

Department of Local Affairs

Division of Housing

FY 2019-2020 SMART Government Act Report

CRS 24-32-721 4(f) (Development and Vouchers)

January 2021



COLORADO
Department of Local Affairs



Reporting Requirement

Colorado Revised Statutes title 24, article 32, section 721, subsection 4f reads that the “Department of Local Affairs shall report to the senate committee on health and human services and the house of representatives committees on health and insurance and public health care and human services, or any successor committees, under the “State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act”, part 2 of article 7 of title 2, on:

- I. The number of projects funded under this section
- II. The number of units in each project funded under this section
- III. The number of qualified individuals housed as a result of this subsection (4); and
- IV. To the extent practicable, the number of individuals who, after receiving a voucher under subsection (4)(b) of this section, returned to the facilities from which the individuals were transitioning.

Section 721 concerns 1) construction grants and loans for affordable housing and 2) housing vouchers, rental assistance, and other support services for housing assistance. It includes several programs including:

- Housing Development Grant and Loan (HDG) program: General Fund
- Homeless Solutions Program (HSP): Marijuana Tax Cash Fund
- Homeless Solutions Program - Justice Involved (HSP-JI): Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice Cash Fund, and
- Recovery-Oriented Housing (HB19-1009)

In FY20 Section 1.7 was added to address emergency housing assistance in response to the COVID-19 pandemic. A separate SMART Act report in January 2022 will cover that program.

I. The number of projects funded under this section

In FY 2019-2020, the number of affordable housing development projects funded under CRS 24-32-721 was 23. Details about each of these projects was provided in DOLA’s Cost Effectiveness RFI #1, which was provided to the Joint Budget Committee in September 2020 and is available upon request.

II. The number of units in each project under this section

In FY 2019-2020, the total number of units funded under section 721 was 1,114. In addition to these units, DOH funded one project with a total of 86 shelter beds. The tables on the following pages list the projects and the number of affordable units in each, as well as the project funding from DOH and the total project cost.



FY 2019-20 Housing Development Grant (HDG) Projects							
County and Project Name	Applicant	Tenure	Activity	Affordable Units	Amount	Total Project Cost	Leveraging
Gunnison - GardenWalk of Gunnison	Gunnison Valley Regional Housing Authority Inc.	Affordable Rental	New Construction	N/A	\$231,927	N/A	N/A
Denver - Olin Hotel Apartments	Senior Housing Options	Affordable	Rehabilitation	112	\$900,000	\$22,815,713	24:1
Chaffee - Deanza Vista	Deanza Vista	Affordable Rental	Rehabilitation	35	\$494,998	\$8,305,053	16:1
Pueblo - Casa del Sol	Casa Del Sol Community Partners	Affordable Rental	Rehabilitation	153	\$280,207	\$22,678,211	22:1
Pitkin - Basalt Vista	Pitkin County	Homeownership	New Construction	18	\$380,585	\$17,004,692	44:1
Statewide - Colorado Housing Connects (CHC) & Housing Navigation	Brothers Redevelopment Inc.	N/A	Housing Counselling	N/A	\$146,750	\$204,725	0.4:1
Denver - The Stella (Laradon Homes Phase II)	Gorman & Company	Affordable Rental	New Construction	131	\$1,300,000	\$42,804,796	32:1
Montrose & Ouray - San Juan Region Home Rehabilitation Program	Habitat for Humanity of the San Juans	Homeownership	Single Family Owner Occupied Rehabilitation	15	\$373,000	\$373,000	0:1
Boulder - Parkville Apartments	Thistle Communities	Affordable Rental	Rehabilitation	76	\$513,533	\$23,907,211	46:1
Garfield - Crystal Meadows Senior Housing Rehabilitation	Carbondale Housing Authority	Affordable Rental	Rehabilitation	76	\$1,888,000	\$13,480,789	6:1
Rio Blanco - HRWC Rental Rehabilitation - Rio Blanco	Housing Resources of Western Colorado	Affordable Rental	Rehabilitation	4	\$130,000	\$230,000	0.8:1
Denver - GES Colorado Community Land Trust Duplex Homes	Lowry Community Land Trust	Homeownership	New Construction	4	\$80,000	\$1,642,691	20:1
Arapahoe - Family Tree - GOALS Program family shelter	Family Tree	Transitional Housing	Acquisition & Rehabilitation	20	\$300,000	\$900,000	2:1



Pueblo - Mountain View Townhomes	Housing Authority of the City of Pueblo	Affordable Rental	New Construction	51	\$1,275,000	\$19,241,287	13:1
Garfield - Red Hill Lofts	Aspen Pitkin Employee Housing Inc.	Affordable Rental	New Construction	30	\$650,000	\$10,022,571	14:1
Alamosa, Costilla, Conejos, Mineral, Rio Grande, Saguache - San Luis Valley Housing Coalition Down Payment Assistance	San Luis Valley Housing Coalition	Homeownership	Down Payment Assistance	6	\$90,000	\$1,181,874	12:1
				732	\$8,954,000	\$184,792,613	19:1

¹ Gardenwalk of Gunnison was paid for with both FY 2018-19 and FY 2019-20 funds. The number of units, total project cost and leveraging were reported in the FY 2018-19 RFI report. The project has 36 units, and total project cost was \$10.1 million resulting in a leveraging ratio of 21:1.

² Casa del Sol was awarded a total of \$1,000,000. Due to the timing of the developer's readiness to contract, this will utilize funds from FY 2019-20 and FY 2020-21. The number of units, total cost, and leveraging are all reported in FY 2019-20.

2019-2020 Homeless Solutions Program (HSP) Projects								
County - Name	Applicant	Tenure	Activity	Total Units	Total Shelter Beds	Amount of HSP Funding Awarded	Total Project Cost	Leverage
Denver – Atlantis Apartments II	Atlantis Community Foundation	Supportive Housing	New Construction	84	0	\$980,000	\$22,712,466	22:1
Mesa – Pathways Family Shelter	Homeward Bound of the Grand Valley Inc.	Shelter	New Construction	0	86	\$2,650,000	\$5,775,094	1:1
Denver – Fusion Studios	Colorado Coalition for the Homeless	Supportive Housing	Acquisition & Rehabilitation	139	0	\$4,170,000	\$12,593,414	2:1
La Plata – Espero Apartments	Housing Solutions for the Southwest	Supportive Housing	New Construction	40	0	\$1,400,000	\$9,777,580	6:1
Denver – Warren Residences	St. Francis Center	Supportive Housing	Acquisition & Rehabilitation	48	0	\$2,100,000	\$9,527,568	4:1
Denver – Charity's House Apartments	Community Outreach Service Center	Supportive Housing	New Construction	36	0	\$1,200,000	\$13,470,849	10:1



Pueblo – The Right Place	Health Solutions	Supportive Housing	New Construction	35	0	\$1,050,000	\$8,975,836	8:1
				382	86	\$13,550,000	\$82,832,807	5:1

For additional information, the table below includes the number of units and shelter beds funded under this section by state fiscal year.

State Fiscal Year	Number of Units	Number of Shelter Beds
2019-20	1,114	86
2018-19	1,144	100
2017-18	1,859	113
2016-17	968	0
2015-16	1,015	108

III. The number of qualified individuals housed as a result of this subsection (4)

Subsection 4 includes vouchers, rental assistance and other support services for housing assistance.

Housing Vouchers

The Division of Housing’s State Housing Voucher program is funded through MTCF and the General Fund. Allocations of funds have been made to address different, but often overlapping, populations but with the common goal of preventing homelessness.

	Population Served	Legislative Authority	Source of Funds
1	Individuals who are transitioning from Mental Health Institutes back to the community or, who need more intensive services in the community to help avoid institutional placement.	Section 25.5-6-1501, C.R.S.	General Fund
2	Individuals who are transitioning from nursing homes or other institutional settings, or who need affordable housing to help avoid institutional placement	Section 25.5-6-1501, C.R.S.	General Fund
3	For housing, rental assistance, and supportive services, including reentry services, pursuant to Section 24-32-721, C.R.S.	Section 39-28.8-501 (2)(b)(IV)(N), C.R.S. & Section 24-32-721, C.R.S	MTCF
4	An individual who is homeless or in an unstable housing environment and is transitioning from a residential treatment program or is engaged in the community transition specialist program created pursuant to Section 27-66.5-103, C.R.S.	Section 24-32-721 4(b)(II), C.R.S.	MTCF HB19-1009 and General Fund



In FY 2019-20, 1,098 individuals or households were served with state housing vouchers at a total cost of \$8,536,774. Approximately 26% of these funds (\$2,220,868) were allocated as per CRS 24-32-721, which includes the funds from HB19-1009 as well as the Homeless Solutions Program. These vouchers served 401 households.

HB19-1009 added \$1M per year to this subsection for vouchers and support services for populations, including individuals with a mental health disorder, substance use disorder, or co-occurring behavioral health disorder who are transitioning from the Department of Corrections, the Division of Youth Services in the Department of Human Services, a mental health institute, a psychiatric hospital, or a county jail into the community; or individuals who are homeless or in an unstable housing environment and are transitioning from a residential treatment program or are engaged in Rocky Mountain Human Services' Transition Specialist Program. Through this funding, the Recovery-Oriented Housing Program through this funding RFA supports various recovery-oriented housing models of recovery compliance and service delivery that address the complex needs of individuals transitioning from a variety of institutional and community-based settings at various stages of recovery. This spectrum of available approaches is intended to meet the aim of HB19-1009 by improving housing stability and reducing returns to homelessness, the justice system, and hospitalization.

After collecting public comments and feedback from stakeholders across the Recovery-Oriented Systems of Care, affordable housing providers, and homeless service entities, the Colorado Department of Local Affairs Division of Housing (DOH) released the Recovery-Oriented Housing Request for Applications (RFA) on December 6, 2019. In addition to implementing these funds through this RFA process, DOH also incorporated the resources with existing programs that meet the intent of the legislation in regards to housing model, referral sources, and populations served.

DOH selected the following partner organizations to serve the clients designated by HB19-1009:

- Jefferson Mental Health Center: Jefferson, Gilpin, and Clear Creek Counties
- Rocky Mountain Human Services: Statewide
- Colorado Department of Human Services, Division of Youth Services: Statewide
- Centennial Mental Health Center: Cheyenne, Elbert, Kit Carson, Lincoln, Logan, Morgan, Phillips, Sedgwick, Washington, and Yuma Counties
- Homeward Alliance: Larimer County
- Second Chance Center: Adams, Arapahoe, Denver, and Jefferson Counties
- Volunteers of America: Colorado: Statewide (active in 34 counties)

These contracts were put in place in the second half of FY20 and 41 households met the eligibility criteria described by HB19-1009 and were served using these dollars. Going forward, we expect approximately 70 to 80 households per year to be served with these funds.

Rapid Rehousing

In addition to the state housing voucher program DOH funded several rapid rehousing programs. Rapid Re-housing focuses on individuals who need extra assistance and time to stabilize their lives through connection to community services and employment. Rapid Re-



housing expedites the process of connecting households experiencing homelessness to permanent housing options through a client-centered support system. Rapid Re-housing offers rental assistance for up to two years and targeted supportive services in order to solve the practical and immediate challenges to obtaining permanent housing.

The Colorado Rapid Rehousing for Re-Entry (COR3) program connects individuals with behavioral health conditions, who would be exiting or have already exited incarceration into homelessness, to affordable, supportive housing. COR3 accepts referrals from HUD Continuum of Care-based Coordinated Entry Systems, and from the Colorado Department of Corrections. In FY 2019-20, approximately 240 households were served in the COR3 program.

Next Step 2-Gen Rapid Re-housing provides move-in assistance, temporary rent subsidies, and case management services to families with school-aged children and unaccompanied students 18 years of age or older who are experiencing homelessness. The Division of Housing contracts with community partnerships made up of school districts, housing providers, and supportive service providers to help participants quickly exit homelessness, return to housing, and remain stably housed. 118 public school students and their families were provided with Rapid Re-housing assistance in FY20.

DOH partnered with six organizations to provide housing solutions to youth aged 18-24 who are homeless or would become homeless. Combined, these partners served 96 youth with rapid rehousing or host homes and 25 youth with state housing vouchers in Mesa, Larimer, Alamosa, Fremont, Garfield, Morgan, Pueblo, Dolores, Montezuma, San Juan, La Plata, Archuleta, El Paso, and Metro Denver Counties.

The number of qualified individuals housed as a result of this subsection (4)

Housing Strategy	Number Served
Housing Vouchers	401
Rapid Rehousing	454

IV. To the extent practicable, the number of individuals who, after receiving a voucher under subsection (4)(b) of this section, returned to the facilities from which the individuals were transitioning.

Subsection (4)(b) refers to the program developed through HB19-1009, which we refer to as the Recovery-Oriented Housing Program. Of the 41 individuals served by this program in FY20, zero returned to facilities from which they transitioned.