Division of Housing
Strategic Housing Working Group

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Strategic Housing Working Group

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2019 Stakeholder Engagement Report – Priority Housing Needs

- Challenges in qualifying for assistance
- Effects of housing crisis on employment and economic development
- Lack of understanding of affordability challenges and needs
- Housing should be prioritized for people living and working in communities
- Concern about community displacement
- Elimination of Naturally Occurring Affordable Housing
- Unique needs of vulnerable populations

Strategic Housing Working Group – Idea Areas for Consideration

Members of the SHWG selected idea areas to explore, based on:

- The recommendations from the 2019 Stakeholder Engagement Process;
- Expertise of the SHWG members; and
- Housing needs in the communities represented by working group members.

The following idea areas were considered by the SHWG

1. Accessibility and Universal Design
2. Capital and Capacity
3. Rental Assistance Programs
4. Preserving and Incentivizing Naturally Occurring Affordable Housing
5. Zoning and Land Use
6. Supportive Service Provision
7. Rehabilitation and Homeownership

Accessibility and Universal Design

Members of the SHWG recommended the following:

- DOH to increase funding by $5,000 per unit for each accessible unit built in affordable developments.
- DOH to use grants or incentives to create a Type B+ accessibility

Capital and Capacity

Members of the SHWG recommended the following:

- DOH to provide multi-year awards to small housing agencies, including local governments, public housing authorities, and nonprofits.
- DOH to develop a flexible funding source to help build balance sheet strength for small agencies.
- DOH to provide a pool of on-call consultants, well versed in these unique challenges, and potential funding to help small agencies.
- “Right Size” requirements for rural areas
- Increase per unit funding and AMI guidelines for non-metro projects

Rental Assistance Programs

Members of the SHWG recommended the following:

- Colorado Civil Rights Division (CCRD) to clarify treatment of “3x rent in income” requirements in source of income protections.
- DOH to create a fund that acts as a backstop account for local housing agencies to implement and administer a localized master lease program.
- DOH to explore a program that will bridge the rental assistance gap for voucher holders whose rent options do not meet the fair market rental rate.
- DOH to explore funding to cover the front-end staff work borne by administering agencies required to find voucher holders affordable rental units that meet their needs.

Preserving and Incentivizing Naturally Occurring Affordable Housing (NOAH)

Members of the SHWG recommended the following:

- DOH to create a grant and loan fund for the acquisition of NOAH.

- DOH to create a grant and loan fund to finance the rehabilitation and preservation of NOAH properties.

Zoning and Land Use

Members of the SHWG recommended the following:

- DOLA to develop the following technical assistance for housing agencies: an affordable housing toolkit of resources to better inform (LGs) on land use and affordable housing policy; LG guidance for identifying and preparing sites for affordable housing and positioning to attract developers; a platform for LGs interested in exploring ADUs as an affordable housing policy.
- DOLA to fund local governments (LGs) housing needs assessments.
- DOLA to provide education, templates, resources, and advising to position (LGs) to attract higher levels of funding for affordable housing.
- DOLA to provide local government funding for land acquisition—including land banking—and infrastructure improvements that support the development of affordable housing by lowering costs to developers.

Supportive Service Provision

Members of the SHWG recommended the following:

- DOH and partners to research, define, and advocate for a long term dedicated source of funding for supportive services.

- DOH to consider funding for supportive services to nonprofit partners who provide supportive services to residents in privately owned NOAH and nonprofit owned assisted housing.

Home Rehabilitation

Members of the SHWG recommended the following:

- DOH should allow higher AMI levels for households receiving rehabilitation assistance, up to 120 percent of AMI (v. the 80% cap currently). This could include income averaging to allow a broader range of house holds to receive assistance.
- DOH should raise the caps on per unit assistance to better reflect rehabilitation needs, which can be as high as $60,000 per unit.
- DOH should allow rehabilitation programs to cover mobile and manufactured homes not on permanent foundations and special assessments of low to moderate income condominium owners.
- DOH should provide grants as well as rehabilitation loans after analyzing the rehabilitation program's loan to value v. rehabilitation needs and adjust requirements as needed.
- DOH should explore a pilot rehabilitation program for small landlords

Home Ownership

Members of the SHWG recommended the following:

- DOH should allow higher AMI levels for homeownership programs, up to 150 percent of AMI (v. the 120% cap currently).
- DOH should evaluate how current loan to value requirements, differences between construction costs of ownership products and needs, and how loans v. grants impact the ability of renters to attain ownership, by geographic area and AMI level.
- DOH should evaluate the potential to remove the qualified mortgage (QM) requirements and allow more flexibility in homeownership programs.
- The SHWG recommends continued advocacy for construction defect solutions to increase the supply of affordable ownership products through condominium development.

Questions?

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