

SMART Act Hearing January 2022
SB21-242 Housing Development Grants Hotels Tenancy Support Program

SB-21-242, authorized the use of the Housing Development Grant Fund at DOH for rental assistance, tenancy support service programs, and awarding grants and loans for the rental, acquisition, or renovation of underutilized hotels, underutilized motels, and other underutilized properties to provide non congregate sheltering or affordable housing for people experiencing homelessness. \$30 million was appropriated for this purpose. The law was signed June 25, 2021 and was implemented immediately through the safety clause. The law requires DOH to provide:

Summarized report of grants and loans awarded by the division of housing for the rental, acquisition, or renovation of underutilized hotels, underutilized motels, and other underutilized properties, and of the rental and tenancy support service programs provided by the division of housing related to underutilized hotels, underutilized motels, and other underutilized properties.

DOH has nothing to report for State Fiscal Year 2021 on these activities.

Update on progress from July 1, 2021 through December 15, 2021

Operation Turn-Key

The goal of Operation Turn-Key is to enable eligible applicants, including local governments, non-profit developers, housing authorities and for-profit developers, to quickly acquire, operate assets, and/or build a future pipeline of Non-Congregate Shelter, Supportive Housing, and other Affordable Housing assets. This will support the aim of the state to make homelessness rare and brief, and increase housing stability for Coloradans.

DOH combined funds from HB21-1329 and SB21-242 to issue one Notice of Funding Availability (NOFA) to award up to \$50M for Operation Turn-Key. Released in September 2021, the NOFA requests applications for funding for the acquisition of land and/or existing properties suitable for the purpose of providing or developing Non-congregate shelter (NCS), Supportive Housing (SH) for extremely low-income individuals and families experiencing homelessness or at imminent risk of experiencing homelessness, or affordable housing for Extremely Low to Moderate Income individuals and families. Additional funds may be also requested for the renting of and providing tenancy support services within the same properties to provide shelter or housing for households at risk of or experiencing homelessness.

As of December 15, 2021 DOH has:

- 3 awards totaling \$3,065,000
- 7 applications in progress \$25.6M
- 2 additional Letters of Interest received for \$7M

Total of 12 projects for \$35.6M in the active and awarded pipeline

- DOH has not received requests for funding for supportive services or rental assistance. Most applications thus far are for projects that are not immediately being used as shelter and therefore do not need the services and rental assistance at this time. A few potential projects have noted they will request services and/or rental assistance and those applications will be submitted in the coming months.