordable, accessible housing for special-needs populations. DOH staff will also work to increase the number of very low income units statewide by increasing awareness of the need for 30% rental units, and helping agencies put together the financing structure to make these units feasible.

The "Big Four Group," which contains Colorado Division of Housing, Colorado Housing and Finance Authority, U.S. Department of Housing and Urban Development, and U.S. Rural Economic and Community Development (RECD) meets monthly to discuss multiple agency rules, and annually targets specific areas within the state where all funding sources and staff expertise are combined to address immediate housing needs. Staff members of these agencies meet every other month to discuss specific projects and areas of the state with a need for new housing units. Actions contained in several of the Strategies are specific to overcoming the gaps identified above. Goal 3 and its activities are designed to address many of these gaps, especially those dealing with increasing local capacity.

Governmental Coordination

The Department of Local Affairs is the one agency in Colorado that deals almost exclusively with local governments on all levels of its mission. This Consolidated Plan represents hours of community meetings, compilation of written surveys, and consultations with local governments, state agencies, and nonprofit agencies in the state. Cooperation and coordination between The Department of Local Affairs, other involved state agencies, and local governments did not just take place to produce this document. That coordination and cooperation is a daily occurrence, as may be understood by a complete reading of this document.

Low-Income Housing Tax Credits (LIHTC)

The Colorado Housing Finance Authority (CHFA) has the authority to allocate the LIHTC in Colorado. CHFA and the Division of Housing work closely together in using LIHTC to develop affordable housing. The staff of both agencies are in constant contact to discuss new and existing projects and meet formally every other month to update each other on pending projects. This system will be continued during the next five years. The annual plan for allocation of tax credits in 2004 being finalized by the CHFA Board at this time will be available from CHFA upon request. Below are specific actions that will be taken in the next five years to continue this on-going coordination:

- Continued close coordination between CHFA and the Division of Housing in the use of LIHTC, federal, state, and private funds for project funding;

- Education and training for for-profit, nonprofit and local government housing providers in the use of LIHTC and full allocation of all available credits each year for affordable housing

Public Housing Resident Initiatives

The State does not operate any public housing and therefore does not plan for any resident initiatives.

Troubled Housing Authorities

There are no troubled housing authorities in Colorado at this time. HUD Troubled Agency Recovery Center will contact the Division of Housing in the future if there are housing authorities in need of assistance. The Division of Housing will be offered as a resource to these housing authorities.

Barriers to Affordable Housing

The state's rapid increase in development from the early 1990's to early 2000's made growth management issues a primary concern for state and local elected officials in Colorado. Many communities undertook a close examination of public policies that guide the creation of transportation systems, water supply, open space, and housing. Many also adopted policies that growth should "pay its own way," resulting in sometimes complex impact fee structures. Although Colorado's economy has slowed in recent years, these growth-control policies and fees remain in place, ready for a time when the economy turns around and rapid growth returns.

Depending on the public policy objective, growth control policies can be used as either 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. They 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 such as schools, libraries, open space, parks, fire and police stations; building codes; limitations on the number of building permits allowed each year; and regulations to protect environmental and cultural resources.

From 1998 through 2002, the Colorado General Assembly's Joint Budget Committee required the Division of Housing (DOH) to report on the type and prevalence of local regulatory barriers to affordable housing, the steps taken by the Division of Housing to reduce these barriers, and the effectiveness of these actions. We continue to examine the issue of barriers, although it is no longer legislatively required. The Division defines regulatory barriers as either a deliberate or de facto action that prohibits or discourages the construction of affordable housing without sound reasons directly related to public health and safety; 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.

Local Regulatory Barriers

We first examined the type and prevalence of local regulatory barriers. DOH has identified five categories of land use regulations frequently cited as barriers to affordable housing. These include: (1) infrastructure financing, (2) zoning and subdivision controls, (3) building codes, (4) permitting and procedural rules, and (5) environmental regulations. The Division of Housing works with communities to show how local governments in Colorado could modify regulations to reduce their impact on affordable housing. This assistance is provided through technical workshops on land use planning and on financing affordable housing. DOH also works with each developer to negotiate a reduction in local regulatory cost during our application review process. The following tables show examples of how local governments used regulatory reform to create affordable housing in 2004.

Financing Public Improvements: This first table shows how local governments finance public improvements such as roads, libraries, schools, parks, etc., and methods used to reduce the fiscal impact on affordable housing. Direct payments for expanding roads, parks, and utilities are referred to as an impact fee. Land dedications are often required for larger developments to reduce the expansion cost of schools or parks. Local governments may also require an exaction, which conditions approval of new development for on-site or off-site improvements, such as right-of-ways for expanded transportation or utilities.

Regulatory Requirement	Regulatory Remedies
Water/Sewer Tap Fees	The Town of Crested Butte has a reduced fee basis for water and sewer taps for deed-restricted units.
Water Tap Fees	The City of Aspen provides waivers of water tap fees for deed-restricted affordable housing properties.
Development Impact Fees	The Town of Breckenridge waives all city-generated fees except sewer fees for housing affordable to households up to 120% of Area Median Income.
Water Tap Fees	The Town of Snowmass provides waivers for water tap fees for deed-restricted rental and ownership units.
Development Impact Fees	The Town of Rangely waived development fees for a twenty bed assisted living facility.
Exactions	Colorado Springs shared the on-site drainage improvements for an affordable housing project.
Land Dedications	The City of Durango contributed land to an affordable senior rental housing project.
Building Permit Caps	Boulder is exempting affordable housing from its growth management permit limitation.

Zoning & Subdivision Controls: Zoning regulations affect density, housing size, accessory dwelling units, etc. The primary purpose of zoning restrictions is to separate incompatible land uses. These regulations also are used to maintain real estate values by enforcing controls on the location, size, and appearance of all residential and commercial buildings. However, zoning regulations can limit the use of the most affordable types of housing – multifamily and manufactured housing – by limiting the amount of land zoned for this purpose. Subdivision regulations affect site plan design and engineering standards for streets and utilities.

Regulatory Requirement	Regulatory Remedies
Standard house & lot size	In Glenwood Springs, the Cardiff Glen subdivision has streets 24 feet wide.
Prohibition of accessory dwelling units	The Cardiff Glen subdivision includes accessory dwelling units, better known as mother-in-law apartments.
Density Bonus	The City of Brighton grants density bonuses for all new single-family and multifamily dwellings in residential developments when 10% of units are set aside for seniors, are accessible, or affordable units.
Modification of Development Standards	The City of Loveland may modify development standards for affordable housing projects

Building Codes: A third type of regulation likely to affect a community's supply of affordable housing is the local building code. The building code serves the important public purpose of health and safety by governing the use and installation of materials and the design and construction standards for the building. A local building code plays a vital role in protecting not only the occupants of the building but also its long-term value.

Regulatory Requirement	Regulatory Remedies
Mechanical codes	After issuing a code violation for lack of a fire sprinkler system in a group home for lower income persons with developmental disabilities, the City of Pueblo paid for its installation.
Material specifications	Las Animas County allows the use of alternative building materials such as straw bale and adobe.

Permitting and Procedural Rules: Application fees & review schedules are part of every local approval, including annexation, zoning, site plan, subdivision, and building permits. Sometimes these have open-ended approval timelines, and fees can be charged at any point in the process. Time delays in the approval process add uncertainty and risk to an already expensive investment. The following is a table showing how some local governments have modified their process.

Regulatory Requirement	Regulatory Remedies
Complicated fee schedule & permitting process	City of Delta reduced fees and streamlined its permitting process to hasten the rehabilitation of a building for a domestic violence shelter
Open-ended review timeline	Las Animas County has a published schedule of permit cost and application timelines.
Multiple approval processes by different departments	City of Greeley facilitates the permit review process thru the Planning Dept. Administrative Review Team.

Environmental and Cultural Protection: The Clean Water Act, the Endangered Species Act, the National Environmental Policy Act, and the National Historic Preservation Act are the most prevalent of federal environmental statutes encountered when developing or redeveloping affordable housing. Each of these mandates is federal and must be adhered to by local governments in their development procedures and methods. It is the unpredictability of these regulations that give pause to private investors. Many of the regulatory remedies seek to identify environmentally sensitive land parcels or buildings so private investors can avoid the additional cost or delays inherent in mitigating impacts on the environment.

Regulatory Requirement	Regulatory Remedies
Water resource protection	Adjustment of building sites and channeling of a nearby stream prevented flooding at Wapiti Meadows Apartments in Fraser
National Environmental Policy Act	Inexpensive materials like straw-bale or wood have been used to construct barriers to reduce noise levels in high traffic areas.
Endangered Species Act	Front Range local governments have started to identify the Preble Mouse habitat area for builders to avoid.

Municipal/County Development Charges

Municipal/County Development Charges 2004

Building fees for a single-family residence with construction valuation of $100,000, not including planning or zoning fees for the creation of lots in the subdivision.

Community	Water ($)	Sewer ($)	Traffic Impact ($)	Storm Drainage ($)	Park/ Rec ($)	Fee in Lieu of Land Dedication		Other ($)	Bldg Permit ($)	Plan Check ($)	Municipal/ County Use Tax ($)		Total ($)
						Park/ Open Space ($)	School ($)						
Alamosa	1,000	1,000	0	0	0	1,875	0	0	640	320	2%	1,000	
Arvada*	9,545	1,120 Arvada 1,600 Metro	0	0 – 4,181*	1,098	911	365	0	993	645	3.21%	1,605	
Aurora *	10,938	1,711 Aurora 1,600 Metro	50	107	811	*	*	45*	994	994	3.75%	1,875	
City of Boulder*	9,290	2,130	1,845	915	2,092	0	3,210	1,814*	1,059	265	3.41% .55%	1,980	
Canon City	4,423	2,500	0	0	0	0	0	0	887		2-1.5%	1,750	
Colo. Springs*	4,695	1,071	0	2,215	0	980	843	35*	1,088	0	2.0%	1,000	
Denver*	9,800	5,000	0	0	0	0	0	*	920	0	3.5%	1,750	
Durango	4,680	1,520	908	0	0	300	945	0	1,090	0	1.25%	990	
Town of Eagle*	2,400 – 3,400*	3,500	1,016	0	0	0	0	0	994	646	4%	2,000	
Fort Morgan*	5,744	1,200	0	0	0	0	0	0	560	0	3%	1,500	
Grand Junction*	1,000 City OR 5,000 Ute Dist*	1,250+ *	1,500	0	*	225	292		436	10	2.75% 2.00%	2,375	
Greeley*	7,711	3,070	1,512 OR 2,059	69 - 704	2887	287	0	408*	895	224	3.3%	1,650	
Kiowa	4,500	3,000	0	Per acreage	0	0	0	0	994	646	1.5%	750	

Municipal/County Development Charges 2004

Building fees for a single-family residence with construction valuation of $100,000, not including planning or zoning fees for the creation of lots in the subdivision.

Community	Water ($)	Sewer ($)	Traffic Impact ($)	Storm Drainage ($)	Park/ Rec ($)	Fee in Lieu of Land Dedication		Other ($)	Bldg Permit ($)	Plan Check ($)	Municipal/ County Use Tax ($)		Total ($)
						Park/ Open Space ($)	School ($)						
La Junta	1,000	400	0	0	0	0	0	0	895	0	3.25% 1%	2,125	
Lakewood	5,290	2,870	0	0	700	0	1,133	0	803	522	1%	500	
Longmont*	6,380	3,000	686	282	3,157	0	1,400	1,342*	1,143	571	2.95% 0.55%	1,750	
Loveland*	4,840	1,930	2,931	367	3,650	0	688	3,206*	1,504	497	3% 0.8%	1,900	21,513
City of Montrose*	1,600	3,320	0	0	0	525	488	0	994	497	3.5% 1%	2,250	
City of Pueblo*	2,710	640	0	0	0	*	0	0	655	49	3.5%	1,750	
Trinidad	1,601	1,500	0	0	0	0	0	0	994	248	4%	2,000	
Westminster*	9,851	2,648	0	0	1,564	*	876		1,129	734	3.85%	1,925	
Adams*	South Adams Water = 8,058	South Adams Sewer = 3,058	1,599	*	0	*	*	0	994	646	0	0	
Arapahoe*	East Cherry Creek Valley = $15,000	East Cherry Creek Valley = $1,711 +1,600 Metro	750	East Cherry Creek Valley $850 – 1,250*	0	710	806	138 E470	887	577	.25%	125	
Boulder*	Lefthand Water	Niwot Sanitation	0	0	0	0	0	5,150+	840	546	0.55%	275	
Douglas*	Special District (S.D.) = 6,750	S.D. = 4,429	0	S.D. 632	0	Formula	Formula	4,073	1500		0.5%	500	
Eagle*	Varies*	Varies*	1,600	Varies	Varies	Varies	Varies		1,097	713	0	0	

Municipal/County Development Charges 2004

Building fees for a single-family residence with construction valuation of $100,000, not including planning or zoning fees for the creation of lots in the subdivision.

Community	Water ($)	Sewer ($)	Traffic Impact ($)	Storm Drainage ($)	Park/ Rec ($)	Fee in Lieu of Land Dedication		Other ($)	Bldg Permit ($)	Plan Check ($)	Municipal/ County Use Tax ($)		Total ($)
						Park/ Open Space ($)	School ($)						
Elbert	Special District	Special District	0	0	0	0	0	0	727	470	0	0	
El Paso*	Academy W&S* $4,000	Academy W&S* $5,000	0	194 – 1,306	0	307	308	1,057+	608	151	1%	500	
Fremont	0	0	0	0	0	0	0	0	887	0	1.5%	75	
Jefferson*	Special District	Special District	1,426	0	0	*	*	0	994	647	0	0	
La Plata*	El Rancho Florida Metro District = 5,303*	El Rancho Florida Metro District Lagoons*	*	0	0	0	60-945*	180+	639	0	0	0	
Larimer*	Special District	Special District	$1,913	Municipal	0	669-701	8-763*	0	Varies	50% of bldg permit	0.8%	400	
Las Animas*	Special District 4,400	City of Trinidad 3,000	Pending	0	0	0	Varies	0	994	0	1%	500	
Mesa	City of Grand Junction = 1,000 Ute Water District 5,000	Fruitvale Sewer Dist. 1,250	85	0	0	150	392	0	436	0	2%	1,000	
Montrose County	Tri-County Water	West Montrose Sanitation	0	0	0	0	473	0	994	646	1%	500	
Morgan*	Morgan Co. Quality Water = 5,385	NE CO Health Dept. Septic = 350	BOCC	0	0	0	0	5,750*	100	0	0	0	

Municipal/County Development Charges 2004 **Building fees for a single-family residence with construction valuation of $100,000, not including planning or zoning fees for the creation of lots in the subdivision.**													
						Fee in Lieu of Land Dedication							
Community	Water ($)	Sewer ($)	Traffic Impact ($)	Storm Drainage ($)	Park/ Rec ($)	Park/ Open Space ($)	School ($)	Other ($)	Bldg Permit ($)	Plan Check ($)	Municipal/ County Use Tax ($)		Total ($)
Pueblo County	Avondale	Avondale	0	0	0	0	0	0	655	49	0	0	
Weld	Dacono	Dacono	1,987	0	0	0	0	72	887	576	0	0	

Footnotes to Fee Chart

1. Arvada – Storm Drainage ranges from $0 – 4,181 depending on drainage basin. These numbers are from the 2002 survey.
2. Aurora – Fee calculations assume a 1/10th acre lot with 45' frontage. Water, Sewer, Traffic, Storm Drainage & Fees in Lieu of Land Dedication are normally paid at time of subdivision, not building permit. Fees in Lieu of Land Dedication would be based on the appraised value of the parcel. "Other" fees include an $25 Public Improvement Fee & $20 Engineering Permit Fee.
3. City of Boulder 2004 – "Other" fees include: Electrical permit $46.85, Mechanical permit $18.35, Plumbing permit $63.35, Energy Code Calculation fee $77.25, and Excise Tax $1,608, for a total of $1,814. Excise tax is for police, library, fire, human services, municipal space, parks, recreation, transportation, housing & education, & assumed a 600 square foot detached dwelling unit.
4. Colorado Springs – "Other" fees include
5. Denver – All numbers are from the 2002 survey.
6. Fort Morgan – All numbers are from the 2002 survey.
7. Town of Eagle – Water fees vary based on the square footage of lot.
8. Grand Junction – Most new development is in the Ute Water District, which charges $5,000 for water taps. In some cases, there is an additional fee to a sewer improvement district that is not shown on the chart. Park/Rec fees are 10% of raw land value.
9. Greeley – Other fees are for Fire & Police.
10. Longmont – Water & Sewer assume 5,000 sq. ft. lot. Other includes Polycart escrow, electrical connection & service, water pit inspection, water construction fee & sewer inspection.
11. Loveland –Water fee includes meter, construction tap, raw water & SIF; Parks/Rec fee includes parks, recreation, trails & open lands; Building permit fee includes structural, electrical, street & storm water inspections; Other fees include PIF for electric service & CEFs for fire, law enforcement, library, museum & general government.

12. Pueblo (City) – Fee in lieu of land dedication for parks & open space is based on the size of the subdivision (less public streets) & number of lots.
13. Westminster – Fee in lieu of land dedication for parks & open space is based on the fair market value of the land.
14. Adams County – Fee in lieu of land dedication for parks & open space is based on the land's zoning & the value of land in each zone. Subdivision developers, not homebuilders, pay these fees. Storm drainage fees are available from the Engineering dept. @ 303-453-8787.
15. Arapahoe County – East Cherry Creek Valley Water & Sanitation also manages regional stormwater facilities. Their fees vary based on the drainage basin - $900/home for Piney Creek, $850/home for West Toll Gate Creek, and $1,250/home for No Name Creek.
16. Boulder County – All numbers are from the 2002 survey, except for Building Permit, Plan Check & Taxes. Water tap fees are available from the Lefthand Water District @ 303-530-4200, and Sewer Tap fees are available from the Niwot Sanitation District @ 303-652-2525.
17. Douglas County – All numbers are from the 2002 survey.
18. Eagle County – Water & Sewer tap fees vary based on the home's square footage & the district it is located in.
19. Elbert County – All numbers are from the 2002 survey.
20. El Paso County – Academy W&S numbers are from the 2002 survey.
21. Jefferson County – Water & Sewer tap fees vary based on the district. Fee in lieu of land dedication for parks & open space is based on the platted land's value per acre.
22. La Plata County – El Rancho Florida Metro District numbers are from the 2002 survey. Traffic Impact fees are available from Engineering @ 970-382-6375. School fees for single-family lots are $60 in Ignacio, $525 in Bayfield & $945 in Durango 9R school districts. All other numbers are from the 2002 survey.
23. Larimer County – School fees for single-family lots are $8 in Park R-3, $481 in St. Vrain & $763 in Poudre R-1 school districts.
24. Las Animas County – All numbers are from the 2002 survey.
25. Mesa County – Tax numbers are from the 2002 survey – updated information is available from Treasury @ 970-244-1824.
26. Morgan County – the "Other" fee is for a ½ share of Big Thompson water.
27. Weld County – the "Other" fee is for an electrical permit.

Local Land Use Policies

An examination of municipal and county land use policies shows many local governments with flexible land use policies and building codes. This flexibility is a starting point for assessing the local government's ability to reduce perceived regulatory barriers. In 1997, The Division of Housing conducted a survey of both municipal and county governments. This has been updated in subsequent years. DOH updated the municipal government and county government information this year. A total of 121 municipalities participated in the DOH 2004 survey. Of these municipalities, 77% had adopted a Comprehensive or Master Plan. This percentage is very similar to the percentage of municipalities with Comprehensive Plans in 2002. Of the communities responding to the survey, 23% do not have a comprehensive or master plan. None of these communities have populations over 1,800. Most have populations under 800. Of these 28 communities without a plan, eight will be completing a plan in the coming year.

Counties and municipalities often use intergovernmental agreements to manage residential development on their shared borders. These agreements recognize the intricacies of varied growth management policies. All of the counties that comprise the growth corridors of I-25 and I-70 have adopted intergovernmental agreements regarding land use decisions with adjoining governmental entities. These agreements will be the backbone of future growth priorities. They contain policies for annexation, extension of utilities, and expanded public services. The provision for affordable housing should also be included in these intergovernmental agreements, particularly in areas of the state where land is exceedingly expensive.

The Division Of Housing's Effectiveness In Reducing The Impact Of Land Use Regulations

The Division of Housing (DOH) provides technical assistance to local governments seeking to modify land use regulations in order to encourage affordable housing development. A priority for DOH during our application review process is to assess a local government's financial contribution compared to the impact its regulations and policies have on the total project cost. These efforts have produced concrete results. DOH staff works with housing agencies and local governments to reduce the cost burden that local fees and development requirements can place upon an affordable housing project. The following table shows the results of these negotiations from 2000 to 2004 – the amount of local contributions to projects increased.

Rural Development/New Construction 2000 - 2004

	2000	2001	2002	2003	2004
Number of Projects	5	3	7	3	5
Total Project Cost	$15,305,163	$19,035,997	$92,229,770	$11,353,674	$14,257,600
DOH Subsidy	$ 1,634,000	$ 1,425,000	$ 3,725,975	$ 1,010,000	$ 1,034,860
Local Gov't Contribution	$ 1,198,597	$ 3,248,448	$16,989,223	$ 285,630	$ 727,600
Cost of Local Fees	$ 754,375	$ 630,528	$ 3,157,266	$ 513,680	$ 1,144,700

Urban Development/New Construction 2000 - 2004

	2000	2001	2002	2003	2004
Number of Projects	11	10	12	11	6
Total Project Cost	$51,834,379	$79,226,645	$132,025,392	$49,856,701	$35,521,076
DOH Subsidy	$ 2,862,600	$ 3,270,886	$ 6,153,573	$ 2,553,400	$ 2,178,432
Local Gov't Contribution	$ 1,411,000	$ 2,984,500	$ 7,883,000	$4,053,307	$ 3,293,379
Cost of Local Fees	$ 1,974,656	$ 7,479,375	$ 7,731,149	2,803,962	$ 358,660

Acquisition with Rehabilitation 2000 - 2004

	2000	2001	2002	2003	2004
Number of Projects	17	18	19	13	10
Total Project Cost	$47,433,638	$41,263,334	$33,455,918	$48,230,064	$8,915,381
DOH Subsidy	$ 3,753,728	$ 4,411,900	$ 4,729,949	$ 3,119,421	$1,483,000
Local Gov't Contribution	$ 4,948,494	$ 4,129,440	$ 4,405,574	$ 5,858,390	$1,515,150
Cost of Local Fees	$ 2,594	$ 45,888	$ 564	$ 350,000	$ 480

Technical Assistance

During the past five years, Division of Housing conducted workshops for local government officials, homebuilders, elected officials, and affordable housing professionals. Each workshop profiled actions taken by local communities that reduce the impact of land use regulations on affordable housing. Each workshop also promoted the use of the Division's "Reducing Housing Cost Through Regulatory Reform" handbook. Over 400 copies of this publication have been distributed through the workshops or by direct requests, and it is available on DOH's website.

During the period 2005-2010, the Division will again provide workshops for local government officials. Those workshops will be geared toward increasing governmental participation in affordable housing partnerships, along with providing information about land use tools that reduce the impact of regulation on affordable housing. We anticipate taking advantage of housing summits, focus groups, round tables and other venues for training. Specifically, it is anticipated that the "Blue Ribbon Panel" on housing will examine the issues around Regulatory Barriers and report back to the Division of Housing with proposed strategies.

Based on the success of these workshops and publications such as "Reducing Housing Cost Through Regulatory Reform," DOH has become a primary resource to local governments seeking to modify land use policy to encourage affordable housing development. Examples of communities modifying land use policies and regulations to increase their affordable housing supply include the City of Brighton and Garfield County. The Town of Berthoud, in the Northern Front Range, is in the process of developing a comprehensive plan and will utilize strategies from our training and publications in their efforts.

Many communities are utilizing existing governmental powers to increase the supply of affordable housing. The City of Brighton modified its regulations so it may grant density bonuses for all new single-family and multi-family dwellings in residential developments where 10% of units are set aside for seniors, are accessible, or affordable. Garfield County amended its land use regulations to expand its inclusionary zoning requirements and bonuses for developers of affordable housing. The Town of Winter Park assesses a $3.00/sq. ft. charge on most new development in the town. Proceeds go to support affordable housing within the town. Developers of larger projects can work with the City Council to provide affordable units in lieu of the fee.

Lead-Based Paint Hazard Reduction

The Colorado Division of Housing (DOH) recognizes the serious health risks for children from lead poisoning due to contact with untreated lead-based paints and dusts in the state's housing stock. In order to assist in protecting children from these serious health risks, the Colorado Division of Housing works closely with sub-grantees, contract agencies, and the Colorado Department of Public Health and Environment to assure that the current requirements of Title X of the Community Development Act of 1992 are met in the state's housing programs and projects.

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

The Colorado Department of Public Health and Environment (CDPHE) has statutory responsibility for the on-going implementation of the statewide comprehensive plan to reduce childhood lead poisoning. In addition the CDPHE is also authorized by the Environmental Protection Agency to provide training, certification, and enforcement programs surrounding lead poisoning and lead-based paint in the state.

The Colorado Department of Public Health and Environment is also responsible for compiling information on the number and location of children found to have elevated lead blood levels (great than 10 micrograms/deciliter) across the state. During the period 1996 – 2002, approximately 2.5% of all children between the ages of 6 months and 6 years of age tested statewide had elevated blood lead levels. In one neighborhood in Denver, over 16% of the children tested have elevated blood lead levels. On-going efforts by the CDPHE and Medicaid to educate parents on the sources and hazards of lead poisoning are designed to increase the number of children tested every year statewide. These on-going efforts have lead to an increase in the testing of over 40% more children in 2002 (last year data is available) than in the previous year for possible lead poisoning.

Currently in the state of Colorado, there is a single Lead Hazard Control Grantee, the Northeast Denver Housing Center (NDHC). Through the Lead Hazard Control Grant, the NDHC is able to respond to reported individual incidences of elevated blood level children in lower income households across the state. In addition, NDHC provides comprehensive lead hazard identification and reduction activities in specific neighborhoods in the City of Denver.

For Colorado, information obtained from the 2000 Census and the Center for Disease Control (CDC) report, "Surveillance for Elevated Blood Lead Levels Among Children – US, 1997-2001" (September 2003), indicates that there are over 21,000 housing units with a high risk of lead hazards. Housing identified as having a high risk of lead hazards is defined as housing units that were built before 1950 that are occupied by households living below the poverty level.

The Colorado Division of Housing will implement the following activities during the period of 2005 – 2009 in order to ensure compliance with all applicable lead-based paint regulations on a statewide basis:

Activity 1: Enhance Existing Partnerships to Reduce Lead-Based Paint Hazards

The Colorado Division of Housing will continue to assist with public and private efforts to reduce lead-based paint hazards across the state. This includes on-going involvement in the inter-agency work group, the Colorado Lead Coalition that serves to develop and implement strategies for statewide lead hazard reduction and education efforts. Besides the Colorado Division of Housing, this coalition includes the U.S. Environmental Protection Agency, Denver Health, the U.S. Department of Housing and Urban Development, Colorado Department of Health and Environment and other agencies. In addition, DOH works with the Northeast Denver Housing Center to ensure that Lead Hazard Control Grant funds are available to assist households with identified elevated blood level children across the state.

Activity 2: Provide Lead Hazard Information to Housing Providers, Local Officials and Assisted Households

All Colorado Division of Housing sub-grantees, contractors and local housing and service providers are provided with the most current required publications for distribution to occupants of housing units assisted with DOH funds. For example, the EPA Pamphlet, "Protect Your Family From Lead in Your Home" is distributed to local housing and service providers that, in turn, distribute this publication to all applicable households. DOH funded programs that receive lead hazard information include the Single-Family, Owner-Occupied Rehabilitation Program, the Section 8 Voucher Program, down payment assistance programs,and programs that assist in the acquisition and rehabilitation of rental properties.

Activity 3: Enhance Existing Delivery System and Technical Capacity

The Colorado Division of Housing will continue to provide technical assistance to DOH sub-grantees, contractors and local housing and service providers on the requirements of Title X through the use of web-based training, on-site visits, project underwriting, and the distribution of best practice methods. The goal of enhancing the existing delivery system and technical capacity concerning lead-based paint hazard identification and reduction is to comply with the regulations in the most effective and economical way possible.

Possible New Activities:

- Increase involvement in CDPHE LBP education activities such as Lead-Safe Child Week (October). DOH could act as sponsor and/or promote other activities
- Pursue a Statewide Lead Hazard Control Grant (sponsor and/or promote)
- Increase availability of XRF cameras/technology across the state
- Sponsor additional Lead-safe Work Practice trainings around the state

Estimate of Housing Units with Lead-Based Paint – State of Colorado								
		Renter Units			Owner Units			
Built Date Range	Total Units Built	Total rental units	Extremely Low	Low	Total owner units	Extremely Low	Low	Total Low Income Units
Pre-1940	145,236	56,435	34,453	18,934	88,801	18,214	32,771	104,372
1940-1959	54,530	22,286	12,970	8,329	32,244	5,775	14,349	41,423
1960-1979	61,516	168,400	88,644	67,551	293,116	39,258	90,488	285,941
Total	**661,282**	**247,121**	**136,067**	**94,814**	**414,161**	**63,247**	**137,608**	**431,736**

It is therefore estimated that 661,282 housing units (+/-10%) in the State of Colorado contain lead-based paint. The estimated total number of low-income units that may contain lead based paint is 431,736 (+/-10%) or approximately 65% of all housing units that contain lead-based paint.

Monitoring

Describe actions that will take place during the next year to monitor housing and community development projects and ensure long-term compliance with program requirements and comprehensive planning requirements.

Program Year 1 Action Plan

Monitoring response:

Monitoring Standards and Procedures. In order to successfully administer state and federal housing funds, Colorado Division of Housing (DOH) has developed a monitoring plan to ensure that the affordable housing units are in compliance with applicable State and Federal guidelines. During the course of grant and or loan administration, Asset Managers (AMs) and other DOH staff monitor project performance in a variety of ways. This monitoring plan will describe DOH monitoring methods that focus on the following programs: HOME, CDBG, ESG, HDG and Section 8 Rental Assistance Programs.

Monitoring Policies And Procedures

Project Performance Plan

The Project Performance Plan (PPP) sets forth the goals and milestones that a project must meet in order for it to be successful and in compliance with federal and state requirements. The PPP addresses anticipated project problems and time lines needed to complete and manage the project. The PPP (Exhibit D) applies only to the HOME, and CDBG projects and will be the basis for measuring and tracking the grantees performance through the term of the project. The PPP can include:

- Financial management systems in place
- Development of a maintenance plan
- Development of a marketing plan
- Leasing and occupancy policies
- Risk management implementation
- Construction time lines
- Housing Agency management capacity and production

The PPP is also used to plan DOH training and technical assistance. A change in the PPP does not warrant a change letter or contract amendment.

The PPP is an assessment of the project needs based on the expertise of the DOH Housing Developer (DEVO), Asset Manager (AM) and the funding recipient (Grantee). A draft PPP is first developed by the DEVO based on their view of the needs of the project. The AM then adds their performance measurement suggestions to the PPP. The AM will contact the DEVO if there are any discrepancies regarding the PPP. The grantee is also made part of the preparation of the PPP and this is usually done in the following manner:

- A draft copy of the PPP can be faxed to the contractor for input before the contract is mailed to the grantee for signature.
- The grantee can be contacted by telephone
- A meeting can be held at DOH or grantee's office to review and prepare the PPP

- ❖ The DEVO can inform and develop the PPP at the initial meetings that take place to discuss the project.

Project Performance Plans vary, as do the different types of projects that are funded by DOH. To ensure all major milestones are covered in the PPP, templates covering the different types of developments and projects have been developed. These templates are not intended to be all-inclusive, as each development team has the ability to tailor the PPP to the individual projects. In addition, the PPP templates contain an additional column that can be used by the Grantee to track quarterly performance. Because the PPP covers all critical milestones a project must meet, AM's are able to easily determine if a project is on-track or if revisions must be made. Some projects will have limited performance measures because the developer is a high functioning and/or another organization is involved in the project. Other organizations that could be involved include CHFA, Mercy Housing, Rural Development, HUD or a private lender. These organizations often provide project oversight in such areas as construction monitoring, maintenance plans and property inspections. When other monitoring systems are in place, DOH does not duplicate these efforts. On the other hand, some projects will have intense and detailed PPP in that a first time developer may be involved and/or there has been staff turnover.

ON-GOING PROJECT MONITORING

DOH requires each project it funds to submit monthly or quarterly reports that provide AMs and other DOH staff a project update that flags pending or anticipated problems.

Quarterly Financial Report

The financial quarterly report lists the full financial status of the project including fund balances of the loan or grant provided. The quarterly financial report applies to HOME, HDG, ESG and CDBG projects. The quarterly performance report has been integrated into the PPP, this allows the Grantee to report on PPP milestones within the PPP format. The milestones to be completed in the near future are also listed and any problems or issues that have been encountered. AMs reconcile the performance reports against the PPP for project to track milestones that need completion. AMs also contact the grantee or borrower by telephone or e-mail on a monthly basis to track the project performance.

Section 8 Monthly Financial Reports

The Section 8 Contractors are required to submit monthly Housing Assistance Payment (HAP) requests and Lease Status Reports. These reports are used to track the utilization of the program, initiate rental payment changes and certify the rental assistance payments to landlords and participating families. AMs and DOH Section 8 staff provide technical support on an on going basis when needed for program compliance.

CONTRACT MONITORING

Near the end of the contract term or during the course of a fiscal year, AMs monitor each DOH project to ensure that the project is in compliance with the applicable federal and state requirements. Due to some projects needing more attention than others, DOH has developed a Risk-Based Monitoring approach. DOH Risk-Based monitoring allows Asset Managers to focus more time on projects that are at higher risk of encountering problems during the project development.

The level of monitoring for the project will be determined by the Program Manager with input from the DOH Developer and Asset Manager. The Developer and Asset Manager discuss the administrative capacity of each grantee and determine the level of monitoring before recommending it to the Program Manager. The level of monitoring will be listed on the PPP attached to the grantee's contract or on the semi-annual monitoring schedule established by the AM. The level of monitoring may be changed during the term of the contract, if needed, and does not warrant a change letter to be routed for signature. Projects are placed in one of the following three categories:

<u>FULL</u> (F - in monthly Oracle Report) - A FULL monitoring determination requires an Asset Manager to address all identified areas pertaining to the project within the regular DOH monitoring documents. The Asset Manager will also have to visit the project site and complete a housing quality standards inspection on a minimum 5% of the units. The Developer and Asset Manager will recommend a FULL monitoring if the project contains the following:

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

<u>PARTIAL</u> (P - in monthly Oracle Report) - A PARTIAL monitoring will require the asset manager to complete a modified monitoring form and perform a site inspection. The grantee may be asked to supply reports such as rent rolls through the mail or fax. The Developer may assist the Asset Manager in performing the site inspection if convenient. The Developer and Asset Manager will recommend a PARTIAL monitoring if the project has the following characteristics:

- Uncomplicated project

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

Under the same PARTIAL monitoring category the Asset Manager can classify a project as a Self-Certification monitoring. The grantee completes a modified monitoring form pertaining to the use of the funding award. The self-certification monitoring form is then notarized by the grantee and sent back to the Asset Manager. The Program Manager must approve this type of monitoring in advance.

<u>MINIMUM</u> (N - in monthly Oracle Report) - A MINIMUM monitoring can only apply to a continuing program such as the SFOO Rehab, Downpayment, ESG or Section 8 Rental Assistance. This type of monitoring requires only grantee technical assistance if needed, and the contractual monthly/quarterly reporting documents. If a grantee is very high functioning, an on site visit may be delayed for up to two (2) years. The Asset Manager, Developer and Program Manager will only approve this type of monitoring if the project contains the following:

- ❖ Grantee has not received any findings or concerns in the past two (2) years.
- ❖ Grantee is considered a high-functioning project administrator.

PROJECT CLOSE OUT

HOME, CDBG, ESG and HDG projects are completely closed out upon the final completion of the project. Reporting is required on the following areas:

- ❖ Project Description: Full project description summarizing the specific activities undertaken with State funds.
- ❖ Actual Accomplishments: List all project accomplishments.
- ❖ Remaining Actions: Include any remaining actions and the date of anticipated completion.
- ❖ Audits: Name and address of firm selected to do the audit(s) and the date when the audit(s) will be completed.
- ❖ Total Actual Expenditures for the Activity: All actual expenditures for each activity and expenditures from other funds are listed. Includes the names of the sources and the total amounts of the funds. Refer to the proposed budget in the contract Scope of Services and compare.
- ❖ Project Beneficiaries: Beneficiaries of the project for all activities are listed.
- ❖ Program Income: Program income generated will be reported now and in the future.
- ❖ Actions to affirmatively further fair housing: Fair housing efforts and complaints will be reported.

- ❖ Section 3 and Davis Bacon: All section 3 requirements and Davis Bacon activities will be reported.

HOME LONG TERM MONITORING

HOME funded rental projects are required to comply with HOME regulations through out the term of affordability. DOH conducts an on-site monitoring of these projects based on the number of HOME units funded:

- ❖ At least every three years for projects containing one to four units;
- ❖ At least every two years for projects containing five to twenty-five units;
- ❖ At least once a year for projects containing more than 26 units.

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

DOH Monitoring of Consolidated Plan Goals and Objectives

DOH monitors its progress in achieving goals and objectives of the Consolidated Plan through use of its Oracle data base which captures details of DOH funding of eligible housing units, projects and leverage; the Integrated Disbursement Information System (IDIS); through periodic reports on housing to the State Legislature; and in completing the Performance Evaluation Reporting System report made annually to HUD.

Compliance with program requirements including timeliness of expenditures are assessed programmatically on an ongoing basis and through accounting and internal audit functions of the Department of Local Affair

APPENDIX A-PART 1:
SUMMARY OF CONSOLIDATED PLAN PROCESS

PART 1: Consultation Process:

The Department of Local Affairs staff from the Division of Housing, Division of Local Government and Governor's Office of Economic Development collaborated to complete this Consolidated Plan.
The Consolidated Plan and Annual Action Plan (Strategic Plan) were developed as follows:

(1) Assessed the current economic, social, housing and infrastructure climates and inventoried current programs in light of those conditions.

(2) Identified unmet needs of targeted households, determined goals and brainstormed strategies that DOH could employ to address those needs.

(3) Developed a draft framework of activities to accomplish the strategies.

(4) Concurrently with this step, DOH began to gather input from other State agencies, including the Colorado Department of Human Services (DHS), Supportive Housing and Homeless Programs Division (SHHP); Colorado Department of Health and Environment; Colorado Housing Finance Authority (CHFA); State of Colorado Housing Board; Fannie Mae; U.S. Department of Housing and Urban Development (HUD); U.S. Department of Agriculture, Rural Development (RD); Local Governments throughout the State; Colorado Municipal League (CML); Colorado Counties, Incorporated (CCI); Public Housing Authorities; Community Housing Development Organizations (CHDOs); Mercy Housing; the Enterprise Foundation; the Colorado AIDS Project; the Colorado Interagency Council on Homelessness; the three Colorado Continuums of Care; Colorado Coalition for the Homeless; nonprofit service providers; Colorado Housing NOW!; Colorado Affordable Housing Partnership; Denver Regional Council of Governments; Colorado Municipal League; Colorado Counties, Inc.; and Colorado Rural Economic Development Council. DOH also incorporated strategies of the Public Housing Authority Comprehensive Grant Plan in developing this consolidated plan. DOH solicited input, feedback, and suggestions from these organizations. These suggestions were incorporated into draft documents.

(5) Focus groups were held to gain insights from minorities, persons with disabilities, the homeless community and the HIV/AIDS community.

(6) During the month of October, DOH readied the draft document for its first set of Public Hearings held in Loveland, Frisco, Grand Junction, Denver, Durango, and Pueblo. These public hearings resulted in significant testimony. DOH also solicited comments at the annual Housing Now Conference, providing both a table/booth with hard copies of the document, and a computer program to capture attendee comment and suggestions. DOH incorporated many of these suggestions into the Plan text and planned activities.

(7) DOH next published its formal Draft, for an additional set of Public Hearings in December, and once again, it incorporated comment and suggestion.

(8) A summary and public notice of the location of the draft copies and the public comment period was published in the Denver Post. The draft of the Consolidated Plan was available for viewing and comment at the following locations throughout the state for the required thirty-day public comment period from January 10, 2005 to February 8, 2005:

Department of Local Affairs, South Central Office
260 Adams Street, Monte Vista, CO 81144
Contact: Debbie Downs (719-852-9429)

Department of Local Affairs, Northeastern Office
Northeastern Junior College
119 Poplar St., Sterling, CO 80751
Contact: Kent Gumina (970-522-2672)

Department of Local Affairs, Northern Mountains Office
602 Galena, Frisco, CO 80443-5507
Contact: Cathy Shipley, (970-668-6160)

Department of Local Affairs, Northwestern Office
222 South Sixth Street, Rm 409
Grand Junction, CO 81501
Contact: Tim Sarmo, (303-248-7333)

Department of Local Affairs, North Central Office
150 E. 29th Street, Suite 215
Loveland, CO 80538
Contact: Don Sandoval, (303-679-4501)

Department of Local Affairs, Southeastern Office
132 West “B” Street, Suite 260
Pueblo, CO 81001
Contact: Lee Merkel (719-544-6577)

Department of Local Affairs, Southwestern Office
Ft. Lewis College, 1000 Rim Drive
Durango, CO 81302
Contact: Ken Charles (303-247-7311)

Office of Economic Development and International Trade
1625 Broadway, Suite 1710
Denver, CO 80202
Contact: Alice Kotrlik (303-892-3846)

Colorado Division of Housing
1313 Sherman Street, Room 518
Denver, CO 80203
Contact: Lynn Shine (303) 866-2046

The text of the draft plan was also posted on the Division of Housing website with an address provided for written comments. No additional comments were received.

Six public hearings on the Draft 2005-2010 Consolidated Plan were held during October 2005 for the purpose of accepting testimony on housing and community development needs in the State of Colorado. A total of 119 Colorado citizens attended the meetings which were held in the following locations: Frisco, Grand Junction, Denver, Durango, Loveland and Pueblo, and a special meeting about the Consolidated Plan was convened for the homeless community in Denver.

Legal notices of these six hearings were published in local newspapers as required by HUD. Additional notification of these hearings was accomplished by e-mailings, totaling over 1,200 notifications. Many housing and homeless organizations e-mailed information about the meetings to their clients and constituents. These notifications went out in September to all housing authorities, the Metropolitan Denver Homeless Initiative mailing list, the Colorado Supportive Housing and Homeless Programs mailing list, the Division of Housing mailing list, which includes nonprofit housing providers and other low income advocacy groups in September. Additionally, Division of Housing Staff made phone calls to agency directors, affordable housing task forces, planning commissions, elected and appointed officials, housing authorities, CHDOS, homeless organizations, and civic organizations to inform persons of the hearings.

The Division recorded comments received at meetings to add to this document. Comments were then categorized, analyzed, and the Plan fine-tuned on the basis of those public comments (See Appendix B, Summary of Hearing Comments).

The Division of Housing posted a housing survey of priority needs on its web site. This survey was mentioned at the hearings and "votes" on needs were taken from mid-October 2004 through November 15, 2004.

Written comments on the final plan were requested to be received by February 8, 2005 at the Colorado Division of Housing, 1313 Sherman St, Rm. 518, attn: Lynn Shine. No further comment was received as a result of this process.

Summary of feedback from the public hearings and written comments on the draft plan can be found in Appendix B of this document.

Written Comments

Written comments were received from the Colorado Coalition for the Homeless and the Colorado Department of Human Services Supportive Housing and Homeless Programs office. These comments were incorporated into the text of the plan.

Colorado Consolidated Plan Survey

In addition to the six public hearings, the Colorado Division of Housing utilized the Internet and public meetings to seek input into the state's affordable housing needs. A survey document was made available that listed the need categories and provided the user with the opportunity to rank the statewide priorities based upon their knowledge of their own communities. The survey was available for public comment from October 5, 2004 - December 5, 2004.

There were a total of 78 responses received at the Colorado Housing Now Conference and through the Internet. An additional 41 survey responses were collected at the public hearings.

The public's priorities were identified in the following order, and the Consolidated Plan document now lists goals in an identical order.

1 **Preserve the supply of existing affordable rental housing.**

2 **Increase the supply of affordable rental housing to meet community needs.**

3 **Increase the capacity, stability, participation and independence of local housing service providers and private enterprise so they are better able to meet the housing needs of their communities.**

4 **Increase homeownership and preserve existing properties for low- and moderate-income people and minorities.**

5 **Meet the need for housing facilities or shelter beds for homeless persons.**

6 **Assist in creating an adequate supply of housing for persons with special needs coupled with appropriate services to increase independence.**

7 **Increase housing opportunities in revitalized neighborhoods.**

8 **Provide community-at-large and policy-maker education and outreach about housing issues so that communities are better able to meet their housing needs.**

Survey Response Ranking Methodology

A survey questionnaire was made available at the public hearings and also on the DOH website that allowed members of the public to rank the goals listed in the Plan. Goals were to be given a value of 1 – 8, with 1 being the highest priority.

The number of times that each goal was given each rank was tallied, i.e. Goal #1 was ranked 1st in importance 19 times, ranked 2nd 14 times, ranked 3rd 15 times, ranked 4th 14 times, ranked 5th 9 times, ranked 6th 14 times, ranked 7th 14 times and ranked 8th 12 times.

To calculate an overall measure of relative rank for each goal, each rank was assigned a point value from 8-1 in descending order, such that each #1 ranking would be worth 8 points, while a number 8 ranking would be worth 1 point. The number of times each goal received each rank was multiplied by that rank's point value. So, for example, if Goal # 1 was ranked 1st in importance 19 times, it was assigned 19 x 8 points or 142 points; it was ranked #2 14 times, so received an additional 14 x 7 points, etc. Points obtained for each rank were totaled for each goal, creating an overall score of relative importance for the eight goals.

APPENDIX A – PART 2: SUMMARY OF PUBLIC COMMENTS

Written comments were received from the Colorado Coalition for the Homeless and the Colorado Department of Human Services Supportive Housing and Homeless Programs office. These comments were incorporated into the text of the plan.

Additionally, the Colorado Division of Housing (DOH) conducted 6 public hearings during October 2004, to seek input for the Colorado 2005 Consolidated Plan. A total of 119 Colorado citizens attended meetings that were held in the following locations:

Grand Junction - October 12, 2004 – 15 participants
Loveland – October 18, 2004 – 26 participants
Pueblo – October 19, 2004 – 16 participants
Durango - October 20, 2004 – 21 participants
Denver – October 28, 2004 – 3 participants
Frisco - October 29, 2004 – 6 participants

Additionally, DOH held a public meeting on homeless and special population issues addressed in the consolidated plan on October 22nd. Thirty two individuals participated in this meeting.

The public comments were recorded and categorized as shown below

Public Comments

COMMENT	CATEGORY	Comment Type	Group	Goal
We are in danger of losing 95 units at Durango Housing.	Affordable housing retention	Statement of need	Dur	2
Sometimes it's easier to build projects than to keep them going.	Affordable Housing Retention Operating Costs	Observation	Fr	2
On the operational side, there is a need to make sure that projects are successful.	Affordable Housing Retention Operating Costs	Statement of need	Fr	2
Minimally funding projects may set them up for failure.	Affordable Housing Retention Operating Costs	Observation	Fr	2
This area needs more lower priced units for sale. The ones available now need major rehabilitation work.	Affordable Housing Shortage Homeownership Rehab	Statement of need	LL	2, 4
There is a group in Chicago – the Fellowship – that developed a model of utilizing churches to sponsor families and single moms in master-leased units.	Alternative Models	Suggestion	Fr	
Reintegrate Homeless Veterans by getting their assistance in building the shelters that will house them. Many vets have training as carpenters, electricians, plumbers, etc. Revamp some of the dilapidated buildings downtown, and give them free rent for a year. This could be a model.	Alternative Models Homeless Reintegration Special needs (Veterans)	Suggestion	HMLS	7
Economic Development: Get the word out	Communication Economic Development	Suggestion	LL	8, 9,11
Housing issues are complicated when looking at various competitive scenarios.	Competition	Comment	LL	
DOH: Contract delays lead to expenditures that cannot be reimbursed. We need to accommodate a "Float" of funds. (Bill's suggestion: perhaps reserve accounts can handle advances until contracts make funds available).	DOH Funding Issues DOH Process Issues	Complaint	GJ	
The State needs to promote teleconferencing as a tool to replace drive time for various meetings.	DOH Process issues Teleconferencing	Statement of need	LL	

COMMENT	CATEGORY	Comment Type	Group	Goal
DOH needs to help Public Housing Authorities build scattered site units.	DOH Process/decision-making	Statement of need	HMLS	
DOH needs to be careful that they fund well-designed projects.	DOH Processes	Comment	Dur	
Make access to the funding resources less bureaucratic. DOH needs to be more responsive to get funding to applicant organizations in a quicker manner.	DOH Processes	Complaint	HMLS	
Section 8: Can DOH "subscribe" to or provide a common database for CBI checks. When the market is turning over at a rate of 45%, the cost of getting these checks is huge for agencies.	DOH Processes-Section 8	Suggestion/ complaint	GJ	
Can DOH help provide technical assistance and funding for our new regional housing authority?	DOH Services	Question	Dur	
Safehouse issues. Domestic Violence victims need housing options after their safehouse stay. Because of the lack of affordable housing, the shelters have to continue to increase client stays. This bottlenecks the system – especially without additional Section 8 Vouchers. Increase Transitional Housing for all special populations.	Domestic Violence Section 8 Voucher Shortage Transitional Housing Special Needs Homeless reintegration	Statement of Need	HMLS	6, 7
We need more homeownership education re: homeless prevention, rehabilitation, etc.	Education	Suggestion	GJ	8
We need training for local officials. What help is available?	Education	Statement of need/ question	Dur	8, 10, 11
There is a need for more workshops that deal with Civil Rights and Fair Housing Issues.	Education	Statement of need	Fr	8
The State needs to help with ways to answer NIMBY and to develop political support for affordable housing.	Education	Statement of Need	Fr	8
Goal 8 – Education is a key issue.	Education	Observation	Fr	8
Hold classes on how to inform your community, i.e. public education	Education	Suggestion	Fr	8,10, 11
Include credit counseling in Homeownership training (not available in the Mountains).	Education	Suggestion	Fr	8, 4
Include Post-purchase counseling. Teach people about mending their credit. Maybe the Colorado Mountain Housing group could teach this class in the community.	Education	Suggestion	Fr	8, 4
Provide training in record-keeping and compliance.	Education	Suggestion	Fr	1,8

COMMENT	CATEGORY	Comment Type	Group	Goal
Provide annual meeting/training for Down Payment Assistance agencies.	Education	Suggestion	Fr	1,8
We need more Housing Toolkit presentations.	Education	Statement of need	Fr	1,8
Update the Guide for Local Officials.	Education Information	Suggestion	Fr	8, 10
Provide education about where the affordable housing opportunities exist.	Education Information availability	suggestion	LL	8
DOH and Economic Development should do more work educating the public about the relationship between wages, jobs and housing.	Education Job Creation	suggestion	LL	8
Provide education about Section 8 programs for all of the types of vouchers	Education Section 8	Suggestion	LL	8
We need more participation in rural areas. Maybe video or teleconferencing could be utilized more often. Educate multi-user network facilities. Can't we get agencies to have meetings in facilities wired in Denver?	Education Teleconferencing DOH Process Travel costs	Statement of need	Dur	8
The Continuum of Care needs to truly have broad-based support	Emergency Shelter/Homelessness	Statement of need	LL	7
HMIS	Emergency Shelter/Homelessness	?	LL	
We need more emergency housing.	Emergency Shelter/Homelessness	Statement of need	Dur	7
Continuum of Care: Rural areas are much more difficult to serve. There should be a 10% funding set aside for new projects. The needs for more beds don't diminish, but funding only seems to go to existing projects.	Emergency Shelter/Homelessness Funding Issues	Suggestion/ complaint	LL	7
DOH needs to examine waivers around CDBG. I am looking at communities in the Denver-metro area that are shelter-less or shelter-low. There is not much shelter capacity in Jefferson County. Shelter is also limited for people with special needs. A lot of people don't get diagnosed and treated.	Emergency Shelter/Homelessness HUD Problems Special Needs	Statement of need/ suggestion	Den	6, 7
Keep shelters in the mix of housing under the category of "Suitable Living Environment". Not all families are ready to move out of shelter.	Emergency Shelters	Suggestion	HMLS	7

COMMENT	CATEGORY	Comment Type	Group	Goal
Families need to stay together in shelters: keep couples together. There should be the same norms for the homeless as for anyone else.	Emergency Shelters Homelessness	Statement of need/observation	HMLS	7
Housing for the Homeless: We need more of everything. To create housing, there needs to be "buy in" – education. We need to create housing that fits into neighborhoods, and there should be mixed incomes. People who need housing need to talk to people who have housing. We need a housing Trust Fund.	Emergency Shelters/ Homelessness Education Networking Funding	Statement of need/ Suggestions	HMLS	7
There is a need for development of family and workforce housing.	Family and Workforce Housing	Statement of need	GJ	2,3,4
We need CDBG for housing infrastructure.	Funding Issues	Statement of need	Dur	5
Support our record-keeping.	Funding Issues - Admin Costs	Suggestion	Fr	
The Division of Housing needs to look at Down Payment Assistance programs and administrative fees allowed by agencies. Current policy only allows $300.00 per unit, which is too little.	Funding Issues - administration	Suggestion	Fr	
We need more money for travel and training in rural areas. We are always the ones who have to drive, but there is often no reimbursement available.	Funding issues – administration Travel costs	Statement of need	Dur	
DOH needs to provide dollars for services and staff – not all to "Bricks and Mortar"	Funding issues – administration/services	Statement of need	LL	
Chronic Homelessness: The model for Chronic Homelessness is too simplistic. Most homeless are families with children. We need to stop allowing families with children to be exposed to violence. We also need to integrate housing for the homeless in all neighborhoods.	Homeless Families Violence Homeless Reintegration	Observation/ Statement of need	HMLS	7
In regard to Chronic Homelessness, Substance Abuse, Chronic Mental Illness in the Shelter + Care application, the issue is not dollars for housing, but dollars for the 100% match. HHS and HUD should coordinate grants. There is a greater cost per individual for leaving the homeless on the streets ($25,000 per person) than in institutional care ($12,000 per person). The issue is allocation of dollars. In the current system, we are not spending dollars in an efficient manner.	Homelessness Special Needs Funding Issues Costs of Homelessness	Observation/ Suggestion	HMLS	6,7

COMMENT	CATEGORY	Comment Type	Group	Goal
We need funding for affordable homeownership.	Homeownership	Statement of need	Dur	4
Regarding HUD: We need waivers of regulations or alternative eligible uses of HUD funds.	HUD Problems	Suggestion	GJ	
HUD needs to provide relocation training and better staff availability.	HUD Problems	Suggestion	GJ	
There is a lack of customer service ethic at HUD.	HUD Problems	Complaint	GJ	
HUD has an unfriendly phone system and information and referral. It leads to delays in funding.	HUD Problems	Complaint	GJ	
Regarding McKinney, I found that it was a potential HUD source for acquisition of property, but I could not find anyone at HUD to provide assistance.	HUD Problems	Complaint	GJ	
FMRs do not reflect regional influences which might cross jurisdictional boundaries.	HUD Problems	Complaint	GJ	2,3
Examine match requirements.	HUD Problems	Suggestion	LL	
There is a need for an information clearinghouse; re: availability of units, assistance, etc.	Information Needed	Suggestion	GJ	8
Develop a common database for housing at no cost to agencies.	Information Needed	Suggestion	GJ	8
We need updated local statistics on housing needs/market conditions. (Linda Venturoni @ NWCOG has a very good database. Her website address is nwc.cog.co.us)	Information Alternative Model	Statement of Need Referral – alternative model	Fr	8
We need to do a better job of getting the word out about meetings.	Information Communications	Statement of need	Dur	8?
We need to have some better connection to housing or vouchers or other mainstream resources.	Information/ Communications	Statement of need	Den	1, 8
Presentations on statewide housing needs to set up and compare to local statistics. (See calendar from Colorado Housing NOW Conference.) Compare local housing conditions with state and national. Provide information about the economic cost of housing because teachers, etc. can't afford to live in the community. Locals could give presentations.	Information/Education	Statement of Need	Fr	1, 8
We need more jobs with benefits, especially health insurance.	Job Creation	Statement of need	LL	9
Support economic development and offer small business loans to companies, such as Teledyne-Waterpik, that are interested in locating in city centers and in areas near where lower income families live. Potential positive results would include less traffic,	Job Creation Non-housing services	Suggestion	LL	9

COMMENT	CATEGORY	Comment Type	Group	Goal
shorter commuting time and the possibility of walking to work.				
Help communities land bank for the high costs of land.	Land Costs	Suggestion	Dur	3
Land costs are one of the most significant issues for affordable housing development – especially in mountain and resort areas of the state.	Land Costs	Observation	Fr	3
Construction costs are too high. When you look at the costs of infrastructure, tap fees, water and sewer fees and land costs, it is too expensive to build affordable units in this area.	Land Costs Regulatory Barriers?	Observation	Fr	3
Allow grants to rehab mobile homes and prohibit the sale of dilapidated mobile homes.	Manufactured Housing	Suggestion	LL	4
Permit use of HOPWA funds for rent on mobile homes and for payment of lot rent for mobile homes that are owner occupied.	Manufactured Housing Special Needs Housing	Suggestion	LL	4,6
Littleton Housing Authority provides a good example of mixed units and mixed incomes.	Mixed use/Mixed Income - Model	Referral – alternative model	HMLS	3
Transportation from housing to work is going to be something that we need to look at.	Non-housing services	Observation	Fr	9, 10, 11
Give people a second chance. Don't punish hardworking people by cutting off their benefits. That only makes them more unstable. Provide job training to the homeless.	Non-housing Services	Suggestions	HMLS	7
Provide subsidies for childcare.	Non-housing services - Childcare	Suggestion	LL	
Issue of Affordability in Housing: the numbers don't work for people who need affordable housing. Childcare is a big piece in the equation. There are many homeless kids. We need to help take care of the kids so homeless parents can get jobs, go to school etc.	Non-housing Services – Childcare Homeless reintegration	Suggestion	HMLS	7
Promote self-sufficiency to the greatest degree possible.	Overarching Goal	Suggestion	LL	
Provide separate vacancy rates for market vs. subsidized units. It is confusing to the public when the market has high vacancies, but affordable units don't have enough units to house all of the needs.	Rental Housing Information	Statement of need	LL	2
We need to work on neighborhood revitalization.	Revitalization	Statement of need	Dur	5, 9
We need to develop an interconnectedness in neighborhoods. Create social capital to stabilize and improve neighborhoods.	Revitalization - social	Statement of need	LL	5, 9
It's impossible to find affordable housing without a Section 8	Section 8	Complaint	LL	2,3,4

COMMENT	CATEGORY	Comment Type	Group	Goal
voucher.				
The voucher freeze is debilitating for programs.	Section 8 Voucher Shortage	Complaint	GJ	2,3,4
There are not enough Section 8 vouchers available at all.	Section 8 Voucher Shortage	Complaint	LL	2,3,4
We need more Section 8 Vouchers. The Grand County Housing Authority purged more than 30 households from its waiting list. Now we're back to 50 persons in 2 months.	Section 8 Voucher Shortage	Statement of need	Fr	2,3,4
In regard to special needs, Section 8 vouchers. There are only 75 mainstream vouchers in this area for people with disabilities. This is not enough.	Section 8 Voucher Shortage Special Needs	Statement of need	LL	2,3,4, 6
There is a disconnect of funding for senior projects in Dove Creek.	Special Needs	Statement of need	Dur	6
Plan for and provide funding for housing for the growing senior population	Special Needs Housing	Suggestion	LL	6
Interface with housing development agencies to provide units for special needs persons.	Special Needs housing Inter-Agency networking	Suggestion	GJ	6
Work on transitional housing needs from shelter to permanent housing for HOPWA and special need populations.	Special Needs Housing Transitional Housing	Suggestion	GJ	6
There are not enough support services available.	Special Needs Non-housing services	Complaint	Dur	6
Medicaid reimbursements are insufficient for senior projects. This makes it very difficult for alternative care facilities to achieve adequate funds to operate.	Special Needs Operating Costs	Observation	Fr	6
The lack of available units indicates a need for alternatives to new unit construction and interim solutions such as vouchers, rental assistance, and homeless prevention.	Supply Shortage	Suggestion	GJ	3
Provide more Tenant Based Rental Assistance (TBRA) coupons to the area.	Tenant Based Rental Assistance	Suggestion	LL	2, 3
We need a definition of "transitional" period.	Transitional Housing	Observation	GJ	7
There is currently an inadequate supply of transitional housing for very low-income families, in particular single parents and families with children.	Transitional Housing	Statement of need	LL	7
We need to concentrate on getting people back into the	Transitional Housing	Statement of need/	HMLS	7

COMMENT	CATEGORY	Comment Type	Group	Goal
community: how to reintegrate homeless persons. Transitional Housing works in this regard.	Homeless Reintegration	Suggestion		
Provide grants for transitional housing for youth.	Transitional Housing Special Needs	Suggestion	LL	6, 7
HOPWA: There is an increased need for transitional housing leading to permanent housing. This serves everyone's needs in a cost effective manner.	Transitional Housing Special Needs	Statement of need/ Suggestion	LL	6, 7
Create Transitional Housing for persons with special needs.	Transitional Housing Special Needs	Suggestion	HMLS	6, 7
Don't overlook housing for working families: those earning 70% to 80% AMI.	Workforce housing	Statement of need	LL	3, 4
DOH needs to help create affordable units in good neighborhoods for people who want to stay and live near work.	Workforce Housing	Suggestion	Fr	3,4
People live as far south as Salida and work in Vail.	Workforce Housing	Observation	Fr	3,4
Affordable housing for who? Example: Steamboat/West End homes cost $250,000. People live here and want to be able to make this their home. It is frustrating for them. It is not just finding something affordable; it's the ability to live in a community.	Workforce Housing Homeownership	Observation/ Complaint	Fr	3,4

DOH evaluated public hearing comments and made the following changes or inclusions to the Plan:

Comments regarding need for policy-maker and community education: The Division of Housing (DOH) created Goal 8 of the Consolidated Plan: "Provide community at-large and policy-maker education and outreach about housing issues so that communities are better able to meet their housing needs"

Comments regarding homeownership and workforce housing: DOH added language to Goal 4 that states "DOH will work with local housing providers, rehab agencies and local governments to provide DPA coverage for all geographic areas of the state." DOH incorporates language to reflect the need for pre- and post-homeownership counseling activities.

Comments regarding distances required to attend required training: DOH added language to Goal 3, Activity 1, to address the stated need for video conferencing as an alternative to travel for training: "When possible, utilize video or teleconferencing opportunities to conduct training sessions."

Comments regarding funding homeless shelters in entitlement areas: DOH added Activity 8 to Goal 5, "Create technical brief on how to fund a homeless shelter."

Comments regarding transitional housing needs for homeless persons and HOPWA clients: DOH incorporated Activity 7 of Goal 5 to address this need, "Meet the needs for transitional housing beds in 4 Colorado communities"

Comments regarding need for additional Section 8 vouchers: The Con Plan draft includes an activity under Goal 7 "To increase the number of Section 8 vouchers for persons with special needs."

Internal (nonplan) responses:

Contract delays: Example: *"Contracts delays may lead to expenditures which cannot be reimbursed*:"
DOH will continue to move contracts through the process as quickly as possible. Much depends on the type of transaction involved. This was not identified by the speaker. For example, environmental issues can delay execution of a contract. Federal law precludes contract approval prior to issuance of an environmental clearance. DOH does have a flexible, ongoing funding cycle that can assist agencies in submitting applications in time to meet agency needs. DOH is exploring a "Line of Credit" that may be useful in some funding circumstances.

Record keeping: Example: *"Support our record-keeping."*
DOH will look at the possibility of creating DVDs that assist agencies by providing instructions about record-keeping requirements.

Affordable housing retention: Example: *"Sometimes it's easier to build projects than to keep them going."*
DOH is willing, where warranted, to create "Emergency Reserve" funds for difficult projects.

Administrative fees allowed for Down Payment Assistance Programs: Example: "*The Division of Housing needs to look at Down Payment Assistance programs and administrative fees allowed by agencies. Current policy only allows $300.00 per unit, which is too little."*
The Division of Housing is currently reviewing loan fund policies, including administrative fees.

APPENDIX B – RESOURCES

Note: Additional State of Colorado resources may be found at http://www.dola.state.co.us/fs/GrantLoan.pdf

Federal Housing Programs

PROGRAM TITLE:	Community Services Block Grant (CSBG)
ADMINISTRATION AGENCY:	Colorado Department of Local Affairs Local Government Services
DESCRIPTION:	This program is designed to provide a range of services and activities having a measurable and potentially major impact on the causes of poverty in the community or those areas of the community where poverty is a particularly acute problem.
ELIGIBLE ACTIVITIES and NATIONAL OBJECTIVES:	Eligible activities must meet the federal program objectives, the most pertinent are: 1) to secure and retain meaningful employment; 2) to maintain an adequate education; 3) to make better use of available income; 4) to obtain and maintain adequate housing and a suitable living environment; 5) to obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including health services, nutritious food, housing, and employment related assistance; 6) to remove obstacles and solve problems which block the achievement of self-sufficiency; and 7) to achieve greater participation in the affairs of the community.
DISTRIBUTION:	Funds are distributed through a formula allocation to all counties.

PROGRAM TITLE:	Emergency Shelter Grants (ESG)
ADMINISTRATION AGENCY:	Colorado Division of Housing
DESCRIPTION:	This program provides grants on a formula basis to states and local governments for

renovation, major rehabilitation, conversion of buildings for use as emergency shelters for homeless persons, or to make structural changes to make a facility accessible to the physically disabled. Funds also can be used for certain operating costs, essential services, and homeless prevention activities, including financial assistance to families who have received eviction notices or notices of termination of utility service. States can distribute ESG assistance directly to private nonprofit organizations, if local governments certify their approval of the project. Homeless day shelters and drop-in centers are also eligible for funding.

APPLICATION PROCESS and SPECIAL REQUIREMENTS:

Funds will be obligated through a competitive application when funds received by DOH from HUD increase substantially over the prior year. Otherwise DOH will give priority to its current subgrantees with established programs. Applications will be reviewed for extent and urgency of identified homeless needs, project impact on identified need, management capacity, and demonstrated local area support and coordination of supportive services. The state will give priority to applications from non-formula allocation areas.

The first $100,000 of a state grant does not have to be matched. Beyond the first $100,000, federal funds must be matched on a dollar-for-dollar basis. The match may include any donated material or building, leases, staff salaries, or volunteer services. The state or locality can use up to 60 percent of its ESG grant for both essential services and prevention. Essential services include such activities as job skills training, health care, substance abuse treatment, and education. Prevention activities include short-term rent subsidies, utility payments, security deposits, landlord/tenant mediation, and mortgage payments to prevent foreclosures.

When a grantee receives funds for only shelter operations and essential services, the building must be used as a shelter as long as federal assistance is received. The shelter site can be changed only if the assistance is for operating funds or essential services and the new site would continue to serve essentially the same population. If funds are used for rehabilitation, other than major rehabilitation or conversion, the building must be used as a shelter for at least three years. If the funds are used for major rehabilitation or conversion, the building must be used as a shelter for a minimum of ten years.

PROGRAM TITLE: FNMA: Fannie Mae Community Lending Program

ADMINISTRATION AGENCY: Federal National Mortgage Association (FNMA-Fannie Mae)

DESCRIPTION: Fannie Mae Community Lending products are flexible and designed to expand the availability of low down payment mortgages and address problems with qualifying incomes. The American Communities fund is a community development venture capital fund dedicated to making equity investments for affordable housing in neighborhoods that lack adequate access to traditional equity capital. The Housing Impact Fund is a three-year loan program that funds housing developments for underserved populations and are outside the corporation's standard project profile.

PROGRAM TITLE: FNMA: Fannie Mae House Colorado Plan

ADMINISTRATION AGENCY: Federal National Mortgage Association (FNMA-Fannie Mae)

DESCRIPTION: A $15 million, five year investment in Colorado housing projects through: Rural and Resort Housing Plans, Community Revitalization, Multifamily Financing, Employer Assisted Housing Partnerships, Mortgage Revenue Bond Partnerships, Native American Lending, Outreach to the African American and Hispanic Communities, Improved Homebuyer Education, and nonprofit support.

PROGRAM TITLE: Federal Historic Investment Tax Credits

ADMINISTRATION AGENCY: Colorado State Historical Society

ELIGIBLE ACTIVITIES and Owners of buildings on the National Register are entitled to take

MATCH REQUIREMENTS: 20% investment tax credit on their federal income tax for certified rehabilitation expenses of residential and commercial income-producing property. Tax credit can be on both the hard and soft costs of rehabilitation either on a two-year rehabilitation plan or a 5-year phased plan. The tax credit is received in the year the project is put into service. In order to raise capital for the project, the tax credits may be sold to Limited Partner investors who would receive a share of project gains, losses and proceeds upon resale of the property.

PROGRAM TITLE: Federal Home Loan Bank Board Affordable Housing Program

ADMINISTRATION AGENCY: Federal Home Loan Bank

DESCRIPTION: This program is available through member institutions, mostly savings and loans, to encourage their participation in affordable housing lending programs.

ELIGIBLE ACTIVITIES and OTHER INFORMATION: Funds may be used to finance the purchase, construction or rehabilitation of rental and single family housing in which at least 20% of the units will be occupied and affordable for very low income households for term of loan. Priority is given for utilization of existing HUD/RTC or other government-owned properties and involvement of nonprofit organizations and/or housing authorities or other government entities.

PROGRAM TITLE: Rehabilitation Home Mortgage Insurance 203(K)

ADMINISTRATION AGENCY: FHA/U.S. Department of Housing and Urban Development

DESCRIPTION: A mortgage insurance program for long-term fixed or adjustable rate mortgages to finance both the acquisition and the rehabilitation of one to four-family residences (not condominiums or cooperatives). Interest rates, based on the market rate, are negotiable between borrower and lenders. Mortgages are amortized over 30 years.

PROGRAM TITLE: Section 221(d)(4)

ADMINISTRATION AGENCY: FHA/U.S. Department of Housing and Urban Development

DESCRIPTION: A mortgage insurance program for new construction and rehabilitation of projects for moderate income families with a minimum of five units. HUD-FHA insures mortgages made by HUD-FHA approved private lenders to private, profit-motivated corporations, trust, partnerships or individuals. Financing can be either market-rate or tax-exempt. Loans cannot exceed forty years and the interest rate is negotiated between the lender and borrower. The maximum insurable replacement cost of new construction or cost of rehabilitation.

PROGRAM TITLE: Section 221(d)(3)

ADMINISTRATION AGENCY: FHA/U.S. Department of Housing and Urban Development

DESCRIPTION: A mortgage insurance program for new construction and rehabilitation of projects for low and moderate income families with a minimum of five units. It is primarily for use by nonprofit borrowers. Otherwise it is the same program as the Section 221(d)(4), except that the maximum insurable mortgage is 90%-100% of estimated replacement cost of new construction or rehabilitation.

PROGRAM TITLE:	Home Ownership Loans Program (502 - Direct)
ADMINISTRATION AGENCY:	USDA/Rural Development
DESCRIPTION:	This program provides loans in rural areas to finance home and building sites. Loans may also be used to improve, repair or rehabilitate rural homes and related facilities, and provide adequate water and waste disposal. Rural areas are defined as open country, places with population under 10,000 and, under certain conditions, town and cities with population between 10,000 and 20,000. Loan terms up to 33 years (38 years for those with incomes below 60% of area median) and 30 years for manufactured housing units.
PROGRAM TITLE:	Home Ownership Loans Program (502 – Guarantee)
ADMINISTRATION AGENCY:	USDA/Rural Development
DESCRIPTION:	This program provides loans guarantees in rural areas to approved lenders to finance home and building sites for homebuyers at 115% AMI or less.. Loans may also be used to improve, repair or rehabilitate rural homes and related facilities, and provide adequate water and waste disposal. Rural areas are defined as open country, places with population under 10,000 and, under certain conditions, town and cities with population between 10,000 and 20,000. Loan terms up to 30 year fixed rate with the interest rate established by the lender, but must be reasonable and customary.
PROGRAM TITLE:	Rural Housing Preservation Grants (533)
ADMINISTRATION AGENCY:	USDA/Rural Development
DESCRIPTION:	This program enables sponsoring organizations to assist very low and low-

income homeowners to repair or rehabilitate their dwellings. The grants are competitive and made available in areas where there is a concentration of need. HPG funds are combined with other programs or funds, and used as a loan, grant or subsidy for recipient households, based on a plan contained in the sponsor organization's application.

<u>PROGRAM TITLE</u>: Rural Housing Site Loans (523 and 524)

ADMINISTRATION AGENCY: USDA/Rural Development

DESCRIPTION: These programs make loans to nonprofit and public agencies to purchase and develop building sites, and to construct streets and utilities. 523 loans are for self-help housing sites, 524 loans are for other low and moderate-income family site developments. 524 sites may also be sold to public and nonprofit organizations using federal, state or local programs to house low and moderate-income families. All loans are repayable in two years.

<u>PROGRAM TITLE</u>: Rural Rental and Cooperative Housing Loans (515)

ADMINISTRATION AGENCY: USDA/Rural Development

DESCRIPTION: This program provides direct loans to finance rental or cooperatively owned housing designed for very low, low, and moderate income families, elderly, and handicapped. Funds may be used to construct new housing or to purchase and rehabilitate existing structures for rental purposes.

<u>PROGRAM TITLE</u>: Rural Rental Assistance Payments (521)

ADMINISTRATION AGENCY: USDA/Rural Development

DESCRIPTION: This program enables low-income families or individuals to reside in RD rural rental, cooperative or farm labor housing without paying over 30% of their income for rent. RD pays the difference between the tenant's contribution and the monthly rental rate, including utilities and services. The owner and RD enter into a contract in which RD commits payments on behalf of the tenants for a pre-designated number of units.

PROGRAM TITLE:	Self-Help Technical Assistance Grants (523)
ADMINISTRATION AGENCY:	USDA/Rural Development
DESCRIPTION:	This program provides administrative funding to organizations sponsoring self-help housing development. Under self-help, a group of families jointly contribute labor to build their own homes, which are financed with Section 502 loans. Applicants must show that their organization has the ability to supervise a project or that they will receive assistance from a group having this ability. Contracts are normally for two years.
PROGRAM TITLE:	Very Low Income Housing Repair Loans and Grants (504)
ADMINISTRATION AGENCY:	USDA/Rural Development
DESCRIPTION:	This program provides loans up to $20,000 and grants up to $7,500 which can be combined for a total of $27,500 to very low income homeowners for repairs, improvements to modernize their dwelling or removal of health and/or safety hazards. Homeownersmust have incomes below 50% of area median and be unable to obtain an affordable loan elsewhere. Dwelling must need the safety hazard repairs. Grants to homeowners 62 or older maybe used only for repair of safety and health hazards.

PROGRAM TITLE: Very Low Income Housing Repair Loans and Grants (538)

ADMINISTRATION AGENCY: USDA/Rural Development

DESCRIPTION: This program provides for development of multifamily housing facilities in rural areas (20,000 population or less). Loan guarantees are provided for construction, acquisition and rehabilitation of multifamily housing developments. Term of the guarantee may be up to 40 years.

PROGRAM TITLE: Farm Labor Housing Loans and Grants (514/516)

ADMINISTRATION AGENCY: USDA/Rural Development

DESCRIPTION: This program provides loans/grants to build, buy, improve or repair housing for farm laborers, including persons whose income is earned in agriculture. Funds can be used to a site or a leasehold interest in a site; to construct housing; to pay fees; to purchase durable household furnishing; and to pay for construction loan interest. Eligible for these loans/grants are farmers, family farm corporations, Indian tribes, nonprofit, organizations, public agencies and associations of farm workers. Loan terms are 33 years at 1% interest. Grant terms are up to 80% of development cost. The remaining a Section 514 loan.

PROGRAM TITLE: HOME Investment Partnership Program

ADMINISTRATION AGENCY: Colorado Division of Housing

ELIGIBLE ACTIVITIES and Acquisition, Rehabilitation, New Construction, Tenant Based

MATCH REQUIREMENTS: Rental Assistance (All activities require a 25% non-federal match.)

APPLICATION PROCESS and Ninety percent of funds invested in tenant

SPECIAL REQUIREMENTS: based rental assistance. Rental units must benefit families with incomes 60% or below area median income. One hundred percent of funds invested in homebuyer programs must benefit families whose incomes are equal to or less than 80% of area median income. Funds are obligated through a competitive application process on a continuing basis with applications reviewed monthly by the State Housing Board. There is a fifteen percent (15%) set-aside for Community Development Housing Organization activities which include activities that are eligible generally under the HOME Program -- acquisition, construction and rehabilitation where the CHDO is the owner, developer or sponsor -- as well as project specific technical assistance, site control loans, and project-specific seed money loans.

PROGRAM TITLE: "Small Cities" Community Development Block Grant

ADMINISTRATION AGENCY: Colorado Department of Local Affairs. Housing set-a-side administered by the Division of Housing.

ELIGIBLE ACTIVITIES: Acquisition, Rehabilitation, New Construction Public Services and Facilities, Administration Costs

APPLICATION PROCESS Funds will be obligated through a competitive application process, continuing basis with review of applications monthly by the State Housing Board.

SPECIAL REQUIREMENTS: Applications will be reviewed for management capacity, local cash and non-financial support, project feasibility, project impact on need, and benefit to very low and low-income persons.

PROGRAM TITLE: Energy Saving Partnership Program (E$P)

ADMINISTRATION AGENCY: Governor's Office of Energy Conservation

ELIGIBLE ACTIVITIES: E$P combines Federal and utility funds for Low Income weatherization. The program serves households whose income is at or below 150% of federally defined poverty level. Services include combustion safety testing, furnace efficiency adjustments, air leakage testing and reduction, insulating attic, walls, under floor/perimeter, and energy consumption education

APPLICATION PROCESS Weatherization Services are provided on a statewide basis through eight public and private nonprofit agencies. Funds are allocated annually, based upon poverty population and climate data for each service area.

<u>PROGRAM TITLE</u>: Supportive Housing Program

ADMINISTRATION AGENCY: Office of Special Needs Assistance Programs, U.S. Department of Housing and Urban Development

ELIGIBLE APPLICANTS: States, local governments, other governmental entities, Native American Tribes, private nonprofit organizations, and community mental health associations that are public nonprofit organizations are eligible to compete for grant funds through a national selection process.

DESCRIPTION: The program is designed to promote the development of supportive housing and services, including innovative approaches to assist homeless persons in the transition from homelessness and to enable them to live as independently as possible.

ELIGIBLE ACTIVITIES: Funds may be used for the acquisition, rehabilitation, new construction, leasing, and operating costs of structures for use as supportive housing or services; costs of supportive services in supportive housing; or the cost of supportive services provided to homeless persons who do not reside in supportive housing.

<u>PROGRAM TITLE</u>: Section 8 Certificates and Vouchers

ADMINISTRATION AGENCY: Colorado Division of Housing

DESCRIPTION: The program provides tenant-based subsidies for rents paid by low and very low-income households. Tenant payments are based upon income and the Section 8 rental subsidy, paid either directly to unit owners or through public housing authorities, cover the difference between that amount and the market rent for the unit.

ELIGIBLE ACTIVITIES: Funds may be used for tenant-based rental assistance.

<u>PROGRAM TITLE</u>: Section 8 Certificates and Vouchers

ADMINISTRATION AGENCY: Office of Supportive Housing and Homeless Programs

DESCRIPTION: The program provides tenant-based subsidies for rents paid by low and very low-income households specifically with disabilities. Tenant payments are based upon income and the Section 8 rental subsidy, paid either directly to unit owners or through publichousing authorities, cover the difference between that amount and the market rent for the unit.

ELIGIBLE ACTIVITIES: Funds may be used for tenant-based rental assistance.

<u>PROGRAM TITLE</u>: Section 8 Moderate Rehabilitation Assistance for Single Room Occupancy (SRO) Dwellings

ADMINISTRATION AGENCY: Office of Community Planning and Development, U.S. Department of Housing and Urban Development

DESCRIPTION: The SRO program provides funding for HUD's Section 8 Moderate Rehabilitation Assistance Program to be used to rehabilitate SRO units for occupancy by homeless persons. SRO assistance also can be used to rehabilitate efficiency units that contain kitchen or bathroom facilities if the project owner agrees to pay the additional costs of rehabilitation and operation of the units.

<u>PROGRAM TITLE</u>:	Shelter Plus Care Programs - Rental Assistance/Section 8 (SRO) Rehabilitation and Section 202 Rental Assistance
ADMINISTRATION AGENCY:	Office of Community Planning and Development, U.S. Department of Housing and Urban Development
ELIGIBLE APPLICANTS:	States, units of general local government, PHAs, and Indian tribes may apply for assistance under any or all of the four components.
DESCRIPTION:	This program is designed to link federally provided rental assistance with locally supplied supportive services for hard-to-serve homeless persons with disabilities and their families. Rental assistance is provided through four components: 1) Tenant-Based Rental Assistance (TBRA); 2) Sponsor-Based Rental Assistance (SRA); 3) Project-Based Rental Assistance (PRA); and, 4) an extension of the Moderate Rehabilitation for Single-Room Occupancy (SRO) for Homeless Individuals Program.

<u>PROGRAM TITLE</u>:	Housing Opportunities for Persons with AIDS (HOPWA)
ADMINISTRATION AGENCY:	Office of Community Planning, US Department of Housing and Urban Development
DESCRIPTION:	This program provides States and localities with the resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with acquired immunodeficiency syndrome (AIDS) or related diseases and their families. The

program authorizes two types of grants for a range of housing assistance and supportive services for low income persons with AIDS or related diseases and their families.

<u>PROGRAM TITLE</u>:	Supportive Housing for Persons with Disabilities (Section 811)
DESCRIPTION and ELIGIBLE ACTIVITIES	published periodically in the Federal Register. Repayment of the advance is not required as long as the housing remains available for occupancy by very low-income persons with disabilities for at least 40 years. The program will also fund project rental assistance to cover the difference between the HUD-approved operating cost per unit and 30% of the resident's adjusted income. Development methods that are eligible are new construction, rehabilitation, acquisition for group homes and acquisition from the Resolution Trust Corporation for group home and independent living facilities.
ADMINISTRATION AGENCY:	Field or Regional Office. U.S. Department of Housing Urban Development
<u>PROGRAM TITLE</u>:	Supportive Housing for Elderly Persons (Section 202)
DESCRIPTION	This program will fund capital advances bearing no interest based on development cost limits published periodically in the Federal Register. Repayment of the advance is not required as long as the housing remains available for occupancy by very low-income elderly persons 62 years of age or older for at least 40 years. The program will also fund project rental assistance to cover the difference between the HUD-approved operating cost per unit and the amount the resident pays. Development methods that are eligible are new construction, rehabilitation, acquisition for group homes and acquisition from the Resolution Trust Corporation for group home and independent living facilities.

ADMINISTRATION AGENCY: U.S. Department of Housing and Urban Development

<u>PROGRAM TITLE</u>: Low Income Housing Tax Credits (LIHTC)

ADMINISTRATION AGENCY: Colorado Housing and Finance Authority

DESCRIPTION: This program allows individuals and corporations that invest in qualifying low income housing projects to receive federal tax credits that directly reduce their tax liabilities for ten years assuming that the project continues to comply with program regulations. Proceeds from these investments are used to construct the low-income housing project.

APPLICATION PROCESS: Applications for tax credit reservations are accepted on business days during the 1st through the 15th of every month, beginning February 1, 2004 and ending November 15, 2004.

SPECIAL REQUIREMENTS: Applicants must compete on criteria established in the Colorado and Finance Authority's Qualified Allocation Plan. Preference is given to projects providing housing to the lowest income households for the longest period of time.

<u>PROGRAM TITLE</u>: Taxable Loan Program

ADMINISTRATION AGENCY: Colorado Housing and Finance Authority

DESCRIPTION: Construction and permanent financing for new construction or substantial rehabilitation projects that also are assisted with Low Income Housing Tax Credits. The borrower's general partner may be either a nonprofit or for profit entity.

APPLICATION PROCESS: After staff underwriting, proposed loans in amounts less than $7.5 million are presented weekly to the Colorado Housing and Financing Authority Board for approval.

State Housing Programs

PROGRAM TITLE:	Colorado Historic Preservation Income Tax Credits
ADMINISTRATION AGENCY:	Colorado State Historical Society
ELIGIBLE ACTIVITIES and MATCH REQUIREMENTS:	The owners of buildings which are over 50 years old and historically designated are entitled to take tax credits of 20% of the rehabilitation costs up to a maximum of $50,000. The credit directly reduces the income taxes owed to the state and can be carried forward five years. The tax credit is first received the year the project is put into service. These tax credits can also be sold to limited partner investors in order to raise capital for the rehabilitation project.

PROGRAM TITLE:	Colorado Division of Housing Grant/Loan Program
ADMINISTRATION AGENCY:	Colorado Division of Housing
ELIGIBLE ACTIVITIES:	Acquisition, Rehabilitation, and New Construction
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Funds will be obligated through a competitive application process on a continuous basis with applications reviewed monthly by the State Housing Board. $1 per $1 match is required. Applications will be reviewed for management capacity, project impact on need, project feasibility, and benefit to very low and low-income persons.

PROGRAM TITLE:	Colorado Division of Housing Home Investment Partnership Program
ADMINISTRATION AGENCY:	Colorado Division of Housing
DESCRIPTION:	This program provides short-term, one to seven year, secured loans to assist housing

	authorities, public entities and private nonprofit with the development of housing for low and moderate-income .
ELIGIBLE ACTIVITIES and MATCH REQUIREMENTS:	The maximum income of occupants can be no more than 100% of the locations area median income. Loans can be made for land or property acquisition, development fees, or new construction or rehabilitation. Interest rates range from 1% to prime rate plus 2. There must be a guaranteed "take-out" in place.
APPLICATION PROCESS & SPECIAL REQUIREMENTS:	Funds will be obligated through a competitive application process on a continuous basis with applications reviewed monthly by the State Housing Board. The loan must be fully collateralized.
PROGRAM TITLE:	Colorado Division of Housing/Fannie Mae Construction Lending Program
ADMINISTRATION AGENCY:	Colorado Division of Housing
DESCRIPTION:	This program provides short-term, one to seven year, secured loans to assist housing authorities, public entities and private nonprofit with the development of housing for low and moderate income persons. Fannie Mae purchases participation in DOH construction loans for the development of affordable housing.
ELIGIBLE ACTIVITIES and MATCH REQUIREMENTS:	The maximum income of occupants can be no more than 100% of the location's area median income. Loans can be made for land or property acquisition, development fees, or new construction or rehabilitation. Interest rates. There must be a guaranteed "take-out" in place. Below-market interest rates are set by Fannie Mae. No fees are charged for the Fannie Mae portion of the loans.

APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Funds will be obligated through a competitive application process on a continuous basis with applications reviewed monthly by the State Housing Board. The loan must be fully collateralized.
PROGRAM TITLE:	Mortgage Revenue Bond Program
ADMINISTRATION AGENCY:	Colorado Housing and Finance Authority
ELIGIBLE ACTIVITIES	Acquisition,Acquisition/Rehabilitation Mortgage
DESCRIPTION :	Revenue Bondsare issued throughout the year by the Colorado Housing and Finance Authority. The proceeds are used to purchase below market rate first mortgage loans from participating lenders. The home buyers must be first time buyers. Other program eligibility requirements include income and purchase price limits.
PROGRAM TITLE:	Mortgage Credit Certificate Program
ADMINISTRATION AGENCY:	Colorado Housing and Finance Authority
ELIGIBLE ACTIVITIES:	Acquisition, Acquisition/Rehabilitation
DESCRIPTION:	A Mortgage Credit Certificate allows a low or moderate-income homebuyer to take a federal income tax credit for a percentage of the mortgage interest paid during the year. The certificates are committed to homebuyers on a first come, first served reservation system. The homebuyers must be first time buyers. Other program eligibility requirements include income and purchase price limits.
PROGRAM TITLE:	HomeStart Program
ADMINISTRATION AGENCY:	Colorado Housing and Finance Authority
ELIGIBLE ACTIVITIES:	Acquisition, Acquisition/Rehabilitation

DESCRIPTION:	These funds are used to fund minimum down payment and closing costs for first time home buyers who utilize mortgage revenue bond financing to fund minimum down payment and closing costs. The funds are committed to homebuyers on a first come, first served reservation system. Applicants must meet the standard eligibility requirements for the mortgage revenue bond program and have a family income not in excess of 80% of state median income.
<u>PROGRAM TITLE</u>:	HomeStart Plus Program
ADMINISTRATION AGENCY:	Colorado Housing and Finance Authority
ELIGIBLE ACTIVITIES:	Acquisition
DESCRIPTION:	The HomeStart Plus program provides first mortgages to first time buyers at competitive interest rates and includes 2% cash assistance for down payment and closing costs. Income limits are higher than CHFA's tax-exempt programs and there are no purchase price limits.
<u>PROGRAM TITLE</u>:	Housing Fund
ADMINISTRATION AGENCY:	Colorado Housing and Finance Authority
APPLICATION PROCESS:	After staff underwriting, proposed loans in amounts less than $7.5 million are presented weekly to the Colorado Housing and Financing Authority Board for approval.
<u>PROGRAM TITLE</u>:	Down Payment Assistance Program
ADMINISTRATION AGENCY:	Colorado Housing and Finance Agency
ELIGIBLE ACTIVITIES:	Acquisition, Acquisition/Rehabilitation
DESCRIPTION:	These funds are used to fund minimum down payment and closing costs for homebuyers

who utilize mortgage revenue bond financing to fund minimum down payment and closing costs. The funds are committed to homebuyers on a first come, first served reservation system. Applicants must meet the standard eligibility requirements for the mortgage revenue bond program and have a family income not in excess of 80% of state median income.

PROGRAM TITLE: Taxable Bond Program

ADMINISTRATION AGENCY: Colorado Housing and Finance Authority

ELIGIBLE ACTIVITIES: Acquisition

DESCRIPTION: The Taxable Bond program provides first mortgages at competitive interest rates and includes 2% cash assistance for down payment and closing costs. Income limits are higher than CHFA's tax-exempt programs and there are no purchase price limits.

APPLICATION PROCESS: After staff underwriting, proposed loans in amounts less than $7.5 million are presented weekly to the Colorado Housing and Financing Authority Board for approval.

PROGRAM TITLE: 501(c)(3) Bond Program

ADMINISTRATION AGENCY: Colorado Housing and Finance Authority

DESCRIPTION: This program funds construction and permanent financing for new construction, acquisition and/or rehabilitation of very low, low and moderate income rental housing for family, elderly, and special needs households. Applicants must be 501(c)(3) tax-exempt organizations or local public housing authorities. The maximum loan level is 95% of cost or value whichever is less.

APPLICATION PROCESS: After staff underwriting, proposed loans in amounts less than $7.5 million are presented weekly to the Colorado Housing and Financing Authority Board for approval.

PROGRAM TITLE: Housing Opportunity Fund

ADMINISTRATION AGENCY: Colorado Housing and Finance Authority

DESCRIPTION: This fund provides flexible gap financing for low income rental housing and home ownership projects. Preference is given to proposals that make housing affordable to people with extremely low incomes.

APPLICATION PROCESS: After staff underwriting, proposed loans in amounts less than $7.5 million are presented weekly to the Colorado Housing and Financing Authority Board for approval.

PROGRAM TITLE: Private Activity Bonds

ADMINISTRATION AGENCY: Colorado Housing and Finance Authority, Colorado Department of Local Affairs and Local Government Issuers

DESCRIPTION: This program involves using the proceeds of tax-exempt bond issues to fund construction and permanent loans for for-profit entities to construct or acquire/rehabilitate rental housing for low and mixed income households, to provide mortgage credit certificates or mortgage revenue bonds. It is generally required that loans be insured or guaranteed by a third party such as FHA.

APPLICATION PROCESS: Applications are taken by local municipal or county housing or finance offices, by the Colorado Housing and Finance Authority, or the Department of Local Affairs. Before a project may proceed, official action must be taken by the local elected governing body to allocate bond issuing authority for the loan. After staff underwriting, proposed loans in amounts less than $7.5 million are presented weekly to the Colorado Housing and Financing Authority Board for approval.

<u>PROGRAM TITLE</u>: Taxable Loan Program

ADMINISTRATION AGENCY: Colorado Housing and Finance Authority

ELIGIBLE ACTIVITIES: Construction and/or Permanent Financing

DESCRIPTION: Taxable financing is available to be combined with the 90% competitive Low Income Tax Credit for new construction or acquisition/rehabilitation of rental housing for families or elderly. CHFA will make loans of $500,000 up to $7.5 million insured through the CHFA/FHA Risk Sharing program. These loans are financed either through the sale of the bonds or loan participations and provide either construction and/or permanent financing.

APPLICATION PROCESS: After staff underwriting, proposed loans in amounts less than $7.5 million are presented weekly to the Colorado Housing and Financing Authority Board for approval.

<u>PROGRAM TITLE</u>: State Low Income Housing Tax Credit

ADMINISTRATION AGENCY: Colorado Housing Finance Authority

DESCRIPTION: Allows individuals and corporations who invest in qualifying low-income rental housing projects to receive state tax credits that directly reduce their tax liability for ten years (assuming the project continues to comply with program regulations for the 15 year term). Proceeds from these investments are used to construct the low-income housing project. Applications for tax credit reservations are accepted the 1st through the 15th of every month, beginning February 1, 2004 and ending November 15, 2004, applicants must compete on criteria established in the Colorado Housing Finance Authority's (CHFAs) allocation plan. Preference is given to projects providing housing to the lowest income households for the longest period of time. CHFA's board approves a preliminary reservation and the final allocation is distributed once the project is available for occupancy.

Local Government Programs

PROGRAM TITLE: Boulder Community Housing Assistance Program

ADMINISTRATION AGENCY: City of Boulder

DESCRIPTION: To provide local affordable housing developers with additional financial resources, Boulder created the CHAP in 1992. The CHAP generates between $900,000 and $1,000,000 a year and is funded through property taxes and the Housing and Development Excise Tax. The property tax is based on a .8 mill levy out of 9.981 mills levied for the city. These taxes are generated from new commercial/industrial and residential development. Residential properties provide the majority of the funding (56 percent) while commercial/industrial properties provide 44 percent. CHAP funds are granted to developers for acquisition, rehabilitation and new construction of affordable housing. Often CHAP funds are used in tandem with the City's HOME or CDBG funds. CHAP funds are targeted to families between 31 and 60 percent AMI.

PROGRAM TITLE: City of Aspen Affordable Housing/Daycare Fund

ADMINISTRATION AGENCY: Aspen/Pitkin Housing Office

DESCRIPTION: This fund was established to support development activities including: land acquisition, construction, redevelopment and renovation, operations, and day care. The fund is capitalized by a one percent real estate transfer tax and a.0.45 percent sales tax. In 1999, the real estate transfer tax and sales tax contributed $3.9 million to the fund. All funds are administered by the Aspen/Pitkin Housing Office as part of an intergovernmental agreement between Aspen and Pitkin County.

PROGRAM TITLE: Longmont Affordable Housing Fund

ADMINISTRATION AGENCY: City of Longmont

DESCRIPTION: When a developer is requesting an annexation, the city requires 10 percent of the total by housing type and by phase to be made affordable through rents to households at or below 60 percent of AMI or through purchase price to households at or below 80 percent of AMI. All annexations can elect to make a payment "in lieu of" actual development.

PROGRAM TITLE: Skyline Housing Trust Fund

ADMINISTRATION AGENCY: City of Denver

DESCRIPTION: Denver's Skyline Housing Trust Fund was originally capitalized from the proceeds of land sales from an urban renewal district in Denver (the 16th Street Mall). Distribution of the fund is limited eligible CDBG activities. The current focus of the program is to provide funds for homeownership activities. Funding recipients include the Colorado Housing Assistance Corporation (CHAC) for down payment assistance and closing cost loans to low-income persons.

PROGRAM TITLE: Denver Neighborhood Housing Fund

ADMINISTRATION AGENCY: Denver Housing and Neighborhood Services Office

DESCRIPTION: Provides 5% interest rate pre-development loans, bridge loans and property acquisition and construction loans to non-profit developers. Loans must be used to develop home ownership or rental projects targeting low and moderate income families.

<u>PROGRAM TITLE</u>: San Miguel County Deed-Restricted Sales Assessment

ADMINISTRATION AGENCY: San Miguel County Regional Housing Authority

DESCRIPTION: This program generates funding through a one percent transfer tax on the sale of county, deed-restricted properties. These revenues are deposited with the San Miguel County Regional Housing Authority for the acquisition of deed-restricted properties. The Housing Authority will acquire units in cases where owners of -restricted homes cannot find a qualified buyer, or in cases where the unit is in foreclosure.

<u>PROGRAM TITLE</u>: Garfield County Affordable Housing Program

ADMINISTRATION AGENCY: Garfield County Housing Authority

DESCRIPTION: Requires all new developments to make 10% of units affordable to families with incomes equal or less than 80% of county median income. The program is voluntary at this time.

For Profit

No funds available in this category

Non-Profit

No funds available in this category

Federal Community Development Programs

<u>PROGRAM TITLE</u>:	"Small Cities" Community Development Block Grant (CDBG)
ADMINISTRATION AGENCY:	Colorado Department of Local Affairs. Public Facilities set aside administered by the Office of Field Services.
DESCRIPTION:	Projects must primarily benefit very low and low-income persons or eliminate slum/blight conditions or urgent need.
ELIGIBLE ACTIVITIES:	Acquisition, Rehabilitation, Reconstruction, New Construction, Public Services, Administrative Costs
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Funds will be obligated through a competitive application process with on-going review of applications. Applications will be reviewed for management capacity, local cash and non-financial support, project feasibility, project impact on need, and benefit to very low and low-income persons. Small Cities CDBG applicants are limited to Colorado's non-entitlement municipalities or counties; districts and private systems are eligible sub-recipients.

<u>PROGRAM TITLE</u>:	Rural Economic Community Development (RECD)
ADMINISTRATION AGENCY:	U.S. Department of Agriculture, Rural Development
DESCRIPTION:	To develop community facilities for public use in rural areas and towns. Funds may be used to construct, enlarge, or improve community facilities for health care, public safety and public services.
ELIGIBLE ACTIVITIES:	Water, Wastewater, & Stormwater Loan & Grant; Solid Waste Management; Distance Learning & Tele-medic Loan & Grant; and Community Facility Programs.

APPLICATION PROCESS and SPECIAL REQUIREMENTS: Application received on a continuing basis. Eligible applicants are counties, municipalities, special purpose districts, Indian Tribes and non-profit corporations. For water, wastewater and stormwater projects, applicant population may not be more than 10,000; for other community facilities, applicant population of not more than 20,000; and must be unable to obtain funding from other sources at reasonable rates and terms; have legal authority to borrow and repay loans; and be financially sound and able to manage the facility effectively.

PROGRAM TITLE: Water Pollution Control Revolving Fund (WPCRF)

ADMINISTRATION AGENCY: Colorado Water Resources and Power Development Authority

DESCRIPTION: Loans for wastewater and non-point source pollution projects.

APPLICATION PROCESS and SPECIAL REQUIREMENTS: Ongoing application process. Eligible applicants are counties, municipalities or special districts and the applicant must be on the WPCRF's eligibility list. A 201 facility plan or adequate feasible study for small borrowers is required.

PROGRAM TITLE: EDA Water and Wastewater Program

ADMINISTRATION AGENCY: U.S. Economic Development Administration

DESCRIPTION: Provides matching funding for economic development related projects such as public works, public works impact projects, business development assistance, technical assistance, state and local economic development planning and economic adjustment. The funding must be earmarked to economically distressed areas and tied to permanent private sector jobs and investments.

APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Applicant must be located in an EDA eligible area. It is a grant only program with an ongoing application process. The percentage of the project costs reimbursed by EDA depends on the degree of economic distress of the applicant.
PROGRAM TITLE:	High Poverty Grants
ADMINISTRATION AGENCY:	U.S. Department of Education
DESCRIPTION:	Support development and implementation of school to work opportunities. Program is targeted to urban and rural areas of high poverty.
APPLICATION PROCESS	Fifteen to twenty-five awards per year on an annual basis.
PROGRAM TITLE:	School-to-Work Program
ADMINISTRATION AGENCY:	U.S. Department of Education
DESCRIPTION:	Helping cities/communities that already have the school-to-work program to establish a national framework that allows states to create programs connecting high school students who are not college bound with the working world.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Fifteen to twenty-five awards per year on an annual basis.
PROGRAM TITLE:	The Distance Learning and Medical Link Grant Program
ADMINISTRATION AGENCY:	National Rural Electrification Administration
DESCRIPTION:	Funds are provided for the development and application procedures to advance telecommunication technology for rural Americans. Eligible applicants are rural schools, universities, hospitals and/or consortiums that emphasize rural sites.
APPLICATION PROCESS:	Annual application review.

PROGRAM TITLE: Federal Transit Administration - Mass Transit

ADMINISTRATION AGENCY: Colorado Department of Transportation

DESCRIPTION: Provides grants for research, demonstration projects, studies outlining the management, operations, capital requirements and economic feasibility of transit services; managerial, technical and professional training in the public transportation field; preparation of engineering and architectural surveys and transit facilities; and evaluations of previously funded transit projects.

APPLICATION PROCESS: Eligible applicants are counties, cities, and other local governments as well as Indian Tribes and grants are made annually.

State Community Development Programs

PROGRAM TITLE: Energy and Mineral Impact Assistance Fund (IMPACT)

ADMINISTRATION AGENCY: The Department of Local Affairs (DOLA)

DESCRIPTION: Provides grants and loans for planning, construction and maintenance of public facilities and the provision of public services.

APPLICATION PROCESS and SPECIAL REQUIREMENTS: Funds will be obligated through a competitive application process with review of applications semi-annually by the State. Applications will be reviewed for management capacity, local cash and non-financial support, project feasibility, and project impact. Eligible recipients are municipalities, counties, school districts, special districts and other political subdivisions socially or economically impacted by the development, processing or energy conversion of minerals and mineral fuels.

PROGRAM TITLE: Gaming Impact Assistance Fund (Gaming)

ADMINISTRATION AGENCY: The Department of Local Affairs (DOLA)

DESCRIPTION:	Provides grants to finance planning, construction and maintenance of public facilities and for the provision of public services related to the impact of gaming.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Grants may only be provided to counties that are geographically contiguous to the gaming counties and can demonstrate a gaming impact. Funds are obligated through a competitive application process on a yearly basis by the State.

<u>PROGRAM TITLE</u>:	Colorado Small Water Resources Projects Program
ADMINISTRATION AGENCY:	Colorado Water Resources and Power Development Authority
DESCRIPTION:	The program provides funding related to water supply, storage, transmission, treatment and distribution.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Applicants are received on a continuous basis with funding requests of at least $300,000. Eligible applicants are municipalities, counties, special districts and political subdivisions of the state with a population greater than 1,000 and/or 600 taps. The program provides funding in the form of loans. Raw water storage and diversion projects require Colorado Water Conservation Board review.

<u>PROGRAM TITLE</u>:	Drinking Water Revolving Fund
ADMINISTRATION AGENCY:	Colorado Water Resources and Power Development Authority
DESCRIPTION:	The program provides funds related to drinking water quality improvement projects. This is a loan only program that provides “direct” loans of up to $500,000 and “leveraged” loans for amounts from $500,000 to $15,000,000. Direct loans carry an interest rate of 4.5% and

	leveraged loan interest rates are 80% of market rate.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Ongoing application process with raw water, storage and diversion projects requiring CWCB review. Eligible applicants are municipalities, counties, special districts and political subdivisions of the state. Loan amount is up to $500,000 maximum.
<u>PROGRAM TITLE</u>:	Colorado Water Conservation Board Construction Fund
ADMINISTRATION AGENCY:	State Department of Natural Resources, CWCB
DESCRIPTION:	Program provides construction loans for raw water projects and studies that may include well fields, metering devices, transmission and storage of raw water.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Eligible applicants are municipalities, counties and special districts of the state. Private applicants must conform to C.R.S. 37-60-121. There is an ongoing application cycle that contains an October deadline for legislative approval. There is no limit on the amount of funds for which an applicant can apply. Interest rates are from zero to 7%, rate that is established by the CWCB Board with repayment terms up to 40 years. Loans to governmental agencies must be reviewed by the Colorado Water Resources and Power Development Authority.
<u>PROGRAM TITLE</u>:	Domestic Wastewater Treatment Grant Program
ADMINISTRATION AGENCY:	Colorado Department of Public Health and Environment, Water Quality Control Division
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Program provides funding up to 80% for small system wastewater projects in the form of grants that must have at least 20% of local or

other resources. Eligible applicants are governmental entities under 5,000 population. There is an ongoing application cycle.

<u>PROGRAM TITLE</u>:	Colorado Drinking Water Grant Program
ADMINISTRATION AGENCY:	Colorado Department of Public Health and Environment, Water Quality Control Division
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Program provides funding up to 80% for small system wastewater projects in the form of grants that must have at least 20% of local or other resources. Eligible applicants are governmental entities and non-profit organization under 5,000 population. There is an ongoing application cycle.

<u>PROGRAM TITLE</u>:	Historical Preservation and Restoration
ADMINISTRATION AGENCY:	Colorado Historical Society
DESCRIPTION:	Program grants funds for historic preservation and restoration of sites in imminent danger and threat and general historic preservation and restoration.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Funds for projects in imminent danger may be awarded as the need arises. Other projects are on a competitive grant cycle. By legislation, over 50% of the funds must be granted to public entities such as municipalities, counties and universities with the remainder being available to non-governmental entities and individuals.

<u>PROGRAM TITLE</u>:	Community Recycling Assistance Program
ADMINISTRATION AGENCY:	Office of Energy Management and Conservation
DESCRIPTION:	Program provides funding to assist communities wishing to develop recycling programs. Funds can be used for education;

composting; source reduction; and anything else relating to recycling.

APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Annual applications with a March deadline. Eligible applicants are local governments.
PROGRAM TITLE:	Great Outdoors Colorado
ADMINISTRATION AGENCY:	Great Outdoors Colorado
DESCRIPTION:	Program provides funding to assist in developing and/or managing open space, parks and environmental education facilities.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Ongoing grant application process with eligible applicants being local governments eligible to receive Conservation Trust Fund dollars.
PROGRAM TITLE:	Discretionary Aviation Grants Program
ADMINISTRATION AGENCY:	Colorado Aeronautical Board
DESCRIPTION:	Grants for maintenance, safety related projects. Also used to provide leverage for Federal grants, underground storage tank removal and pavement maintenance.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Annual application process with the highest grant being in the range of $50,000. Eligible applicants are public use airports.
PROGRAM TITLE:	E911 Emergency Warning System Grant Program
ADMINISTRATION AGENCY:	The Colorado Trust
DESCRIPTION:	Interest free loan program to purchase and install E911 (enhanced) emergency telephone systems.
APPLICATION PROCESS and	Annual application process with eligible

SPECIAL REQUIREMENTS:	applicants being counties. Loans are made with a stipulation that they are paid back within three years, one payment per year.
PROGRAM TITLE:	Youth Crime Prevention and Intervention Program (CPI)
ADMINISTRATION AGENCY:	Colorado Department of Public Health and Environment
DESCRIPTION:	A grant program designed to financially assist prevention and/or intervention community-based projects that reduce incidents of youth violence in Colorado.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Annual application process. Eligible applicants are school districts, municipalities, state agencies and non-profit corporations.
PROGRAM TITLE:	Emergency Medical Services Account Grant
ADMINISTRATION AGENCY:	Colorado Department of Public Health and Environment
DESCRIPTION:	Goal of the program is to establish a coordinated statewide Emergency Medical Services system. Grants are available for emergency vehicles, communications equipment and systems, medical/extrication equipment and training and regional programs to provide technical assistance.
APPLICATION PROCESS and	Annual application process. Eligible applicants
SPECIAL REQUIREMENTS:	are state agencies, municipalities, hospitals, fire departments, non-profits or any other entity that is an EMS provider within the state.

Federal Economic Development Programs

PROGRAM TITLE:	"Small Cities" Community Development Block Grant (CDBG)

ADMINISTRATION AGENCY:	Colorado Department of Local Affairs. Economic Development set-aside is administered by the Colorado Office of Economic Development and Internation Trade.
DESCRIPTION:	Funding available for proposals involving the provision of financing for businesses.
ELIGIBLE ACTIVITIES:	Financing through local or regional revolving funds for loans to private for-profit or non-profit businesses, including micro-enterprise loans; also provision of infrastructure for specific businesses: also grants for planning and feasibility studies related to specific economic development projects.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Applications are received and considered on a continuous basis. The state's non-entitlement counties and municipalities are eligible to apply for funds that provide support to businesses generally willing to commit to creating or retaining jobs filled primarily by low to moderate income persons. Additionally, eligible communities may apply for grants to construct public infrastructure needed by businesses willing to create or retain jobs filled with low and moderate-income people. Applications will be reviewed for management capacity, local cash and non-financial support, project feasibility, project impact on need, and benefit to very low and low-income persons.
<u>PROGRAM TITLE</u>:	Economic Development Projects
ADMINISTRATION AGENCY:	U.S. Economic Development Administration
DESCRIPTION:	Provides matching funding for economic development related projects such as public works, public works impact projects, business development assistance, technical assistance, state and local economic development planning and economic adjustment.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Ongoing application process with state agencies, counties, municipalities, local governments and non-profits eligible to apply.

<u>PROGRAM TITLE</u>:	Rural Economic Development Loan and Grant Program
ADMINISTRATION AGENCY:	National Rural Electrification Administration
DESCRIPTION:	Zero-interest loans to promote rural economic development and job creation projects within communities.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Monthly application process Only REA telephone and electric cooperatives are eligible to apply.

State Economic Development Programs

<u>PROGRAM TITLE</u>:	Agricultural Processing Feasibility
ADMINISTRATION AGENCY:	Colorado Department of Agriculture
DESCRIPTION:	Grants to fund studies on feasibility of processing agricultural products.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Annual application process. Only local governments are eligible to apply.

<u>PROGRAM TITLE</u>:	ACCESS, Rural Development Loan Programs, Business and Industry Program 1, RENEW Colorado, and Nonprofit Real Estate loan program.
ADMINISTRATION AGENCY:	Colorado Housing and Finance Authority
DESCRIPTION:	Direct loans provided by CHFA to small businesses and nonprofit organizations.
ELIGIBLE ACTIVITIES:	A variety of eligible financing activities, including acquisition of machinery and equipment, owner-occupied real estate, and in some cases, refinancing of existing debt.
APPLICATION PROCESS and SPECIAL REQUIREMENTS:	Applications are received on a continuing basis. Due to the variety of loan programs available, contact CHFA's Business Finance Department for specific requirements.

<u>PROGRAM TITLE</u>:	Quality Investment Capital (QIC), Quality Agricultural Loans (QAL), and Business and Industry Program 2
ADMINISTRATION AGENCY:	Colorado Housing and Finance Authority
DESCRIPTION:	Secondary Market Loan Program
ELIGIBLE ACTIVITIES:	A variety of eligible financing activities, including acquisition of machinery and equipment, and non-investment real estate.

Contact CHFA's Business Finance Department for applicable guidelines.

APPLICATION PROCESS and SPECIAL REQUIREMENTS: QIC, QAL and CHFA B and I2 loans are approved by sponsoring bank and guaranteed by a federal agency. Contact CHFA's Business Finance Department for a list of program requirements and participating banks.

PROGRAM TITLE: Industrial Development Revenue Bonds

ADMINISTRATION AGENCY: Colorado Housing and Finance Authority

DESCRIPTION: These special project loans are made for projects that do not meet the requirements of other CHFA Business Finance programs and are funded through the issuance of tax-exempt manufacturing revenue bonds.

ELIGIBLE ACTIVITIES: Colorado for-profit businesses involved in manufacturing may use these funds for acquisition of real estate or manufacturing equipment.

APPLICATION PROCESS SPECIAL REQUIREMENTS: Contact CHFA's Business Finance Department for applicable guidelines. The program is subject to available funds and a competitive review process may apply.

Private Economic Development Programs

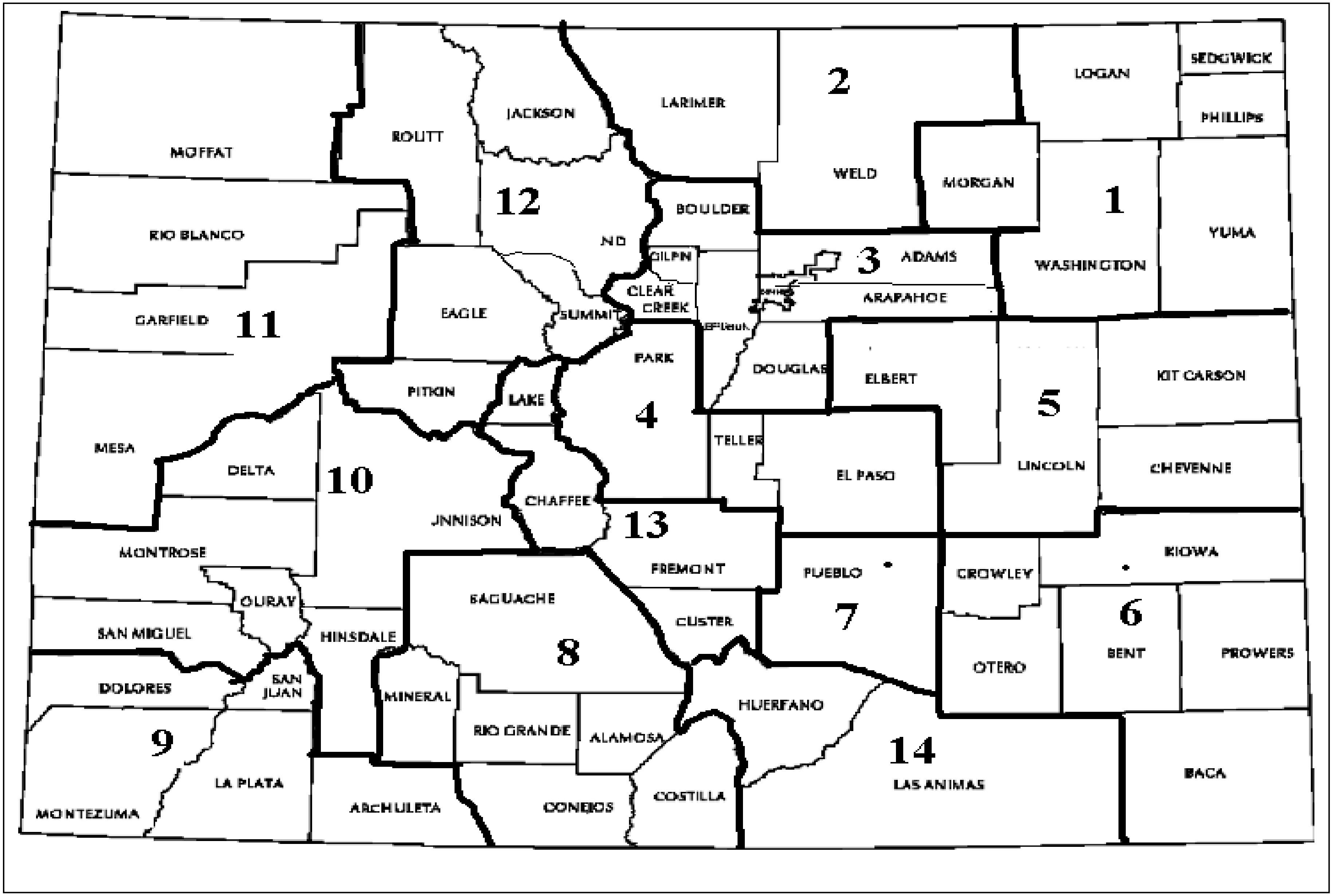
PROGRAM TITLE: Rural Economic Vitality Initiative (REVive)

ADMINISTRATION AGENCY: Qwest/Community Reinvestment Fund (CRF)

DESCRIPTION: Grants to increase the capacity of micro-capital loan funds in rural communities served by Qwest.

APPLICATION PROCESS and SPECIAL REQUIREMENTS: Annual awards are available to any non-profit governmental entity within the state who attends Qwest Micro Lending Seminar.

Appendix C - Map of Colorado



APPENDIX D: CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing --The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan --It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace – It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

2. Establishing an ongoing drug-free awareness program to inform employees about –
   (a) The dangers of drug abuse in the workplace; (b) The grantee's policy of maintaining a drug-free workplace;
   (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
   (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;

4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will
   (a) Abide by the terms of the statement; and
   (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant

activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted –

(a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying --To the best of the jurisdiction's knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan --The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 --It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

Michael L. Beasley Date

Executive Director, Department of Local Affairs

Specific CDBG Certifications

The Entitlement Community certifies that:

Citizen Participation --It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

Community Development Plan --Its consolidated housing and community development plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that provide decent housing, expand economic opportunities primarily for persons of low and moderate income. (See CFR 24 570.2 and CFR 24 part 570)

Following a Plan --It is following a current consolidated plan (or Comprehensive Housing Affordability Strategy) that has been approved by HUD.

Use of Funds – It has complied with the following criteria:

1. Maximum Feasible Priority. With respect to activities expected to be assisted with CDBG funds, it certifies that it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available);

2. Overall Benefit. The aggregate use of CDBG funds including section 108 guaranteed loans during program year(s) , (a period specified by the grantee consisting of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period;

3. Special Assessments. It will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.
However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.
The jurisdiction will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-

income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

Excessive Force --It has adopted and is enforcing:
1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction;

Compliance With Anti-discrimination laws --The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 USC 2000d), the Fair Housing Act (42 USC 3601-3619), and implementing regulations.

Lead-Based Paint --Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K and R;

Compliance with Laws --It will comply with applicable laws.

____

Michael L. Beasley Date

Executive Director, Department of Local Affairs

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance --If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs --it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

Appropriate Financial Assistance --before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

____

Michael L. Beasley Date
Executive Director, Department of Local Affairs

ESG Certifications

The Emergency Shelter Grantee certifies that:

Major rehabilitation/conversion – It will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 10 years. If the jurisdiction plans to use funds for purposes less than tenant-based rental assistance, the applicant will maintain any building for which assistance is used under the ESG program as a shelter for homeless individuals and families for at least 3 years.

Essential Services – It will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure as long as the same general population is served.

Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

Supportive Services – It will assist homeless individuals in obtaining appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living, and other Federal State, local, and private assistance.

Matching Funds – It will obtain matching amounts required under §576.71 of this title.

Confidentiality – It will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project except with the written authorization of the person responsible for the operation of that shelter.

Homeless Persons Involvement – To the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, operating facilities, and providing services assisted through this program.

Consolidated Plan – It is following a current HUD-approved Consolidated Plan or CHAS.

____

Michael L. Beasley Date

Executive Director, Department of Local Affairs

HOPWA Certifications

The HOPWA grantee certifies that:

Activities – Activities funded under the program will meet urgent needs that are not being met by available public and private sources.

Building – Any building or structure assisted under that program shall be operated for the purpose specified in the plan:

1. For at least 10 years in the case of assistance involving new construction, substantial rehabilitation, or acquisition of a facility,
2. For at least 3 years in the case of assistance involving non-substantial rehabilitation or repair of a building or structure.

____

Michael L. Beasley Date

Executive Director, Department of Local Affairs

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

Lobbying Certification: This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Drug-Free Workplace Certification:

1. By signing and/ or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e. g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

9 Place of Performance (Street address, city, county, state, zip code) Check if there are workplaces on file that are not identified here. The certification with regard to the drug-free workplace is required by 24 CFR part 21.

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U. S. C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15); "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e. g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces). 10

APPENDIX E

STATE OF COLORADO

Bill Owens, Governor

Colorado Department of Local Affairs

Michael L Beasley, Executive Director

OUTCOME FUNDING MATRIX

2005-2010 CONSOLIDATED PLAN

GOALS, ACTIVITIES AND OUTCOME MEASURES

PROVIDING DECENT HOUSING

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)			
GOAL 1: **Preserve the supply of existing affordable rental housing stock for low-income/very low-income residents.**	Households with 50% or less AMI have a decent, affordable unit to live in	Units preserved	5,750 units are preserved over the 5-year period		Staff, CDBG, HOME, T.A. Grants, staff time, website, equipment, facilities	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	**MEASURED BY WHAT OUTPUTS?**	**EXPECTED RESULTS OF ACTIVITIES**
						Activity 1. Provide technical and financial resources to preserve existing affordable properties.	# units preserved; % HDG-CDBG properties that receive periodic check-ups/ monitoring to assess financial and physical condition % properties at risk of foreclosure retained as affordable	650 25% 100%
						Activity 2. Encourage and provide funding for rehab of existing affordable rental projects statewide.	# rehab projects funded # rental units added through acquisition	18 projects 500

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	**MEASURED BY WHAT OUTPUTS?**	**EXPECTED RESULTS OF ACTIVITIES**
GOAL 1 (Con't): Preserve the supply of existing affordable rental housing stock for low-income/very low-income residents.	Households with 50% or less AMI have a decent, affordable unit to live in	Units preserved	5,750 units are preserved over the 5-year period		Staff, CDBG, HOME, T.A. Grants, staff time, website, equipment, facilities			
						Activity 3. Prevent opt-out of 3 properties at end of affordability period.	Identify and contact 100% of all tax credit properties, CDBG, HOME, HDG units at the end of their affordability period to offer options to extend affordability period Work with local housing agencies to identify number of properties with project-based rental assistance and offer options for extending the rental assistance	100% Identify and analyze 100%
						Activity 4. Ensure that DOH and all sub grantees comply with HUD's Lead-Safe Housing Rule.	Monitoring findings	No monitoring findings

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	*ONE YEAR ACTIVITIES TO ACHIEVE GOALS*	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 2: **Increase the supply of affordable rental housing to meet community needs.**	Households with 50% or less AMI have a decent, affordable unit in which to live.	Affordable units created	3,725 units are created over the 5-year period		CDBG, HOME, T.A. Grants, staff, staff time, website, equipment, facilities			
						Activity 1. Fund new construction when it meets community need for an increase in housing units New construction in the current market climate should be undertaken only when there is a demonstrated need and community goal for such housing.	# affordable units constructed # unit years of affordability DOH per unit subsidy for new construction	245 245 units x 30 yrs. DOH per unit subsidy should average less than $9,000
						Activity 2. Encourage nonprofit housing organizations to bid on the acquisition of market-rate rental properties to increase the affordable housing inventory.	# projects funded # rental units added through acquisition and rehab # unit years of affordability	18 projects 500 500 units x 30 yrs.
						Activity 3. DOH will encourage local governments to examine regulatory documents and reduce regulatory barriers.	# local governments to which we make presentations about reducing regulatory barriers # communities with affordable housing elements in their comprehensive plans # local governments working on developing housing balance in their communities	4 60 6

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	*ONE YEAR ACTIVITIES TO ACHIEVE GOALS*	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 2 (Con't): **Increase the supply of affordable rental housing to meet community needs.**	Households with 50% or less AMI have a decent, affordable unit in which to live.	Affordable units created	3,725 units are created over the 5-year period		CDBG, HOME, T.A. Grants, staff, staff time, website, equipment, facilities			
						Activity 4. Encourage incentives for reducing land costs for affordable housing.	# local govts. taking action to reduce land costs for affordable housing projects in their communities	3
						Activity 5. Explore options for long-term, stabilized funding for affordable housing in the State of Colorado, including the use of private activity bonds.	# meetings with bond market professionals and local government officials to examine ways to use the full private activity bond cap allocation # regional and small-scale meetings to explore with community members, additional funding sources for affordable housing # meetings with state and local elected officials to seek support for increasing opportunities for funding from state and local sources	**3** meetings 4 meetings 8 meetings
						Activity 6. Establish a "Blue Ribbon Panel" to explore housing issues	**#** Blue **ribbon Panel** meetings **held annually**	10 meetings

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)			
GOAL 3: Increase capacity, stability, participation and independence of local housing, service providers and private enterprise so they are better able to meet the housing needs of their communities.	Housing Agencies are solvent and have capacity to produce feasible projects.	Ratio of feasible projects to infeasible projects submitted to DOH	70% of projects submitted are feasible		CDBG, HOME, ESG, T.A. Grants, staff, staff time, website, equipment, facilities.	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	**MEASURED BY WHAT OUTPUTS?**	**EXPECTED RESULTS OF ACTIVITIES**
						Activity 1. Provide workshops & training that increase the capacity, stability & independence of local housing and service providers. **(See menu of training below):** Developer's Tool Kit; Rehab Agency Workshops; Down Payment Assistance; Section 8 Workshops; Advanced Finance Logic Model; Application Workshop; Basic Underwriting; Nonprofits Logic Model; Managing NPOs in Tough Times; Federal Regulatory Compliance; Emergency Shelter Grants; Homeless Mgt. Inform. System; Manufactured Housing Options Board Trainings (Business Plans; Board Recruitment, Strategic Plans; Fundraising; Community Inventories; Marketing); Factory Manufactured Structures in Colorado.	# trainings # persons attending trainings % local housing providers that incorporate elements of training into their operations	10 trainings 100 persons 60%
						Activity 2. Provide Ongoing Resource Links to Nonprofits; Local Govts; Housing Authorities; Section 8 Agencies; CHDOs and Private Developers. **(See following menu of professional assistance activities):** Link TA providers (RCAC, RD, CRHDC, CSI) to local communities; Affordable Housing Vacancy List; Web-site Assistance; Technical Lunches; Comprehensive list of all Down Payment Programs.	# onsite, one-on-one T.A. visits; Monthly hits on DOH Website; # housing providers that increased capacity to meet local housing needs	5 visits 21,000 hits 15

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	**MEASURED BY WHAT OUTPUTS?**	**EXPECTED RESULTS OF ACTIVITIES**
GOAL 3 (Con't): Increase capacity, stability, participation and independence of local housing, service providers and private enterprise so they are better able to meet the housing needs of their communities.	Housing Agencies are solvent and have capacity to produce feasible projects.	Ratio of feasible projects to infeasible projects submitted to DOH	70% of projects submitted are feasible		CDBG, HOME, ESG, T.A. Grants, staff, staff time, website, equipment, facilities.			
						Activity 3. Provide direct financial assistance to increase the ability of CHDOs to meet local housing needs.	# CHDO Operating Fund Grants provided for expanded services	5 operating grants
						Activity 4. Apply for funding sources that increase our technical assistance capacity.	# relevant T.A. funding opportunities applied for	3 applications
						Activity 5. Provide varied, timely and quarterly training manuals, handbooks, publications, helpline and web based resources.	# Web-based training resources # new and updated technical briefs	15 web-based resources 6 new or updated technical briefs
						Activity 6. Assist communities in undertaking housing needs assessments that enable communities to understand and act upon the housing conditions, needs and housing balance in their communities.	# new needs assessments # presentations on jobs-housing balance # programs that integrate state weatherization with rehab activities	3 new needs assessments 4 presentations on housing balance 3 programs
						Activity 7: Provide technical assistance to nonprofit agencies to assist in preservation of manufactured housing parks as a viable community housing option.	# affordable housing developments that use manufactured housing in lieu of stick built	1

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 4: Increase homeownership and preserve existing properties for low and moderate income people and minorities in order to create housing stability and foster financial independence	More low-income and moderate income people and minorities own homes.	#DOH-assisted single-family units funded	1,750 units of homeownership are created over the 5-year period		CDBG, HOME, staff, staff time, website, equipment, facilities.			
						Activity 1. Provide funding for Down Payment Assistance though local housing providers.	# new home-ownership opportunities for households earning less than 80% AMI through ownership assistance/ creation of new units	350
						Activity 2. Educate realtors/ homebuilders regarding down payment assistance programs.	# realtors/ homebuilders trained Create a database of downpayment assistance programs by local jurisdiction	15 Data base
						Activity 3. Increase awareness of predatory lending practices	Develop website information	Develop website information
						Activity 4. Assist Housing Authorities in creation of Section 8 Homeownership Programs	# programs establishing Section 8 homeownership opportunities	2 programs

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	**MEASURED BY WHAT OUTPUTS?**	**EXPECTED RESULTS OF ACTIVITIES**
GOAL 4: (Con't) Increase homeownership and preserve existing properties for low and moderate income people and minorities in order to create housing stability and foster financial independence	More low-income and moderate income people and minorities own homes.	# DOH-assisted single-family units funded	1,750 units of homeownership are created over the 5-year period		CDBG, HOME, staff, staff time, website, equipment, facilities.			
						Activity 5. Encourage DOH-funded agencies to provide Pre-Post Homeownership Support.	# DOH programs providing pre/post-homeownership support # households successfully completing homeownership counseling	5 programs 350
						Activity 6. Work with local communities to encourage local incentives for affordable housing with a goal of achieving a local community housing balance.	# new needs assessments # presentations on jobs-housing balance Publish resource book on local financial and regulatory incentives/ opportunities	4 new needs assessments 8 presentations on housing balance Publication
						Activity 7. Examine mobile home park practices to help communities develop strategies to preserve this housing option.	Research and publish methods to preserve mobile home parks	Publication
						Activity 8. Promote energy efficiency to help people stay in their homes.	# agencies that integrate state weatherization into their rehab programs.	3 agencies

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	*ONE YEAR ACTIVITIES TO ACHIEVE GOALS*	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 5: Meet the need for housing facilities or shelter beds for homeless persons.	Fewer people are homeless	Increase in statewide beds for homeless	750 beds are created for the homeless over the 5-year period		CDBG, HOME, ESG, staff, staff time, website, equipment, facilities.			
						Activity 1. Meet the need for beds in small towns (<50,000).	# shelter beds funded	23
						Activity 2. Meet the need for beds in large communities (>50,000)	# shelter beds funded	70
						Activity 3. Compliance with HMIS data standards	Compliance rate with HMIS	95% ESG-CDBG agencies compliant with HMIS
						Activity 4. Work with Continuums of Care (CoC) statewide to promote strategies that address chronic homelessness.	# CoC-funded projects working on Chronic Homelessness	5
						Activity 5. Meet the needs for transitional housing beds in Colorado communities.	# transitional housing beds funded	25
						Activity 6. Increase coordination among agencies serving homeless.	# ICH or related meetings in which DOH participates	20
						Activity 7. Coordinate efforts to assist victims of natural disaster as requested by the Governor.	24-hour response time	24-hour response time

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	*ONE YEAR ACTIVITIES TO ACHIEVE GOALS*	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 6: Assist in creating an adequate supply of housing for persons with special needs coupled with appropriate services to increase independence. **(Special needs are persons whose housing needs cannot be fully addressed without supportive services.)**	People with special needs have affordable units that help increase their independence	# beds created with supportive services attached	395		CDBG, HOME, ADDI HOPWA, staff, staff time, website, equipment, facilities.			
						Activity 1. Connect special need projects with supportive services to foster client self-sufficiency.	# new partnerships	3
						Activity 2. Facilitate homeownership programs for special populations.	# programs	2
						Activity 3. Encourage the option for senior populations to modify their homes to allow aging in place.	# units assisted with accessibility modifications for elderly persons # rehab agencies integrating Medicaid Home Modification Program	6 3
						Activity 4. Increase the supply of housing for persons at 50% AMI or less with disabilities in response to community needs.	# units created for persons at 30% AMI w/ disabilities # applicants for 811/202 funding; # units created with DOH funds that incorporate or meet universal design standards	79 5 applicants 8

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)			
GOAL 6: (con't) Assist in creating an adequate supply of housing for persons with special needs coupled with appropriate services to increase independence. **(Special needs are persons whose housing needs cannot be fully addressed without supportive services.)**	People with special needs have affordable units that help increase their independence	# beds created with supportive services attached	395		CDBG, HOME, ADDI HOPWA, staff, staff time, website, equipment, facilities.	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	**MEASURED BY WHAT OUTPUTS?**	**EXPECTED RESULTS OF ACTIVITIES**
						Activity 5. Affirmatively further fair housing goals**.**	DOH "Advance" on Predatory Lending # agencies receiving fair housing training	Publication 7 agencies
						Activity 6. Provide HOPWA funding to assist qualified agencies in nonentitlement areas.	# clients who maintain housing stability, avoid homelessness and improve access to HIV treatment # of HOPWA clients residing in HOME/CDBG funded units	30 clients 4

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	*ONE YEAR ACTIVITIES TO ACHIEVE GOALS*	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 7: Increase housing opportunities in revitalized neighborhoods.	Affordable housing is concurrent with redevelopment	#DOH-assisted single-family units funded	125 units		CDBG, HOME, ADDI staff, staff time, website, equipment, facilities.			
						Activity 1. Jointly fund with local neighborhood/community participation, market studies that demonstrate a commercial and residential potential	# market studies completed	3
						Activity 2. Create partnerships with local governments and neighborhood organizations to jointly fund residential redevelopment projects in older urban neighborhoods.	# local partnerships w/ local govts. and neighborhood organizations	2
						Activity 3. Explore options for using private activity bonds as a potential tool for redevelopment.	# meetings with bond market professionals and local government officials to examine ways to use private activity bonds to fund residential redevelopment. # local governments committed to using bonds for the purpose of neighborhood revitalization	3 2

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	*ONE YEAR ACTIVITIES TO ACHIEVE GOALS*	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 8: Provide community at-large and policy-maker education and outreach about housing issues so that communities are better able to meet their housing needs.	Policy makers are better able to meet the housing needs of their communities	Increase in # of policy-makers who have knowledge about housing issues in their communities	1,000 policy-makers in the 5-year period		HOME, State dollars, staff, staff time, website, equipment, facilities.			
						Activity 1. Enhance community education and outreach through DOH Website	# new publications online	6
							"Guide for Local Officials" for web use	Publication
							FAQ Page	Publication
							Forum Web Page	Publication
							monthly average# website hits	21,000
						Activity 2. Create manuals or handbooks	# manuals created	2
						Activity 3. Create and promote training opportunities for DOH partners, including workshops and conferences	# technical or professional training, workshops or conferences	20
							# DOH-sponsored brown bag lunches	3
							Attend/promote philanthropy days	5
							# co-sponsored events	15

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)			
GOAL 8: (Con't) Provide community at-large and policy-maker education and outreach about housing issues so that communities are better able to meet their housing needs.	Policy makers are better able to meet the housing needs of their communities	Increase in # of policy-makers who have knowledge about housing issues in their communities	1,000 policy-makers in the 5-year period		HOME, State dollars, staff, staff time, website, equipment, facilities.	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	**MEASURED BY WHAT OUTPUTS?**	**EXPECTED RESULTS OF ACTIVITIES**
						Activity 4. Provide media training for DOH staff to improve relations with press and the public	# staff trained # trainings on various topics	15 5
						Activity 5. Increase participation of local policy-makers	# educational meetings with policy-makers # policy-makers assisted with technical application issues, and statistical information # policy-makers attending DOH events	25 8 35

EXPANDED ECONOMIC OPPORTUNITIES

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	**MEASURED BY WHAT OUTPUTS?**	**EXPECTED RESULTS OF ACTIVITIES**
GOAL 9: Increase the economic opportunities for communities in Colorado.	Increased economic opportunities in Colorado	# of jobs created or retained in Colorado	30,000 jobs created or retained in Colorado in 5-year period		CDBG, OEDIT financial assistance programs, OEDIT staff time, website, equipment, facilities.			
						Activity 1. Provide financial assistance to businesses that will create or retain jobs in Colorado.	# Jobs created or retained	6,000
						Activity 2. Obtain leveraging from other resources.	**Amount of funds leveraged**	$1 of other funds for each $1 of OEDIT funds
						Activity 3. For projects receiving CDBG funds, fill jobs created or retained with primarily low- to moderate-income persons	% jobs filled with low-to moderate-income persons	55%

A SUITABLE LIVING ENVIRONMENT

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	*ONE YEAR ACTIVITIES TO ACHIEVE GOALS*	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 10: To help improve the leadership and governing capacities of Colorado communities.	Local governments have improved leadership and governing capacity.	Board orientation sessions for newly elected officials	75% of requests for training from newly elected government officials are fulfilled within a 3-month period		CDBG, CSBG, Energy and Mineral Impact, staff, staff time, facilities.			
						Activity 1. Provide goal setting assistance to communities	# formal training sessions held by staff	25
						Activity 2. Conduct formal and informal training sessions for local officials and staff.	# formal training sessions held by staff for local officials	20
							# persons attending training sessions	20 x 5 = 100
							# topics addressed in training sessions	10
							# communities represented in training sessions	22
						Activity 3. Assist local governments with issues related to statutory compliance.	Preparation of bi-annual election manual	Publication
							Preparation of training materials related to 5.5% property tax limitation	Training Materials produced
							Preparation of training materials related to TABOR	Training materials produced
							# of informal training sessions with local governments on topics such as open meetings	25

5 – YEAR GOAL	DESIRED OUTCOME	OUTCOME MEASURE	EXPECTED OUTCOME	OUTCOME ACHIEVED	RESOURCES (INPUTS)	***ONE YEAR ACTIVITIES TO ACHIEVE GOALS***	MEASURED BY WHAT OUTPUTS?	EXPECTED RESULTS OF ACTIVITIES
GOAL 11: To help Colorado communities identify, prioritize and address their capital improvement needs	Colorado communities have improved their identified public facilities	Ratio of funded projects versus unfunded requests	80% of requests for funding are awarded funds		CDBG, CSBG, EDA, State Energy Impact Assistance Program, USDA Office of Rural Development staff, staff time, facilities.			
						Activity 1. Provide capital improvements planning assistance to communities	# formal training sessions held by staff # of planning grants funded	25 20
						Activity 2. Provide or arrange financing to communities to address health/safety hazards in water, sewer, fire, safety and other infrastructure systems.	# of communities receiving financing for the following types of projects: Water Sewer Fire/Safety Health Other Infrastructure	 35 18 28 8 75
						Activity 3. Assist local governments with issues related to statutory compliance.	Amount of other public sources secured to assist communities Amount of private sources secured to assist communities	$120,000,000 $11,000,000
						Activity 4. Provide funding through Limited Gaming Impact Fund to mitigate impacts from gaming-related activities for public facilities and services	# of communities receiving assistance # of individual projects funded	

APPENDIX F-Definitions

Access to Information: Citizens, public agencies and other interested parties, including those most affected, must have the opportunity to review and submit comments on any proposed submission concerning the proposed activities, including the amount of assistance the jurisdiction expects to receive (including grant funds and program income), and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low-and moderate-income.

Activities What the program does with the inputs to fulfill its mission.

- Intake/loan screening
- Initial inspection
- Verify contractor eligibility and cost reasonableness
- Prepare construction specifications
- Underwrite loans
- Loan approval
- Progress inspections

Affirmative Marketing The participating jurisdiction must describe the policy and procedures it will follow to affirmatively market housing containing five or more HOME-assisted units.

Affordable Housing: Affordable housing is generally defined as housing where the occupant is paying no more than thirty percent of gross income for gross housing costs, including utility costs.

AIDS and Related Diseases: The disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

Alcohol/Other Drug Addiction: A serious and persistent alcohol or other drug addiction that significantly limits a person's ability to live independently.

Amendments Prior to the submission of any substantial change in the proposed use of funds, citizens must have reasonable notice of, and opportunity to comment on, the proposed amendment.

American Dream Down payment Initiative

If a jurisdiction intends to use American Dream Down payment Initiative (ADDI) funds to increase access to homeownership, it must provide the following information:

(1) a description of the planned use of ADDI funds;
(2) a plan for conducting targeted outreach to residents and tenants of public and manufactured housing and to other families assisted by public housing agencies, for the purposes of ensuring that the ADDI funds are used to provide down payment assistance for such residents, tenants, and families; and
(3) a description of the actions to be taken to ensure the suitability of families receiving ADDI funds to undertake and maintain homeownership, such as provision of housing counseling to homebuyers.

Anti-displacement

The citizen participation plan must set forth the jurisdiction's plan to minimize displacement of persons and to assist any person displace, specifying the types and levels of assistance the jurisdiction will make available (or require others to make available) to persons displaced, even if the jurisdiction expects no displacement to occur.

Area of Low Income Concentration:

Any area where the total percentage of extremely low, low-income households is more than 51% of the total population.

Area of Racial/Ethnic Minority Concentration:

Any county that has a total minority population greater than 38.58% of the total population in the county. (This threshold was derived by taking the percent minority population in the state, 19.29%, and doubling it.) Source: 1990 U.S. Census.

Assisted Household or Person:

For the purposes of specifying one-year goals for assisting households or persons, a household or person is assisted if, during the coming Federal fiscal year, they will benefit through one or more programs included in the state's plan. A renter is benefited if the person takes occupancy of affordable housing that is newly acquired, newly rehabilitated, or newly constructed, and/or receives rental assistance. An existing homeowner is benefited during the year if the home's rehabilitation is completed. An first-time homebuyer is benefited if a home is purchased during the year. A homeless person is benefited during the year if the person becomes an occupant of transitional or permanent housing. A non-homeless person with special needs is considered as being benefited, however, only if the provision of supportive services is linked to the acquisition, rehabilitation, or new construction of a housing unit and/or the provision of rental assistance during the year. Households or persons who will benefit from more than one program activity must be counted only once. To be included in the goals, the housing unit must, at a minimum, satisfy the HUD Section 8 Housing Quality Standards (see 24 CFR section 882.109).

Barriers to Affordable Housing The removal of regulatory barriers to affordable housing has also become a top Administration priority resulting in the creation of the America's Affordable Communities Initiative and a Regulatory Barriers Clearinghouse for sharing ideas on barrier removal. HUD form 273000, used for competitive grants, can serve as a useful guidance document in assisting jurisdictions identify the specific policies, procedures or process that impact the cost of developing, maintaining or improving affordable housing. See Attachment 1 for a copy of the form and instructions.

Colorado Aids Project (CAP) Administration Administration for Administration for Project Sponsors Defined by HUD as "7 percent for project sponsors, including costs of staff necessary to carry out eligible activities."

Committed: Generally means there has been a legally binding commitment of funds to a specific project to undertake specific activities, or an obligation of funds to a State recipient.

Community Development Objectives Identify specific long-terms and short-term community development (including economic development activities that create jobs), developed in accordance with the statutory goals described in Section 24 CFR 91.1 and the primary objective of the CDBG program to provide decent housing and a suitable living environment and expand economic opportunities, principally for low-and moderate-income persons.

Each specific objective developed to address a priority need, must be identified by number and contain proposed accomplishments, the time period (i.e., one, two, three, or more years), and annual program year numeric goals the jurisdiction hopes to achieve in quantitative terms, or in other measurable terms as identified and defined by the jurisdiction.

Consistent with the Consolidated Plan: A determination made by the State that a program application meets the following criterion: The Annual Plan for that fiscal year's funding indicates the State planned to apply for the program or was willing to support an application by another entity for the program; the location of activities is consistent with the geographic areas specified in the plan; and the activities benefit a category of residents for which the State's five-year plan shows a priority.

Contingency A jurisdiction must identify projects planned with respect to all CDBG funds expected to be available during the program year, except that an amount generally not to exceed ten percent of such total available CDBG funds may be excluded from the funds for which eligible activities are described if it has been identified as a contingency for cost overruns.

Cost Burden > 30%: The extent to which gross housing costs, including utility costs, exceed thirty percent of gross income, based on data published by the U.S. Census Bureau.

Cost Burden > 50% (Severe Cost Burden): The extent to which gross housing costs, including utility costs, exceed fifty percent of gross income, based on data published by the U.S. Census Bureau.

Development Resource identification to establish, coordinate and develop housing assistance resources; acquisition, rehabilitation, conversion, lease, and room occupancy (SRO) dwellings and community residences only.

Disabled Household: A household composed of one or more persons at least one of whom is an adult (a person of at least 18 years of age) who has a disability. A person shall be considered to have a disability if the person is determined to have a physical, mental or emotional impairment that: 1) is expected to be of long-continued and indefinite duration, 2) substantially impedes his or her ability to live independently, and 3) is of such a nature that the ability could be improved by more suitable housing conditions. A person shall also be considered to have a disability if he or she has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6006). The term also includes the surviving member or members of any household described in the first sentence of this paragraph who were living in an assisted unit with the deceased member of the household at the time of his or her death.

Economic Independence and Self-Sufficiency Programs: Programs undertaken by Public Housing Agencies (PHAs) to promote economic independence and self-sufficiency for participating families. Such programs may include Project Self-Sufficiency and Operation Bootstrap programs that originated under earlier Section 8 rental certificate and rental voucher initiatives, as well as the Family Self-Sufficiency program. In addition, PHAs may operate locally developed programs or conduct a variety of special projects designed to promote economic independence and self-sufficiency.

Elderly Household: A family in which the head of the household or spouse is al least 62 years of age.

Expected/Actual Units Projects that will be accomplished and actually accomplished during the time period of time designated for the objective.

Extremely Low-Income Families: Families whose income is between 0 and 30 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction

	costs or fair market rents, or unusually high or low family incomes.
Existing Homeowner:	An owner-occupant of residential property who holds legal title to the property and who uses the property as his/her principal residence.
Family:	A household comprised of one or more individuals.
Family Self-Sufficiency (FSS) Program:	A program enacted by Section 554 of the National Affordable Housing Act which directs Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) to use Section 8 assistance under the rental certificate and rental voucher programs, together with public and private resources to provide supportive services, to enable participating families to achieve economic independence and self-sufficiency.
Federal Preference For Admission:	The preference given to otherwise eligible applicants under HUD's rental assistance programs who, at the time they seek housing assistance are involuntarily displaced, living in substandard housing, or paying more than 50 percent of family income for rent. (See, for example, 24 CFR 882.219)
First Time Homebuyer:	An individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home that must be used as the principal residence of the homebuyer.
FmHA:	The Farmers Home Administration, or programs it administers.
For Rent:	Year round housing units, which are vacant, and offered/available for rent (U.S. Census definition).
For Sale:	Year round housing units which are vacant and offered/available for sale only. (U.S. Census definition).
Frail Elderly:	An elderly person who is unable to perform at least three activities of daily living (i.e. eating, dressing, bathing, grooming, and household management activities.)

Goals

For each of the categories of residents and tenure type indicated, enter the 3-5 year and annual housing goals identifying the number of households to be assisted with housing with funding from all sources during the period of time designated in the strategic plan.

Proposed solutions to problems or needs identified in the Consolidated Plan.

- Preserve existing housing stock
- Increase property values/tax base
- Improve neighborhood stability

Group Quarters:

Facilities providing living quarters that are not classified as housing units. (U.S. Census definition). Examples include: prisons, nursing homes, dormitories, military barracks, and shelters.

HIV/Aids Housing Goals

Jurisdictions receiving HOPWA funds should identify annual goals for the number of households to be provided with housing through activities that provide short-term rent, mortgage and utility assistance payments to prevent homelessness of the individual or family, tenant-based rental assistance; and units provided in housing facilities that are being developed, leased or operated.

HOME:

The HOME Investment Partnerships Act, which is Title II of the National Affordable Housing Act.

HOME Tenant-Based Rental Assistance

the participating jurisdiction must describe the local market conditions that led to the use of a HOME funds for tenant based rental assistance program. If the tenant based rental assistance program is targeted to or provides a preference for a special needs group, that group must be identified in the Consolidated Plan as having an unmet need and show the preference is needed to narrow the gap in benefits and services received by the population.

Homeless Family:

Family that includes at least one parent or guardian and one child under the age of 18, a homeless pregnant woman, or a homeless person in the process of securing legal custody of a person under the age of 18.

Homeless Individual: An unaccompanied youth (17 years or younger) or an adult (18 years or older) without children.

Homeless Youth: Unaccompanied person 17 years of age or younger who is living in situations described by terms "sheltered" or "unsheltered".

Homeless Strategy The jurisdiction should describe its strategy for addressing the needs of the homeless individuals and families with children and the subpopulations identified in the Homeless Populations and Subpopulations Chart. The strategy should address the need for expansion of Continuum of Care components, including outreach, emergency shelters, transitional housing, permanent supportive housing, and prevention of homelessness. In a narrative, describe the goals, programs, and policy initiatives the community expects to accomplish during the period covered by the strategic plan to address the unmet needs of the homeless individuals and families with children, as well as subpopulations.

Homeownership: (a) Housing that is for purchase (with or without rehabilitation) qualifies as affordable housing it is (1) is purchased by a extremely low-income, low-income, or moderate-income first-time homebuyer who will make the housing his or her principal residence; and (2) has a sale price that does not exceed the mortgage limit for the type of single family housing for the area under HUD’s single family insuring authority under the National Housing Act.

(b) Housing that is to be rehabilitated, but is already owned by a family when assistance is provided, qualifies as affordable housing if the housing (1) is occupied by a extremely-low income, low-income, or moderate-income family which uses the house as its principal residence, and (2) has a value, after rehabilitation, that does not exceed the mortgage limit for the type of single family housing for the area, as described in (a) above.

HOPE 1: The HOPE for Public and Indian Housing Homeownership Program, which is Title IV, Subtitle A of the National Affordable Housing Act.

HOPE 2: The HOPE for Homeownership of Multifamily Units Program, which is Title IV, Subtitle B of the National Affordable Housing Act.

HOPE 3: The HOPE for Homeownership of Single Family Homes Program, which is Title IV, Subtitle C of the National Affordable Housing Act.

Household: One or more persons occupying a housing unit. (U.S. Census Bureau definition).

Housing Problems: Household with housing problems include those that: (1) occupy units meeting the definition of physical defects; (2) meet the definition of overcrowded; and (3) meet the definition of cost burden greater than 30%.

Housing Unit: An occupied or vacant house, apartment, or a single room (SRO housing) that is intended as separate living quarters. (U.S. Census definition).

Identifying Benchmarks Benchmarks establish specific targets on the road to achieving goals and carrying out strategies. They are essential for purposes of accountability and measuring success. A benchmark charts the progress from the baseline of the present condition to the achievement of the goal. For example, a community may identify the revitalization of a certain neighborhood as part of its vision, and may include proposed performance measures related to reduction in crime rates, increase in property values, education attainment, or infant mortality rates. Progress towards these goals could be tracked in terms that measure outcomes as well as process and outputs. In this way, the grantee and its citizens would know if the selected activities and strategies are achieving the desired outcome, i.e., revitalized neighborhood. HUD Form 96010, used for competitive grants, can serve as a useful guidance document in assisting jurisdictions identify and track outputs, benchmarks, and outcomes. See Attachment 3 for a copy of the form and instructions.

Impediments to Fair Housing Choice As part of the certification to affirmatively further fair housing, jurisdictions were required to complete an analysis of impediments to air housing choice and to take actions to overcome the effects of any impediments identified through that analysis. Jurisdictions are strongly encouraged to annually update their analysis of impediments and to include planned actions to overcome the effects of any impediments identified through that analysis in the annual action plan submission.

Inputs Resources dedicated to or consumed by the program.

- Money
- Staff/Staff time
- Contractors
- Facilities
- Equipment

Institutions/Institutional: Group quarters for persons under care or custody. (U.S. Census definition).

Inventory The jurisdiction shall provide a concise summary of the existing facilities and services (including a brief inventory) that assist homeless persons and families with children and subpopulations identified in Table 1A. These include outreach and assessment, emergency shelters and services, transitional housing, permanent and supportive housing, access to permanent housing, and activities to prevent low-income individuals and families with children (especially extremely low-income) from becoming homeless. The jurisdiction can use the optional Continuum or more persons, which includes at least 2 related persons.

Lead Agency: The jurisdiction must identify the lead agency or entity for overseeing the development of the plan and the major public and private agencies responsible for administering programs covered by the consolidated plan.

Lead Based Paint: The jurisdiction must consult with state and local health and child welfare agencies, and examine data on hazards and poisonings, including health department data on the addresses of housing units in which children have been identified as lead poisoned.

LIHTC: (Federal) Low Income Housing Tax Credit.

Low Income Families: Families whose incomes do not exceed fifty percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than eighty percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. HUD income limits are updated annually and are available from local HUD offices for the appropriate jurisdictions.

Median Family Income (MEI) 0 – 30%: Subgroup with incomes of to 30% of HUD-adjusted MFI for the area.

31-50%: Subgroup with incomes of 31 to 50% of HUD-adjusted MFI for the area.

51 – 80%: Subgroup with incomes of 51 to 80% of HUD-adjusted MFI for the area.

Metropolitan Area Areas consisting of one or more counties including a large population nucleus and nearby communities that have a high degree of interaction. Primary metropolitan statistical areas (PMSAs) are MSAs that make up consolidated metropolitan statistical areas (CMSAs). (U.S. Census definition).

Middle-Income Families: Families whose income is between 80 percent and 95 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than eighty percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. HUD income limits are updated annually and are available from local HUD offices for the appropriate jurisdictions.

Minority Homeowner-ship HUD has established a national goal to increase the number of minority homeowners by 5.5 million by 2010. Since HOME and ADDI are important components of this effort, jurisdictions are now required to include in their Consolidated Plan submissions, an estimate of the total number of minority households expected to be assisted in becoming homeowners during the period covered by the Consolidated Plan. It will not be necessary to establish separate Consolidated Plan goals for HOME and ADDI for homebuyer assistance. A single set of goals may be provided, since by regulation and for Consolidated Plan purposes, ADDI is considered as part of the HOME program.

Minority/Women's Business Outreach The participating jurisdiction must describe actions taken to establish and oversee a minority outreach Program within its jurisdiction to ensure inclusion, to the maximum extent possible, of minority women, and entities owned by minorities and women, including without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts, entered into by the participating jurisdiction with such person or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing under the HOME program or any other Federal housing law applicable to such jurisdiction.

Moderate Income Families: Families whose incomes do exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 95% of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. (This definition is different than that for the CDBG Program.)

Moderate Rehabilitation: Rehabilitation of residential property at an average cost for the project not in excess of $25,000 per dwelling unit.

Need Levels **High Priority:** Activities to address this unmet need will be funded by the locality with federal funds, either alone or in conjunction with the investment of other public or private funds during the period of time designated in the strategy portion of this document.

Medium Priority: If funds are available, activities to address this unmet need may be funded by the locality with federal funds, either alone or in conjunction with the investment of other public or private funds during the period of time designated in the strategy portion of this document.

Low Priority: The locality will not fund activities to address this unmet need during the period of time designated in the strategy portion of this document. The locality will consider certifications of consistency for other entities' application for Federal assistance.

Needing Rehab: Dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction of minor livability problems or maintenance work.

Neighborhood Strategy Areas Studies indicate concentrated investments have a greater impact neighborhood stabilization and revitalization, Jurisdictions are encouraged to identify geographic areas where the jurisdiction will concentrate the use block grant funds and other local actions in a coordinated manner to achieve local objectives and desired outcomes i.e., reduction in crime rates, code enforcement, etc.

Neighborhood Re-Vitalization Strategy Areas Jurisdictions are strongly encouraged to develop a neighborhood revitalization strategies that includes the economic empowerment of low-and moderate-income persons may, upon HUD approval of the strategy, obtain great flexibility in the use of CDBG funds in the revitalization area(s).

Non-Elderly Household: A household which does not meet the definition of "Elderly Household," as defined above.

Non-Homeless Persons with Special Needs: Includes frail elderly persons, persons with AIDS, disabled families, and families participating in organized programs to achieve economic self-sufficiency.

Non-Institutional: Group quarters for persons not under the care or custody (U.S. Census definition used.)

Not Rehabable: Dwelling units that are determined to be in such poor condition as to be neither structurally nor financially feasible for rehabilitation.

Occupied Housing Unit: A housing unit that is the usual place of residence of the occupant(s).

Other Household: A household of one or more persons that does not meet the definition of a Small Related household or a Large Related household, or is an elderly household comprised of three of more persons.

Other Vacant: Vacant year round housing units that are not For Rent or For Sale. This category would include Awaiting Occupancy or Held. (U.S. Census definition).

Outcomes Benefits that result from the program.

- Increased percentage of housing units that are standard
- Improved quality of life for program participants
- Revitalization of the neighborhood

Outputs The direct products of program activities.

- Number of customers served
- Number of loans processed
- Number of home rehabilitated

Overcrowded: A housing unit containing more than one person per room. (U.S. Census definition used in Table 1A).

Owner: A household that owns the housing unit it occupies. (U.S. Census definition).

Participation The citizen participation plan must provide for and encourage citizens to participate in the development of the consolidated plan, any substantial amendments to the consolidated plan, and the performance report. These requirements are designed especially to encourage participation of low-and-moderate income residents where housing and community development funds may be spent. The jurisdiction is expected to take whatever actions are appropriate to encourage the participation of all its residents, including minorities and non-English speaking persons, as well as persons with disabilities in all stages of the process.

The jurisdiction shall encourage the participation of residents of public and assisted housing developments and recipients of tenant-based assistance in the process of developing and implementing the consolidated plan, along with other low-income residents of targeted revitalization areas in which the developments are located. The jurisdiction shall make an effort to provide information to the housing agency about the consolidated plan activities related to its development and surrounding communities that the housing agency can make available at the annual public hearing required for the Public Housing Authority Plan.

Performance Measure

The performance indicator that most closely describes the type of accomplishment and the most appropriate measure of that accomplishment. The performance should be a reasonable projection of what will be accomplished during the period of time designated for the strategy.

Performance Measurement Systems

In addition to outputs, jurisdictions are strongly encouraged to develop performance measurements systems that contain at least on proposed outcome and one actual outcome. Jurisdictions that currently have and use a performance measurement system are asked to describe the method they use to measure the outputs and outcomes of the CPA formula grant programs in the Consolidated Plan.

Performance Reports

The citizen participation plan must provide citizens with reasonable notice and an opportunity to comment on performance reports. The citizen participation plan must state how reasonable notice and an opportunity to comment will be given. The citizen participation plan must provide at least 15 days to receive comments on the performance report that is to be submitted to HUD before its submission. The citizen participation plan shall require the jurisdiction to consider any comments or views of citizens received in writing, or orally at public hearings in preparing the performance report. A summary of these comments shall be attached to the performance report.

Physical Defects: A housing unit lacking complete kitchen, bathroom, or electricity (U.S. Census definition.)

Primary Housing Activity: A means of providing or producing affordable housing -- such as rental assistance, production, rehabilitation or acquisition -- that will be allocated significant resources and/or pursued intensively for addressing a particular housing need. (See also "Secondary Housing Activity".)

Priority Homeless Needs Using the results of the Continuum of Care Planning process, identify the jurisdiction's homeless and homeless prevention priorities specified in Table 1A. The description of the jurisdiction's choice of priority needs and allocation priorities must be based on reliable data meeting HUD standards and should reflect the required consultation with homeless assistance providers, homeless persons, and other concerned citizens regarding the needs of homeless families with children and individuals. The jurisdiction must provide an analysis of how the needs of each category of residents provided the basis for determining the relative priority of each priority homeless need category.

Priority Housing Needs The jurisdiction must identify the priority housing needs in accordance with the categories specified in Table 2A. These categories correspond with special tabulations of U.S. census data provided by HUD for the preparation of the Consolidated Plan. The jurisdiction must provide an analysis of how the characteristics of the housing market and the severity of housing problems and needs of each category of residents provided the basis for determining the relative priority of each priority housing need category. Family and income types may be grouped in the case of closely related categories of resident where the analysis would apply to more than one family or income type.

Project-Based (Rental) Assistance:	Rental Assistance provided for a project, not for a specific tenant. Tenants receiving project-based rental assistance give up the right to that assistance upon moving from the project.
Public Hearings	In order to obtain the views of the citizens on housing and community development needs, including priority nonhousing community development needs, the citizen participation plan must provide that at least one of these hearing is held before the proposed consolidated plan is published for comment.
Public Housing	Has the jurisdiction provided examples of supportive efforts to revitalize neighborhoods surrounding public housing projects (either current or proposed); cooperation in the provision of resident programs and services; coordination of local drug elimination or anti-crime strategies; upgrading of police, fire, schools, and other services; and economic development projects in or near public housing projects that expand economic opportunity or tie in with self-sufficiency efforts for residents of Care Housing Activity Chart and Service Activity Chart to meet this requirement.
Large related:	A household of five or more persons that includes at least one person related to the householder by blood, marriage, or adoption.
Public Housing CIAP:	Public Housing Comprehensive Improvement Assistance Program.
Public Housing MROP:	Public Housing Major Reconstruction of Obsolete Projects.
Refinancing	If a jurisdiction intents to use HOME funds to refinance existing debt, secured by multifamily housing that is rehabilitated with HOME funds, it must state its financing guidelines required under 24 CFR 92.206(b).
Rent Burden > 30% Cost Burden):	The extent to which gross housing costs, including utility costs, exceed 30% of gross income, based on data published by the U.S. Census Bureau.
Rent Burden > 50%	The extent to which gross housing costs, including

(Severe) Cost Burden: utility costs, exceed 50% of gross income, based on data published by the U.S. Census Bureau.

Rental Assistance: Rental assistance payments provided as either project-based rental assistance or tenant-based rental assistance.

Rental Housing A rental housing unit is considered to be an affordable housing unit if it is occupied by a extremely low-income, low-income, moderate-income family or individual and bears a rent that is the lesser of (1) the Existing Section 8 Fair Market Rent for comparable units in the area, or (2) 30 percent of the adjusted income of a family whose income equals 65 percent of the median income for the area, except that HUS may establish income ceilings higher or lower than 65 percent of the median income because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Renter: A household that rents the housing unit it occupies, including both units rented for cash and units occupied without cash payment of rent. (U.S. Census definition).

Renter Occupied Unit: Any occupied housing unit that is not owner occupied, including units rented for cash and those occupied without payment of cash rent.

Secondary Housing Activity: A means of providing or producing affordable housing -- such as rental assistance, production, rehabilitation or acquisition -- that will receive fewer resources and less emphasis than primary housing activities for addressing a particular housing need. (See also, "Primary Housing Activity".)

Section 215: Section 215 of Title II of the National Affordable Housing Act. Section 215 defines "affordable" housing projects under the Title II HOME Program.

Service Needs: The particular services identified for special needs populations, which typically may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services to prevent premature institutionalization and assist individuals to continue living independently.

Severe Cost Burden: See Cost Burden > 50%.

Severe Mental Illness: A serious and persistent mental or emotional impairment that significantly limits a person's ability to live independently.

Sheltered: Families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter, including emergency shelters, transitional housing for the homeless, domestic violence shelters, residential shelters for runaway and homeless youth, and any hotel/motel/apartment voucher arrangement paid because the person is homeless. This term does not include persons living doubled up or in overcrowded or substandard conventional housing. Any facility offering permanent housing is not a shelter, nor are its residents homeless.

Short-Term Rent, Mortgage or Utility (STRMU) Means short-term payments for rent, mortgage or utilities to prevent the homelessness of the tenant or mortgagor of a dwelling. Assistance is intended to benefit clients who are currently housed, and who are not able to meet their monthly housing expenses including utilities, due to unexpected situations. To be eligible for STRMU assistance, the client must first be eligible for HOPWA assistance. The person must, therefore, be the person be HIV positive or have AIDS and be low-income.

Small Related: A household of two or four persons which includes at least two related persons.

Special Needs Populations: The jurisdiction must estimate, to the extent practicable, the number of persons in various subpopulations that are not homeless but may require housing or supportive services, including the elderly, frail elderly, persons with disabilities (mental, physical, developmental, persons with HIV/AIDS and their families), persons with alcohol or other drug addiction, and any other categories the jurisdiction may specify and describe their supportive housing needs. In addition, HOPWA recipients must identify the size and characteristics of the population with HIV/AIDS and their families that will be serviced in the metropolitan area.

The jurisdiction can use Table 1B of their Consolidated Plan to help identify these needs. The plan must also describe, to the extent information is available, facilities and services that assist persons who are not homeless but require supportive housing, and programs for ensuring that person returning from mental and physical health institutions receive appropriate supportive housing. If the jurisdiction plans to use HOME or other tenant based rental assistance to assist one or more of these subpopulations, it must justify the need for such assistance in the plan.

Specific Housing Objectives Jurisdictions are encouraged to identify specific housing objectives that expand the supply of affordable housing, improve the quality of housing, and increase access to affordable housing for renters and owners through activities that provide for the production of new units, the rehabilitation of existing units, the acquisition of existing units, rental assistance, and homeownership assistance. Jurisdictions are also encouraged to identify specific objectives for increasing minority homeownership.

Standard Condition: By state definition, dwelling units which pass the HUD Section 8 Housing Quality Standards; which contain sufficient bedrooms to accommodate the size of the immediate family of the homeowner; and do not contain defects, which could threaten the health or safety of the occupants.

Strategic Plan The jurisdiction must produce a strategic plan for a period designated by the jurisdiction that brings needs, priority needs, priorities, specific objectives, and strategies together in a coherent strategic plan. In identifying and describing its needs, the jurisdiction is encouraged to draw relevant information from previous submissions and other reports and studies, as appropriate. The strategic plan must be developed to achieve the following statutory goals, principally for extremely low-, low-and moderate-income residents:

- provide decent housing, and
- a suitable living environment, and
- expand economic opportunities.

Substandard Condition And not Suitable for Rehab:	By local definition, dwelling units that are in such poor condition as to be neither structurally nor financially feasible for rehabilitation.
Substandard Condition Suitable for Rehab:	By local definition, dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction or minor livability problems or maintenance work.
Substantial Amend-ment	The citizen participation plan must specify the criteria the jurisdiction will use for determining what changes in the jurisdiction's planned or actual activities constitute a substantial amendment to the consolidated plan. It must include among the criteria for a substantial amendment changes in the use of CDBG funds from one eligible activity to another. The citizen participation plan must provide at least 30 days to receive comments on a substantial amendment before the amendment is implemented. The citizen participation plan shall require the jurisdiction to consider any comments or views of citizens received in writing, or orally at public hearings, if any in preparing the substantial amendment. A summary of these comments and a summary of any comments or view not accepted and the reasons therefore, shall be attached to the substantial amendment.
Substantial Rehabilita-tion:	Rehabilitation of residential property at an average cost for the project in excess of $25,000 per dwelling unit.
Supportive Housing:	Housing, including Housing Units and Group Quarters, that has a supportive environment and includes a planned service component.
Supportive Service Need in FSS Plan:	The plan that PHAs administering a Family Self-Sufficiency program are required to develop to identify the services they will provide to participating families and the source of funding for those services.

The supportive services may include child care; transportation; remedial education; education for completion of secondary or post secondary schooling; job training, preparation and counseling; substance abuse treatment and counseling; training in homemaking and parenting skills; money management, and household management; counseling in homeownership; job development and placement; follow-up assistance after job placement; and other appropriate services.

Supportive Services Need in HOPWA Plan: Includes, but is not limited to, health, mental health, assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, nutritional services, intensive care when required, and assistance in gaining access to local, State and Federal government benefits and services except that health services may not be provided to family members.

Supportive Services: Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, child care, transportation, and job training.

Technical Assistance: The citizen participation plan must provide for technical assistance to groups representative of persons of low-and moderate-income that request such assistance in developing proposals for funding assistance under the consolidated plan.

Tenant-Based (Rental) Assistance: A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

Provides rental assistance to very low-income households of persons living with HIV/AIDS and their families. It may include rental assistance for shared housing arrangements.

Total Vacant Unoccupied year round housing units. (U.S. Census definition).

Under Development The number of funded beds not ready for occupancy but under development.

Unmet Need/Gap:	The number of funded beds determined to be the under need for each category.
Unsheltered:	Families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., the street, sidewalks, cars, vacant and abandoned buildings).
Vacant Awaiting Occupancy or Held:	Vacant year round housing units that have been rented or sold and are currently awaiting occupancy, and vacant year round housing units that are held by owners or renters for occasional use. (U.S. Census definition).
Vacant Housing Unit:	Unoccupied year round housing units that are available or intended for occupancy at any time during the year.
Worst-Case Needs:	Unassisted, very low-income renter households who pay more than half of their income for rent, live in seriously substandard housing (which includes homeless people) or have been involuntarily displaced.
Year Round Housing Units:	Occupied and vacant housing units intended for year round use. (U.S. Census definition). Housing units for seasonal or migratory use are excluded.

APPENDIX G-Citizen Participation Plan

COLORADO'S 2005 CITIZEN PARTICIPATION PLAN
HUD FORMULA PROGRAMS

Pursuant to the Department of Housing and Urban Development's (HUD) rule, requiring a consolidated planning process for five of its formula programs, Community Development Block Grant State Program (CDBG), HOME Investment Partnerships (HOME), American Dream Downpayment Initiative (ADDI), Emergency Shelter Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA), this Citizen Participation Plan is developed to ensure that the citizens of the State of Colorado, particularly persons of low and moderate income residing in areas where it is proposed which such funds are to be used, are provided the opportunity and encouraged to participate in the planning and implementation of funded activities.

The state expects to fund activities that address the needs of the above persons in the categories of housing, public facility, infrastructure improvements, public service, accessibility, and economic development. The state also will develop plans, as necessary, to minimize displacement of persons and to assist any persons displaced.

The primary goal of the state's CDBG program is the development of viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, not less than 70% of federal fiscal years' 2005, 2006, and 2007 funds will be used for project activities that benefit persons of low and moderate income.

The objectives of the state's HOME program are the following:

@ To expand the supply of decent, safe, sanitary, and affordable housing;

@ To mobilize and strengthen the abilities of the state, units of local government, and nonprofit organizations, to design and implement strategies for achieving an adequate supply of decent, safe, sanitary and affordable housing;

@ To provide eligible applicants, on a coordinated basis, with the various forms of federal housing assistance, including capital investments, mortgage insurance, rental assistance, and other federal assistance, needed:

@ To expand the supply of decent, safe, sanitary, and affordable housing;

@ To make new construction, rehabilitation, substantial rehabilitation, and acquisition of such housing feasible;

@ To promote the development of partnerships among the federal government, states and units of general local government, private industry, and nonprofit organizations able to utilize effectively all available resources to provide more of such housing;

@ To make housing more affordable for very low-income and low-income families through the use of tenant-based rental assistance;

@ To expand the capacity of nonprofit community housing development organizations to develop and manage decent, safe, sanitary, and affordable housing;

@ To ensure that federal investment produces housing stock that is available and affordable to low-income families for the property's remaining useful life, is appropriate to the neighborhood surroundings and, wherever appropriate, is mixed income housing;

@ To increase the investment of private capital and the use of private sector resources in the provision of decent, safe, sanitary and affordable housing;

@ To leverage HOME funds insofar as practicable with state and local matching contributions and private investment;

@ To provide credit enhancement for affordable housing by utilizing the capacities of existing agencies and mortgage finance institutions when most efficient and supplementing their activities when appropriate; and,

@ To assist the very low-income and low-income families to obtain the skills and knowledge necessary to become responsible homeowners and tenants.

The goals of the American Dream Downpayment Initiative (ADDI) are to assist eligible first-time low—income and minority households in becoming homeowners.

The goals of the state's Emergency Shelter Grant (ESG) program are to assist homeless persons by providing better facilities and supportive services at emergency shelters and to assist potentially homeless persons by providing expanded prevention programs. The objectives of the state's ESG program are the following:

@ To assist in supporting the operating costs of emergency shelters;

@ To assist in the prevention of homelessness;

@ To assist in improving the quality, conditions and supportive services available through existing emergency shelters;

The objective of the state's HOPWA program is to provide tenant-based rental assistance, short-term emergency assistance and/or to provide housing coordination and supportive services to persons living with HIV/AIDS and their families in order to ensure that all people living with HIV have access to services from health care to housing and supportive services that are affordable, of high quality, and responsive to their needs..

The state is expecting to receive $13,094,000 in CDBG funds, $9,233,000 in HOME funds, $1,026,423,000 in ESG funds, and $370,000 in HOPWA funds.

CONSULTATION

Prior to the preparation of a "draft" consolidated plan, the state, through the Department of Local Affairs (DOLA) will consult with various public and private agencies that provide housing, health, social, public infrastructure improvements, economic development, and other identified services to persons of low and moderate income, agencies that provide services to persons with AIDS, and with agencies that provide services to homeless persons. DOLA will also notify units of general local governments of the planning process to solicit their input into the process.

PUBLIC HEARINGS

Two public hearings will be conducted per year to obtain citizens' views. The hearings will be conducted, at a minimum, at two different stages of the program. At least one hearing will be held during the development of the plan but before the proposed consolidated plan is published. The hearings will address the housing and community development needs of the state, development of proposed activities, and a review of program performance during the year.

For the initial hearing, a public notice will be published in a newspaper of general circulation throughout the state at least ten (10) days prior to such public hearing. A copy of the public notice will also be sent to the various organizations from which the state sought consultation. A listing of all organizations consulted will be included in the draft plan. The hearings will be held at times and locations convenient to potential and actual beneficiaries, and the state will provide accommodation for the handicapped upon request. In the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate, arrangements will be made to have an interpreter present.

The state will accept written comments up to fifteen (15) days from the date of each hearing. These comments will be a part of the state's consolidated planning process.

PUBLIC INFORMATION AND ACCESS TO RECORDS

Information and records regarding the proposed and past use of the three funding sources will be available at the Department of Local Affairs, 1313 Sherman Street, Room 518, Denver, Colorado during regular office hours, 8am to 5pm Monday through Friday, except holidays. Copies of the proposed consolidated plan will also be available in each of the DOLA's regional fields offices.

Northeastern area office in Sterling, (970) 522-6600 x6714
Southeastern area office in Pueblo, (719) 544-6577
South Central office in Monte Vista, (719) 852-9429
Southwestern office in Durango, (970) 247-7311
Northwestern office in Grand Junction, (970) 248-7310
Northern Mountains office in Silverthorne, (970) 468-2183
North Central office in Loveland, (970) 679-4501
Central office in Denver, (303) 866-3688.

Please call (303) 866-2771 or TDD (303) 866-5300 for the location of the DOLA field office nearest you or you may contact the field office directly. Alternate formats of the citizen participation plan and consolidated plan will be made available to persons upon request.

The DOLA will publish in a newspaper of general circulation the availability of the draft consolidated plan <u>and the dates of the thirty (30) day public comment period.</u> A copy of the summary of the consolidated plan will be sent to organizations with which the DOLA sought consultation. A listing of these agencies will be contained in the public notice. A copy of the entire plan will be available at each of the DOLA's regional field offices listed above and the DOLA's Denver main office. Citizen's who wish to participate in the planning process are encouraged to contact either an organization that represents their interests or the DOLA field office serving their region.

TECHNICAL ASSISTANCE

The DOLA will provide technical assistance to groups representative of persons of very low and low moderate income that are residents of the State of Colorado that request assistance in developing proposals for funding under any of the programs covered by this plan. The level and type of assistance will be determined by the DOLA and will be based on its ability to provide or arrange for such assistance, the cost of providing such assistance and other relevant factors.

AMENDMENTS

The DOLA will amend its consolidated plan when there is a new proposed activity which was not included in the adopted plan, or there is a change in the method of distribution.

WRITTEN COMMENTS AND COMPLAINTS

The state will respond to comments, complaints and grievances in a timely manner. When practicable, such responses shall be made within fifteen (15) working days and included in the consolidated plan. Please address your comments, complaints, or grievances to:

Consolidated Plan Staff
DOLA, Room 518
1313 Sherman Street
Denver, CO 80203

APPENDIX H – SUMMARY TABLES

Table 1C
Summary of Specific Homeless/Special Needs Objectives
(Table 1A/1B Continuation Sheet)

Obj #	Specific Objectives	Performance Measure	Expected Units	Actual Units
	Homeless Objectives			
1	Meet the need for shelter beds in small communities	# of shelter beds funded/developed	23	
2	Meet the need for shelter beds in large communities	# of shelter beds funded/developed	70	
3	Assist Continuums of Care (CoC) in implementing HMIS	# of CoCs assisted	3	
4	Work with statewide CoCs to promote strategies that address chronic homelessness.	Compliancy rate	95%	
5	Increase coordination among agencies serving the homeless	#ICH related meetaings	20	
6	Meet the needs for transitional housing beds.	# of transitional housing beds funded/developed	20	
7	Coordinate efforts to assist victims of natural disaster with housing and supportive services.	24-hour response time to all natural disasters as requested by the Governor	24-hour response time	
	Special Needs Objectives			
1	Connect special need projects with supportive services to foster client self-sufficiency	# of local housing organizations that are linked with supportive service providers	3	
2	Facilitate Section 8 homeownership programs for special need populations	# of homeownership opportunities created for special population households utilizing Section 8 vouchers	2	
3	Encourage the option for senior populations to modify Their homes to allow aging in place	# of units assisted with accessibility modifications for elderly persons	6 units	

4	Increase the supply of housing for persons at 50% Ami or less with disabilities in response to community needs.	# units created for persons at 50% AMI w/ disabilities # units created with DOH funds that incorporate or meet universal design standards	79 8	
5	Affirmatively further fair housing goals.	DOH publishes "Advance" on Predatory Lending # agencies receiving fair housing training	Apply for 100%	
10	Provide HOPWA funding to assist qualified agencies and their clients in non-entitlement areas.	# of clients who main-tain housing stability, avoid homelessness and improve access to HIV treatment and other healthcare. # of HOPWA units funded with HOME/CDBG.	30 4 units	

Table 2C
Summary of Specific Housing/Community Development Objectives
See Outcome Funding Matrix (Appendix E)

Obj #	Specific Objectives	Performance Measure	Expected Units	Actual Units
	Rental Housing Objectives			
	Owner Housing Objectives			
	Community Development Objectives			
	Infrastructure Objectives			
	Public Facilities Objectives			
	Public Services Objectives			
	Economic Development Objectives			
	Other Objectives			