

Representative Dominique Jackson
200 E. Colfax Ave, Rm 307
Denver, CO 80203

Senator Julie Gonzales
200 E. Colfax Ave, Rm 346
Denver, CO 80203

September 20, 2021

Dear Representative Jackson and Senator Gonzales,

Thank you for the opportunity to work on behalf of the Affordable Housing Transformational Task Force in our capacity as chair and vice chair of the Task Force's Subpanel. Our subpanel has met three times and, in that time, has worked to arrive at some common understanding of the work that is before us.

We wanted to take this opportunity to update you on that progress and to prepare you and the members of the Task Force for what we will be presenting to the Task Force meeting on September 21, 2021. What you will find enclosed are the outline of how we intend to shape our conversations and the recommendations the Subpanel makes to the Task Force. This includes:

- 1) Considerations for the definition the Subpanel intends to use for "affordable housing,"
- 2) The identified gaps that the Subpanel will make recommendations for closing,
- 3) The guardrails that the Subpanel will operate within in terms of where funding can be directed per both HB21-1329 and federal guidance around the use of American Rescue Plan Act funds, and
- 4) A map of the strategic pillars the Subpanel will address when making recommendations to the Task Force.

We hope that this information is informative and easy to understand.

If there are any questions, please feel free to reach out to us.

Sincerely,



Brian Rossbert, Chair
Executive Director
Housing Colorado



Cathy Alderman, Vice Chair
Chief Communications and Public Policy Officer
Colorado Coalition for the Homeless

Cc: Jeanette Chapman, LCS
April Bernard, LCS

Affordable Housing

A consideration of the term “affordable housing,” must include an evaluation of the full continuum of housing needs for all people including those experiencing homelessness to those who seeking attainable, accessible, and stable rental housing, and to those entering home-ownership for the first time. While certain programs and/or funding sources are tied directly to defined standards of affordability, the Subpanel recommends that, to the extent possible, a guiding definition of affordable housing for new programs, services, and developments with the ARPA funds should include:

- Affordability is tied to people/households and not to the market. **People should not have to spend more than 30% of their income on housing costs** (rent/mortgage/utilities).
- When affordability must be tied directly to AMI because of program or funding requirements, **it should be responsive to the unique characteristics of that community** (i.e. Is it a resort community? Do AMI standards adequately address the workforce? Are there considerations for populations on fixed incomes?)
- Affordability should also include a **sustainability and stability component** to ensure that long-term affordability can be achieved for both rental and home-ownership opportunities.

Identified Gaps

When addressing the gaps in Colorado’s affordable housing crisis, the Subpanel recommends that the Task Force use current state, local, and national data sources to define:

- Gaps in supply for both rental and home ownership units by income groups.
- Gaps in funding sources for housing development and preservation opportunities especially for low-income/cost burdened households.
- Gaps in infrastructure needs, the labor market, and supply needs for development.
- Gaps in tenancy support, vouchers, and supportive services.
- Gaps in systems and administrative agencies that, with reform, support, and stronger integration, could more effectively connect people to housing opportunities.

Guardrails and COVID-related Tie Back

The following summarizes a September 14, 2021 memo directed to members of the Task Force from the Office of Legislative Council concerning 1) permissible uses to the state for housing purposes under ARPA and 2) specificity as to the populations, households, or geographic areas disproportionately impacted by COVID.

- 1) The federal money received by the state must be broadly used to build stronger communities through investments in housing and neighborhoods to assist those disproportionately affected by COVID. Such eligible uses encompass programs or services that alleviate the immediate economic impact of COVID on housing insecurity, as well as

programs or services that address conditions that contributed to poor public health and economic outcomes during the pandemic, namely concentrated areas with limited economic opportunity and inadequate or poor-quality housing. Such eligible services include:

- Services to address homelessness such as supportive housing, and to improve access to stable, affordable housing among unhoused individuals.
- Affordable housing development to increase the supply of affordable and high-quality living units; and
- Housing vouchers, residential counseling, or housing navigation assistance to facilitate household moves to neighborhoods with high levels of economic opportunity and mobility for low-income residents, to help residents increase their economic opportunity and reduce concentrated areas of low economic opportunity

Assessing whether a program or service "responds" to COVID requires the recipient to:

- Identify a need or negative impact of COVID; and
- Identify how the program, service, or other intervention addresses the identified need or impact. "While [COVID] affected many aspects of American life, eligible uses under this category must be in response to the disease itself or the harmful consequences of the emergency disruptions resulting from or exacerbated by [COVID]."

- 2) The ARPA Regulations make clear that the effects of the pandemic have most severely fallen upon low-income communities, people of color, and Tribal communities and, therefore, those are the persons disproportionately impacted by COVID. impacted by COVID. As low-income communities, people of color, and Tribal communities are concentrated in certain QCTs, the ARPA Regulations specify a presumption that certain types of services, including the services identified in part 1 of his memorandum, are eligible uses of ARPA funds when provided in a QCT to families and individuals living in a QCT, or when those services are provided by Tribal governments. These services may also be provided to other populations, households, or geographic areas disproportionately impacted by the pandemic.

"Recipients [of ARPA funds like States] may also provide these services to other populations, households, or geographic areas disproportionately impacted by the pandemic. In identifying these disproportionately impacted communities, recipients should be able to support their determination that the pandemic resulted in disproportionate public health or economic outcomes to the specific populations, households, or geographic areas to be served."

MANDATE

To respond to the public health emergency with respect to COVID-19 or its negative economic impacts for programs or services that benefit populations, households, or geographic areas disproportionately impacted by the COVID-19 public health emergency, focusing on programs or services that address housing insecurity, lack of affordable housing, or homelessness.

STRATEGIC PILLARS

Expand Capacity	Stabilize Existing Affordable Housing	Strengthen the Safety Net	Ensure Access and Equity
<ul style="list-style-type: none">• Increase access to flexible capital sources and other funding mechanisms that incentivize innovation and reduce costs• Align critical infrastructure investments with housing investments• Increase new supply of traditional and nontraditional affordable housing units (rental and ownership)• Align subsidies and vouchers with unit development whenever possible• Purchase land and property to secure for future development• System changes/regulatory framework to expand capacity• Evaluate and secure additional sources for funding for ongoing capacity investment including support for nonprofit organizations, developers, and community-based organizations	<ul style="list-style-type: none">• Keep people housed through investments in emergency rental assistance and mortgage programs to be available long-term• Enhance Market stability by purchasing and preserving existing affordable housing supply (rental and ownership)• Invest in housing interventions that are specifically tailored to the population being served including seniors, people living with disabilities, and households with other distinct needs.• Use policies/covenants and other tools to ensure long-term affordability• Implement strategies to reduce the impacts of involuntary displacement	<ul style="list-style-type: none">• Invest in solutions to address housing insecurity and instability to prevent people from entering the cycle of homelessness• Invest in transition planning and services for people exiting certain institutions (systems shouldn't be able to discharge people into homelessness).• Invest in homelessness resolution for those who are experiencing it today with flexible vouchers, alternative or transitional housing, and long-term supportive housing options• Reduce the long-term detrimental effects of homelessness on people and communities through enhanced integration with other safety net systems and ongoing supportive services policies and funding.	<ul style="list-style-type: none">• Prioritize historically and disproportionately affected households and communities for investment• Invest in statewide housing assessment and long-term, ongoing strategy to evaluate and respond to housing inequities• Promote equitable access to homeownership and rental housing that account for transportation, climate, and other community needs through:<ul style="list-style-type: none">○ Inclusionary policies○ Innovative and creative tools for affordable, accessible homeownership, including loans○ Land trusts and land-banking, economic co-ops, protection of renter/tenants,○ Expansion of flexible rental vouchers and subsidies○ Reduce barriers to access for resources, housing, and subsidies

FOUNDATION

Access to affordable, safe, and attainable housing for all, via rental or home ownership, in order to prevent homelessness and housing instability and allow all community members to thrive. When homelessness and housing instability are unavoidable, ensure there are systems in place to make the experience rare, one-time, brief, and quickly resolvable. Solutions to be proposed to the Affordable Housing Transformational Task Force will be policy or funding oriented.