

Teller County Strategic Housing Plan

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Prepared for:
Teller County

And the cities of:
Woodland Park
Cripple Creek
Victor

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Introduction

The Teller County Housing Needs Assessment identifies current and future housing needs for residents and local employees in Teller County and the cities of Woodland Park, Cripple Creek and Victor. This document, the Strategic Plan, establishes a series of recommendations to address the housing needs in Teller County and each of the cities. This is an action-oriented document that details what can be done to address the housing need, what administrative and funding responsibilities are, what opportunities and constraints are offered by program options and where in the county the programs will be most effective. The intent of this Plan is to help focus the direction of Teller County and the cities in implementing solutions to address the housing needs in the area.

Given the range of needs, the Strategic Plan identifies the approaches that may be the most effective for the County and its cities. It includes programs that address the current need (e.g., demand from in-commuting workers and overcrowded households¹), commonly referred to as “catch-up” programs, as well as those addressing future needs (e.g., demand from job growth), which are known as “keep-up” programs. The available tools can be reviewed by residents and decision-makers in the County and in each city as they consider how to prioritize the needs to be addressed in each area.

Report Format

Program options are presented for Teller County as a whole, the city of Woodland Park, and the cities of Cripple Creek and Victor, given the unique housing needs, opportunities and constraints for each area. The current and future need for housing by Teller County workers and residents specified in the Teller County Housing Needs Assessment is first presented to understand the needs to be addressed. A matrix of the most effective program options that could be implemented to address the identified needs is then presented. For each identified need in the county (income targets, tenure, etc.), this matrix identifies potential program options; opportunities, constraints and considerations associated with each program; and the structure and funding mechanisms best suited to implement the programs.

Housing Needs - “Catch-up” and “Keep-up”

In this section, “catch-up” need refers to the current deficiency in units in Teller County needed to serve the local workforce and households – or the present need in the county. “Keep-up” refers to the additional units that will be needed by Teller County employees and residents in the future given expected job and resident growth patterns in the county. These types of need are identified separately given that different program options are available to serve each type of need.

¹ Note: Cost-burdened households are not included in the need for *additional* units in the county because, if more affordable units are created, these households will move into the new unit and free-up their existing unit for others (in this case, in-commuters that want to live in Teller County and overcrowded households). Cost-burdened households do, however, help define the need for housing in Teller County in terms of price-points for ownership and rental units.

Catch-Up

The current need for housing in Teller County is estimated to be for about 440 units. This defines the number of units needed to “catch-up” to current need from local employees and households. This is a combination of units needed to house in-commuters that would prefer to live in Teller County and to relieve overcrowded households (e.g., households with more than 1.5 persons per bedroom). It is estimated that about one-half of these units would be needed in the Woodland Park area.

Table 1. “Catch-Up” Need for Housing Units in Teller County: 2005

	Teller County	Woodland Park	Cripple Creek/Victor
Current units in demand (2005): in-commuters and overcrowding	440	228	20

Keep-Up

In addition to the existing deficit in housing, it is estimated that another 1,830 units will be needed to meet the demand from employees that will be filling new jobs by 2015 – or roughly 183 units per year between 2005 and 2015, on average. This defines the number of units needed to “keep up” with future need from local employees based on projected growth in jobs in the area. Given that job growth is expected to be higher in the Woodland Park area than in the southern part of the county, it is estimated that between 870 and 1,050 of these units would be demanded by new employees in and near this city by 2015 (or between 87 and 105 units per year over the next ten years).

Table 2. “Keep-Up” Demand for Housing Units in Teller County: 2005 through 2015

	Teller County	Woodland Park	Cripple Creek/Victor
Additional Units demanded by employees between 2005 and 2015	1,830	870 to 1,050*	525 to 700*

*County jobs are projected to increase 41% between 2005 and 2015 (DOLA). Given current and planned development, it is expected that job growth in the Woodland Park area will exceed the rate of growth in Cripple Creek/Victor and the county as a whole. Therefore, the above figures provide a range – one based on the overall County growth rate (41%) and the other on an assumed faster rate of growth in Woodland Park (50%) and a slower rate in Cripple Creek/Victor (31%). These figures are for reference only and are not intended to represent actual job and employee projections for these cities.

Given competition for housing from out-commuters, a third component of demand for housing from El Paso County workers that want to live in Teller County was also estimated. El Paso worker households are expected to demand an additional 638 units in Teller County by 2015, with over one-half of this demand for units in the Woodland Park area (about 359 total).

Housing programs in the county will most likely not target this population, but it is important to understand the extent to which local workers must compete with out-commuters for housing. Because out-commuters earn higher wages on average than

Teller County workers, the competition for units will continue driving up the price of housing in Teller County in the future, resulting in fewer affordable homes produced for local workers by the general market.

Table 3. Estimated Demand for Housing Units in Teller County: 2005 through 2015

	Teller County	Woodland Park	Cripple Creek/Victor
El Paso Worker Households (out-commuters) between 2005 and 2015	638	359	16

Seniors

It is important to note that as housing is built for existing seniors in the community, they will free up their current residence, which will then be available for other residents and workers to occupy. As a result, providing housing for seniors will also help serve other members of the community in need of housing. For this reason, senior households are not added to the catch-up and keep-up figures, above. However, given their importance to the community and expressed need for local housing, it is a group that needs to be considered in Teller County housing programs. In summary:

- About 1,099 households in Teller County are occupied by someone age 65 or older. Seniors were one group in particular that was identified to be in need of housing by realtors, property managers, developers and social service agencies alike.
- About 34 percent of senior households are cost-burdened (374 total) and 10 percent are severely cost-burdened by their housing payment (110 total). About 72 percent of senior cost-burdened households earn under 50% of the AMI. The one age- and income-restricted rental property in the area (Woodland Park Apartments) is proposed to be condominiumized or leased as market rate units, resulting in a loss of about 40 one-bedroom units for low-income seniors.
- In addition to the current need for housing, persons age 65 and over in Teller County are projected to increase by 66 percent between 2005 and 2015, or by 938 persons. This is faster than expected for the state of Colorado as a whole (50 percent increase between 2005 and 2015) and follows from realtor observations about Teller County being an increasingly popular area for out-of-area persons to retire. It is expected that seniors will demand an additional 824 units by 2015, as well as increase their demand for services (transportation, medical care, etc.). About one-third of these households will be earning less than 50 percent of the AMI provided current (2005) income ratios are maintained.

Tenure and Price Points Needed

Provided the current distribution of owners and renters in Teller County by income range is maintained, about 60 percent of “catch-up” and “keep-up” units will need to be priced for households earning 120 percent or less of the AMI (households earning about \$69,000 per year for the average size 2.56 person household in Teller County). About

82 percent of the units will need to be ownership housing and the remaining 18 percent will need to be rentals.

It is important to note that the housing market will most likely provide units for some of the households below – particularly renters earning over 80 percent of the AMI (or about 230 renters) and owners earning over 120 to 150 percent of the AMI (or about 550 owners). Programs should focus on producing units that are not adequately supplied by the market. This results in a need for about 300 rental units priced for households earning under 80 percent of the AMI (\$45,946 for a 2.56 person household) and about 1,360 ownership units priced for households earning under 120 percent of the AMI (\$68,942 for a 2.56 person household). *This would translate to an average yearly production of 30 rental units and 136 ownership units in the above AMI ranges over the next ten years (between 2005 and 2015).*

**Table 4. Housing Needed by Tenure and by AMI:
Teller County Total 2005 to 2015***

	Total	<50%	50 to 80%	80 to 100%	100 to 120%	120%+
"Catch-up" units needed (housing deficit 2005/06)	440	66	88	66	48	172
<i>Own</i>	360	47	68	50	40	155
<i>Rent</i>	80	18	21	14	7	19
"Keep-up" units needed (2005 to 2015)	2,468	370	494	370	271	963
<i>Own</i>	2,023	263	384	283	223	870
<i>Rent</i>	445	102	116	80	40	107
Area Median Incomes and Affordable Purchase Prices/Rents (2.56 person households)						
Maximum Area Median Income (2005)	-	\$28,726	\$45,946	\$57,452	\$68,942	Over \$68,942
Maximum affordable purchase price**	-	\$95,695	\$153,060	\$191,390	\$229,668	Over \$229,668
Maximum affordable rent**	-	\$718	\$1,149	\$1,436	\$1,724	Over \$1,724

*Shading denotes the primary target areas for housing programs in Teller County. The non-shaded areas are, for the most part, largely supplied by the existing market. This is subject to change, however, as home prices continue to rise faster than local wages.

**Incomes and respective purchase prices and affordable rents were estimated based on the average household size of 2.56 persons (2000 US Census) – generally requiring a minimum 2-bedroom or larger home. Purchase prices assume 5% down; 6.5% 30-year loan; 20% of monthly payment for insurance, taxes, HOA.

Estimates of housing need by area were also presented in the Teller County Housing Needs Assessment and are summarized below. Given the variation in home prices and incomes between homes and households in the Woodland Park area and those in the Cripple Creek/Victor area, the need in each of these regions varies. Ownership housing priced for households earning less than 120 percent of the AMI is in short supply in the Woodland Park area, whereas homes in the Cripple Creek/Victor area are largely affordable to households earning 100 percent or more of the AMI, although the suitability of these units for occupancy varies. As indicated by the shaded cells in the table below,

housing programs in each area would need to target slightly different populations to meet the housing needs of employees and residents:

- Ownership housing programs in Woodland Park should target households earning between 80 and 120 percent of the AMI.
- Rental housing in Woodland Park should focus on households earning less than 80 percent of the AMI, where households earning less than 50 percent of the AMI (senior and non-senior households) are in particular need.
- Ownership housing programs in the Cripple Creek/Victor area would likely target households earning between 60 and 100 percent of the AMI.
- Rental housing in the Cripple Creek/Victor area should target households earning less than 30 percent and between 30 and 50 percent of the AMI.

**Table 5. Housing Needed by AMI:
Woodland Park and Cripple Creek/Victor areas 2005 to 2015***

	Total	<50%	50 to 80%	80 to 100%	100 to 120%	120%+
"Catch-up" units needed (housing deficit 2005/06)						
<i>Woodland Park</i>	228	32	44	30	21	100
<i>Cripple Creek/Victor</i>	20	5	5	3	2	5
"Keep-up" units needed (2005 to 2015)						
<i>Woodland Park</i>	1,229 to 1,409	175 to 200	237 to 271	163 to 186	115 to 132	540 to 619
<i>Cripple Creek/Victor</i>	541 to 716	127 to 169	140 to 186	91 to 121	48 to 63	134 to 178
Area Median Incomes and Affordable Purchase Prices/Rents (2.56 person households)						
Maximum Area Median Income (2005)	-	\$28,726	\$45,946	\$57,452	\$68,942	Over \$68,942
Maximum affordable purchase price**	-	\$95,695	\$153,060	\$191,390	\$229,668	Over \$229,668
Maximum affordable rent**	-	\$718	\$1,149	\$1,436	\$1,724	Over \$1,724

*Shading denotes the primary target areas for housing programs in each area. The non-shaded areas are, for the most part, largely supplied by the existing market. This is subject to change, however, as home prices continue to rise faster than local wages.

**Incomes and respective purchase prices and affordable rents were estimated based on the average household size of 2.56 persons (2000 US Census) – generally requiring a minimum 2-bedroom or larger home. Purchase prices assume 5% down; 6.5% 30-year loan; 20% of monthly payment for insurance, taxes, HOA.

I - Program Focus

A primary step in identifying appropriate programs to address housing needs in Teller County and the cities is to set goals and priorities. The Teller County Housing Needs Assessment identified gaps in the ownership and rental market, which are described below. This Strategic Plan suggests a variety of tools that may be appropriate to address each of the needs. After each community has determined its priority for action, it can make use of these tools to assist in providing housing for the households in need.

Home Ownership

- Ownership units priced below \$300,000 are in short supply compared to local resident needs in the county as a whole. These would be units priced affordable to households earning less than 150% of the AMI (or an annual income of \$86,000 for a 2.56 person household). The largest price gap is in the availability of units affordable to households earning between 80 and 100% of the AMI (priced between about \$150,000 and \$190,000 for an average 2.56-person household [or about a 3-bedroom home]). These would be housing units for primarily first-time homebuyers.
- Availability of units below \$200,000 varies by region in the county, where about 62 percent of units listed for sale on the Multiple Listing Service in the Cripple Creek/Victor area are priced below \$200,000 compared to only 22 percent of units in Woodland Park. In other words, first-time homebuyer opportunities are limited in Woodland Park, whereas they *appear* to be plentiful in the south county. However, the suitability of units for occupancy also needs to be considered in conjunction with price. About 50 percent of units priced under \$100,000 that are currently listed on the MLS were built before 1975 and 35 percent were built prior to 1950, most likely requiring substantial upgrades and repairs – expenses that households purchasing their first home have difficulty affording.

Rental Housing

- The number of households earning less than 30 percent of the AMI exceeds the number of rental units available to them. These households are primarily persons living alone (60 percent) and 39 percent have at least one person age 65 or older.
- Many renters earning between 30 and 80 percent of the AMI pay over 30 percent of their income for rent (i.e., are cost-burdened) and most income-restricted rental properties in Teller County (30, 50 and 60% AMI) have wait-lists. This indicates a shortage of supply of housing for these renter households.
- About 92 renter households in Teller County presently earn less than 50 percent of the AMI and are severely cost-burdened (pay over 50 percent of their income for rent). These households define some of the need for rentals in the county.

Senior Housing

- About 34 percent of senior households are cost-burdened (374 total) and 10 percent are severely cost-burdened by their housing payment (110 total). About 72 percent of senior cost-burdened households earn under 50% of the AMI. The loss of

Woodland Park Apartments, which were income-restricted rentals for seniors in Woodland Park, adds to the existing need for housing for this population.

- Persons age 65 and over in Teller County are projected to increase by 66 percent between 2005 and 2015, demanding an additional 824 units by 2015, and increasing the demand for services required by this population (transportation, medical care, etc.). About one-third of these households will be earning less than 50 percent of the AMI provided current (2005) income ratios are maintained.

Goals and Priorities

Each city and the county need to evaluate the housing needs in the area in conjunction with the opportunities and constraints of their community, and set priorities and goals from which to target their housing programs. Based on the needs in each area identified above, some example priorities may include:

- Woodland Park may determine that their catch-up housing programs should focus on low-income seniors and renovation of existing multi-family units for low-income rentals (50 percent or less of the AMI). Given the recent loss of age- and income-restricted rentals for seniors in the city and the new commercial development in the area, these would be targets that could be relatively quickly achieved and provide affordable and adequate housing for these populations. Keep-up housing programs may focus on first-time homebuyer purchase opportunities (80 to 120% AMI households) given that these homes are difficult to find in the area, but needed. With the new growth planned in the area, linking affordable housing programs to new development (through regulations or incentives) would be an effective way to produce local employee units or receive monies (cash-in-lieu, impact fees, etc.) to help fund housing programs and development.
- The Cripple Creek and Victor area has a large number of homes that are vacant much of the year and in poor condition (built prior to 1950). They also have high demand for low-income rental units (30 and 50% AMI) and little new home construction occurring. Catch-up needs may focus on renovating existing multi-family and single-family units for rent and resale to low-income renters and first-time homebuyers and helping low-income households purchase their first home. Keep-up programs may include public-private partnerships to develop rental units for seasonal employees and provide newer homes for entry-level purchase (under \$100,000). Given the limited new development in the area, linking housing production to new growth would likely not be as productive as finding other alternatives to produce units (non-profits, public/private partnerships, etc.) at this time.

In summary, each area should:

- 1- Identify the catch-up and keep-up populations of primary priority (owners, renters, income targets, seniors, etc.). As these populations are served with housing, community resources to produce housing increase and housing needs of the population change, housing programs can evolve accordingly.
- 2- Identify what percentage of the housing need will be served by the programs. For example, Woodland Park may determine they can serve 35 percent of the need for

entry-level ownership housing in the area (or about 10 units of “keep-up” housing per year²). Cripple Creek and Victor may determine that they can renovate and rent/resell up to 8 properties per year to start, then expand the program in a few years. This step provides a numerical target, or goal, for programs.

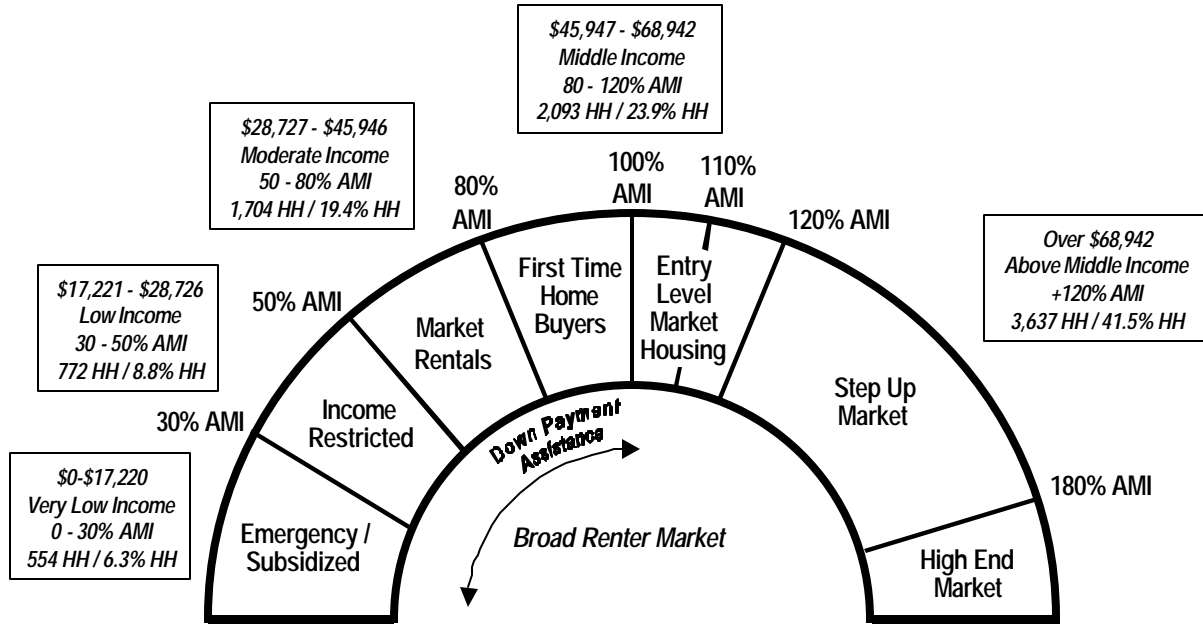
- 3- In conjunction with the above, each city and the county also needs to take inventory of their existing land, redevelopment areas/opportunities, current planned growth and desired future direction for growth to determine existing and desired opportunities for locating new housing to be produced through programs. This inventory is important to understand which type of programs will be most effective in providing housing for the area and to ensure housing for residents is planned as an essential part of the growth of the community.

This report and the Teller County Housing Needs Assessment have identified the housing needs in each area. Each city and the county need to prioritize these needs based on local issues and factors of importance and set actionable goals – both for the near term and long term. Upon reviewing locally available resources, the types of housing programs available and their feasibility in each area, and taking inventory of where housing can be constructed to meet the needs of populations being served, each area can identify their capacity for both short- and long-term successes. Reviewing housing program options while considering the capacities of each city and the county will result in each area’s prioritization of their ability to serve each of the housing needs in their community.

Finally, it is important not to focus on one need over the long term at the exclusion of other housing needs. Although this can be done in the short term to ensure some successes of implementation and broaden resources in the community, long term goals should be focused on targeting all housing needs. The goal of any housing program should be to provide a spectrum of housing in the community that is affordable and likely to be sought out by households in different income groups, as shown in the Housing Bridge below. The Housing Bridge depicts what may be ideal for most communities – the availability of housing that is affordable to all households and provides options for changing life circumstances, thus supporting an economically balanced community.

² Estimated from the mid-point of ownership units affordable to households earning between 80 and 120 percent of the AMI, presented in Table 5, above.

Housing Bridge 2005



*Percentages and numbers denote the 2005 distribution of households in Teller County within each income range. Incomes are based on the HUD defined area median incomes and estimated for a 2.56 persons on household.

II - Program Opportunities

Upon reviewing who to target with housing programs and how much of the population can be served in each area, specific programs to serve identified goals can be tailored to meet the needs in the community. Several program options were probed in the household and in-commuter surveys done as part of the Teller County Housing Needs Assessment and, based on survey responses, would provide favorable options for addressing current and future housing needs. Various mixes and applications of these programs have been used successfully in other communities as effective means of addressing housing needs of existing and future residents through housing development, rehabilitation and housing assistance. The matrix in **Appendix A** identifies potential programs that could be implemented by Teller County and the cities to address different housing needs. This includes a description of each program, along with the associated opportunities, constraints and considerations and the structure and funding mechanisms best suited to implement each program.

III – Program Implementation Strategies

Program implementation strategies include taking inventory of the existing resources and programs available to each area in Teller County and any additional resources, partnerships and organizations that may be needed to achieve stated housing goals. This can occur in conjunction with identifying housing goals and suitable programs to meet those goals.

Existing Programs and Resources

Appendix B includes a list of some of the existing social service agencies, non-profits and partnerships in Teller County, which all have resources and contacts that would be beneficial in implementing needed housing programs. In selecting programs to serve housing needs, an important step would be to focus on existing programs and decide how they could be more fully used. For example:

- In the home ownership category, there is a Home Improvement Loan Program offered through the Upper Arkansas Area Council of Governments (UAACOG). This program is funded by the State of Colorado and could be expanded, if there is more demand from Teller County for loans to improve energy efficiency and address substandard housing. UAACOG also offers homebuyer training classes and is interested in expanding this program to Teller County, along with down payment assistance programs.
- For rental housing, one private sector developer in Divide is currently making successful use of the Low Income Housing Tax Credit program. More private sector developers may consider participating in this program, given the strong demand for affordable rental housing that is being demonstrated by wait lists for the current tax credit developments. Also, non-profit organizations and housing authorities are eligible to receive an allocation of tax credits from state or federal sources. The tax credits are awarded competitively and projects sponsored by non-profit organizations and housing authorities receive extra points.
- Additionally, there are non-profit organizations, such as Help the Needy and the Aspen Mine Center, that provide education and funds for rental housing assistance to low income renters, in addition to helping clients with utility bills, legal aid, medical and other urgent needs.

Additional Programs and Resources

Teller County may benefit from the formation of additional organizational structures that will permit more efficient collection and use of funds and resources than existing independent operations. For example, it is possible that an existing organization might be interested in expanding its focus in order to bring more funds and implement more programs in Teller County. Or a new non-profit or housing authority could be formed, perhaps first “borrowing” existing city or county staff to begin the endeavor. As a result of these early efforts, a non-profit organization or a housing authority is then formed to bring in more focus and manpower. For example, in the City of Boulder, the City Council created the housing authority in 1966 and provided the first staff person for the organization. For many years, the Director of the Division of Housing for the City was also the Executive Director for the Housing Authority. In 1998, this position was changed into a Division Head for housing that is different from the housing authority executive director position.

- In several Colorado communities, efforts are under way to create new regional housing authorities. There is a new regional authority in Mesa County and work underway to create one in Clear Creek County. There may be further technical

assistance available from the State to assist Teller County in creating an organization like a regional housing authority or non-profit.

- Community Housing Development Organizations (CHDO) are non-profits that can also help generate funds and create housing programs. If a non-profit organization meets the requirements to be a CHDO, it can receive some funds for operations, as well as funds for specific projects. The requirements to become a CHDO include having Board members who represent the clients to be served.

Regarding funding, there are many federal and state fund options. For example:

- The State Division of Housing awards federal and state funds on a project-by-project basis monthly. If Teller County communities identified closing cost assistance and first-time home buyer funds as a priority, the County could make application to the State for these funds. State funds do require local areas to provide some sort of fund matching.
- Colorado Area Realtors Housing Opportunity Fund (CARHOF) is a grant program that provides funds for closing costs. Some Colorado communities have worked with the quasi-governmental organization Fannie Mae to offer down payment assistance to buyers earning between 80 and 120% of the AMI. In some cases, local banks may participate in tailoring a program to local home buyer needs.

A more complete list of organizational structures and funding sources is included in **Appendix C**.

Non-Housing Considerations

As the county and communities focus on providing needed housing for their residents and workers, it is important to note other services and demands that are likely to grow along with housing needs based on projected job and population increases in the area. A few of the more prominent issues for lower income households are listed below. This is by no means an exhaustive list, but highlights some of the more important needs likely to be in demand:

- Day care: the Department of Social Services has seen recent increases in need for assistance from families requiring day care. As the population continues to increase in the area, family needs for day care will continue to rise;
- Transportation: Not every employee will be able to or choose to reside in their community/region of employment. As the population and jobs increase in the area demands for transportation options will increase. Existing non-profits in the area provide transportation for seniors to medical appointments, shopping and other needs – as the senior population continues to increase, transportation demands will also rise;
- Health Care: Includes availability and access to health care for family needs as well as increasing need for care from the growing senior population; and

- Home Services and Assistance: This particularly affects households with persons with disabilities and seniors. Many groups provide these services in the county and demand will continue to rise with the growth in these populations.

Tracking Progress

As housing programs are implemented, it is recommended that certain indicators be assessed to recognize the effectiveness of programs and monitor the ever-changing needs of the population. Some prime indicators to monitor include:

- Monitor building permits by housing unit type to see how the supply changes over time. This includes monitoring the development of new price-restricted housing projects (Sources: local building and planning departments);
- Monitor changes in owner housing prices. Teller County Assessor records and information from the Multiple Listing Services (MLS) acquired with the aid of local area realtors are generally the best sources of information for tracking median sale prices of units (by type) over time and the percentage of units sold within different price ranges;
- Monitor rents and vacancies and changes during peak employment months (typically summer) to see how the rental market is shifting (sources: rental property management interviews; Department of Housing “Multi-family Vacancy and Rental Survey” (for Colorado Springs) at <http://www.dola.state.co.us/Doh/Publications.htm>);
- Monitor the change in jobs and the local population to estimate change in demand for units. As the number of jobs per person increases, so does the pressure on the housing market (sources: Department of Local Affairs population and job projections at <http://www.dola.state.co.us/> and the Pikes Peak Area Council of Governments at <http://www.ppacg.org>);
- Monitor MLS listings to see how many and what type of units offered for sale are affordable to targeted income groups (local realtor offices can help or the information can be self-downloaded at multiple websites). Local realtor interviews can also be conducted to understand the current housing market and any changes over time;
- Get the annual area median incomes (from the Department of Housing and Urban Development <http://www.huduser.org/datasets/il.html>) and compare these to prices of available rentals and for-sale listings to monitor the availability of units affordable to different AMI groups. This exercise can help identify any potential gaps in the housing market; and
- Monitor the change in local wages as compared to changes in rents and owner housing costs and sales prices. ES202 wage information by county is available at <http://navigator.cdle.state.co.us/industry/es202.asp>. If wages are not keeping pace with rents and owner housing costs and sales prices, this indicates decreased housing affordability for locals.

Appendix A – Matrix of Housing Program Options

Category	Program & Housing Produced	Program Description	Implementation and Funding	Opportunities, Constraints & Considerations	Recommended Area of Application
Senior Housing	<u>Reverse Annuity Mortgage</u> Housing assistance, not production	These programs allow older adults access to the equity in their home for living expenses and can enhance their ability to remain in their homes and make needed repairs.	Work with local lenders and non-profits to expand and implement Reverse Annuity Mortgage Programs for seniors that own their homes.	13% of senior-occupied households responding to the survey indicated they would use this program. Equity in the home is reduced, which might be a concern for other family members.	County WP, CC, V
	<u>Age restricted housing/ community (65 and over)</u> Mixed single- and multi-family, typically rentals	This type of community may incorporate some services and also some income-restricted units. Occupants must meet age restrictions.	Colorado Housing and Finance Authority (CHFA) tax-credits; USDA loans	18% of senior –occupied households indicated they would live in age restricted community.	County (growth areas) WP, CC
	<u>Housing that includes services (meals, transportation, activities, etc.)</u> Typically multi-family, rentals	Provides additional services that seniors typically require. May act as a life-care facility, offering a mix of units and prices with various ‘levels’ of assistance depending on occupant needs.		15% of senior-occupied households indicated they would use this type of program	County (growth areas) WP, CC
	<u>Income-restricted senior housing</u> Typically multi-family, rentals (60% AMI or lower)	Typically rentals that are age and income restricted to between 30 and 50 percent of the AMI.	Colorado Housing and Finance Authority (CHFA) tax-credits; USDA loans	Location considerations – near services/access to transportation.	County (growth areas) WP, CC
Rental Programs	<u>Rent/Utility assistance</u> Housing assistance, not production	Provides grants to income-qualified renters for rent and/or utility payments.	Many local Teller County service agencies offer rent and utility assistance programs that have been increasing in popularity among households in need.	Assists very low income households – those that make trade offs between rent and food/medication/other necessities. About 61 percent of renter households that responded to the survey indicated they would use this type of program.	County WP, CC, V
	<u>Income-restricted rentals (tax credit, USDA, HOME, etc)</u> Typically multi-family, rentals (60% AMI or lower)	Offers quality housing at below-market rental rates for income-qualified renters (typically income restricted for households earning below 30% and up to 60% AMI). This may also include rentals that are age-restricted for seniors and that are disability restricted/accessible.	Private, non-profit and government development programs; State Division of Housing (HOME and CDBG funds). The county and cities can encourage developers to pursue tax credit and other options for low-income rentals through expedited application processes, assistance with state agency applications for grants/funding and deferred payment of development fees/fee rebates, for example.	Mixed income developments will mitigate the perception of “low-income” housing projects and will increase options for low-income residents. Rental housing should be encouraged in areas near community services and accessible transit routes Tax credit financing is available to private sector developers, as well as non-profits and housing authorities.	County (growth areas) WP, CC
	<u>Rental rehabilitation</u> Does not produce new housing, but makes units inhabitable/ suitable for occupancy/ energy efficient, etc. ; rentals	Explore options to provide low-interest loans to or otherwise encourage landlords to upgrade older rental properties. Alternative opportunities to purchase rental properties, renovate and re-lease at below-market/income-restricted rates	Home Improvement Loan Program, non-profit assistance	Makes use of existing, older housing stock. Improves “façade” of community by upgrading/renovating older areas of town. Improves energy efficiency of homes/reduces energy costs.	County WP, CC, V

Category	Program & Housing Produced	Program Description	Implementation and Funding	Opportunities, Constraints & Considerations	Recommended Area of Application
Homebuyer Programs	<p><u>Sweat-equity and fixer-upper programs</u></p> <p>Typically ownership units for 60 to 120% AMI households – but depends on needs in area. Single family or multi-family or mixed-use. Both new home production and existing home renovation potential.</p>	<p>New homes locals can own, built in part by themselves, volunteers and family. Program options could also encourage acquisition of older homes and renovation through sweat equity.</p> <p>In the USDA Section 523 Mutual Self-Help Housing program, a group of families and individuals work together under the guidance of a nonprofit housing developer (self-help grantee) to build each others' homes. With a supervisor, these groups perform at least 65 percent of the construction work and labor (known as "sweat equity") to build their homes</p>	<p>There is a Habitat for Humanity of Teller County already in existence.</p> <p>USDA Section 523 Mutual Self-Help Housing program</p>	<p>Opportunity to use and renovate existing housing stock to improve occupancy and suitability of existing units. Satisfaction with being involved in own home construction. About 34 percent of owners and 46 percent of renters expressed interest in this type of program.</p>	<p>County WP, CC, V</p>
	<p><u>Low-interest rehabilitation loans</u></p> <p>Housing assistance, not new home production, renovate existing housing stock.</p>	<p>Low-interest loans to make needed health and safety improvements to owner-occupied housing for seniors and lower income households. Support rehabilitation loan programs that can be available to first-time homebuyers to upgrade the older, but otherwise affordable, housing stock in Teller County.</p>	<p>There is a Home Improvement Loan Program available through the Upper Arkansas Council of Governments.</p>	<p>Makes use of existing, older housing stock. Improves "façade" of community by upgrading/renovating older areas of town. Improves energy efficiency of homes/reduces energy costs. About 35 percent of owners and 55 percent of renters in Teller County expressed interest in this type of program.</p>	<p>County WP, CC, V</p>
	<p><u>Permanently affordable housing (deed-restricted)</u></p> <p>Typically ownership units for 80 to 120% AMI households – but depends on needs in area. Single family or multi-family or mixed-use</p>	<p>Units sold at below market prices for income-qualified buyers. Appreciation of these homes is limited to ensure permanent affordability upon turnover of the unit to a new income-qualified buyer, thereby creating a supply of permanently affordable ownership units in the county.</p>	<p>Typically produced through housing requirements such as inclusionary zoning or linkage programs, or products provided through non-profit and government programs.</p>	<p>Deed-restricted homes provide households that are normally priced out of the housing market with an opportunity to purchase a home, build equity and establish themselves in the community. Survey results indicate that about 63 percent of renters and 26 percent of owners in Teller County would consider purchasing a deed-restricted unit. Limited current applicability in the County – should mostly target homes priced for households earning below 80% of the AMI and located in the north county/Woodland Park area.</p>	<p>WP primarily, some north County areas</p>
	<p><u>Loan assistance</u></p> <p>Housing assistance, not production</p>	<p>May include grants or no-interest or low-interest loans to cover closing costs for income-qualified buyers; education programs of the loan process; work with local lenders to tailor loan programs to local needs.</p>	<p>Local banks, Fannie Mae, CARHOF and the State Division of Housing may be sources of funds</p>	<p>Needs funding source/lender agreements. Helps renters take the first step toward homeownership.</p>	<p>County WP, CC, V</p>
	<p><u>Down payment assistance</u></p> <p>Housing assistance, not production</p>	<p>Provides grants or no-interest or low-interest loans to buyers to cover down payment costs. Programs may have time limits to determine grant versus loan – e.g. if they occupy the home for over five years, it's a grant; if they resell within 5 years, it's a loan.</p>	<p>Same potential sources of funds as loan assistance</p>	<p>Down payment assistance will help renters take the first step toward homeownership. Needs funding source/lender agreements. About 38 percent of renters responding to the Needs Assessment survey indicated that they have not bought a home because of the high down payment requirement.</p>	<p>County WP, CC, V</p>
Other Programs	<p><u>Land Banking</u></p> <p>All types of units</p>	<p>Identify key sites for future housing development that are either currently publicly owned or that could/should be purchased for future housing development. Develop workable designs for future housing projects on these properties when needed.</p>	<p>May be federal or state grants or loans available</p>	<p>Adjacent landowners may object. Incorporates affordable housing into community development plans. Requires continued public education about intended development plans for sites.</p>	<p>County WP, CC, V</p>

Category	Program & Housing Produced	Program Description	Implementation and Funding	Opportunities, Constraints & Considerations	Recommended Area of Application
Production Incentives	Density Bonus Produces single-family or multi-family units, variety of income ranges, typically ownership.	Provisions allowing an increase in density if all or part of the increased density is made affordable to a defined household/income group.	Set density limits to ensure mechanism is an incentive. Administration of zoning and deed restrictions. No outside funding needed.	Must have low ceilings on permitted density to motivate developers to pursue incentives because housing price controls are perceived as disincentive by the private sector. Without price controls long term low income, seasonal and entry level housing needs are unlikely to be met. Creates integrated (as opposed to segregated) development of affordable and market rate housing.	County (growth areas) WP, CC, V
	Annexation Policies Produces multi-family and single-family homes, variety of income ranges, typically ownership.	With cooperative policies between the County and local municipalities, developers may seek annexation to acquire and/or increase development potential. Because municipalities have broad discretion with annexations, policies can require the provision of affordable housing. The county may also negotiate agreements with the cities to help serve more dense affordable housing projects adjacent to city boundaries to broaden county housing opportunities.	Develop and enforce an annexation policy and affordable housing requirements. No outside funding needed.	Level of effectiveness dependent upon annexation opportunities. Program may not be popular among adjacent landowners.	County (growth areas) WP, CC, V
	Fee Rebate (this is NOT a fee waiver) Applicable to all types of housing production (owner, renter, etc)	Rebate of development fees to the developer of affordable housing. Value used to subsidize housing development.	Local government can identify a source of funds that is appropriate for affordable housing, such as general fund revenues, and establish a pot to pay the fees for the developer.	Still provides needed revenue to the city/county for services/other required fees; revenue shortfalls for rebates may occur.	County WP
	Streamlined/ expedited approval process Applicable to all type of housing production (owner, renter, etc)	Developments proposing substantial public benefit by incorporating affordable housing may be placed through a streamline/expedited approval process to decrease the costs and time of production of the project to the developer. This may include reduced pre-meeting plat costs, "front of the line" status, city/county cooperation to expedite needed inspections/help with state applications for funding (where needed – e.g., CHFA), etc.	Establish specific criteria and procedure, Administer Program.	Many developers expressed costs and time incurred during the approval process to greatly limit their ability to provide more affordable housing; need to set realistic targets for streamlining (not every step of the process can be streamlined); public education needed for the justifications of streamlining; may not be popular among adjacent landowners	County WP
	Flexible Planned Unit Development (PUD) options Applicable to all types of housing production (owner, renter, etc)	Permits modification of certain zoning requirements (setbacks, lot size, etc.) in exchange for improved development design (incorporated for example mixed-use development, open space, etc.). There may be a minimum affordable housing requirement that would need to be met for these developments. May incorporate aspects of density bonuses and streamlined approval.	Not applicable	Improved design and livability potential for new subdivisions; incorporates affordable units with market units to integrate housing design; public education of new development designs needed; may not be popular with adjacent landowners. Consider PUD ordinances that not only encourage development of permanently affordable housing, but also make it feasible for the private market to provide lower priced market-rate units.	County (growth areas) WP, CC, V
	Accessory Units Small rental units, serves singles, seasonals, couples	Optional, small second units attached to or within single family units.	Administration of zoning and deed restrictions.	Should be deed restricted. Income and occupancy sometimes difficult to enforce.	County WP, CC, V

Category	Program & Housing Produced	Program Description	Implementation and Funding	Opportunities, Constraints & Considerations	Recommended Area of Application
Production Mandates	<u>Inclusionary Zoning Requirements</u> Typically ownership units; single-family or multi-family; typically for 80% to 120% AMI households, but dependent on local needs	Mandatory inclusion or set aside of affordable housing units (usually the same type or similar to other units in development). Program may allow cash-in-lieu, land-in-lieu, purchase/renovation of existing units or off-site housing as an option for compliance.	Administration of zoning and deed restrictions. Allocation of cash-in-lieu and/or land-in-lieu if collected.	Integrates free-market and income restricted housing. Places burden on residential developer to provide housing (which may be passed on to the free-market consumer). Locational issues include transportation impacts and achieving a desirable socio-economic mix within developments. Perception that deed restricted units may affect value of free market units.	County WP
	<u>Residential Employee Generation Mitigation</u> Same as above	Requirement for residential development to provide housing or fees-in-lieu for some portion of employment positions created by the development (residential services, etc.)	Administration of zoning and/or deed restrictions. Allocation of funds, if collected.	When mitigation is provided on-site, attention must be provided to locational issues and compatibility of housing. If fees collected, acts as a revenue source for housing programs.	County WP
	<u>Commercial Employee Generation Mitigation</u> Same as above	Zoning provisions that require commercial development (lodge, retail, industry, etc), to provide funds or housing to meet some portion of seasonal and/or long-term employment generated by new development (15% to 60% range common).	Administration of zoning and/or deed restrictions. Allocation of funds, if collected.	Possible mass and scale consequences. Site suitability issue -- short-term accommodations would be located differently than long-term worker housing. If fees collected, acts as a revenue source for housing programs. Combined residential and commercial mitigation shares the housing burden across both types of development.	County (in growth areas) WP
Revenue Generation	<u>Fees-based Programs (Impact fees, fees-in-lieu of housing production, etc.)</u> Applicable to all types of housing production (owner, renter, etc)	Dedicated fee-based funding sources that can be used for housing programs. Examples include impact fees, business license fees, etc. Could also include the <u>voluntary</u> real estate transfer fee.	Program provides funds for housing programs	Tendency to use funds for low and moderate income groups. Middle income needs might not be met (unless complemented with other programs). Spreads burden beyond just the development community.	County WP
	<u>Tax-based Programs (sales tax, lodging tax, etc.)</u> Applicable to all types of housing production (owner, renter, etc)	Augment housing fund with dedicated tax-based funding sources. Options include sales tax, housing excise tax, head tax, property tax, recreation activities tax, luxury tax, lodging tax, etc.	Program provides funds for housing programs	Tendency to use funds for low and moderate income groups. Middle income needs might not be met (unless complemented with other programs). Spreads the burden for local housing beyond just the development community. Tourism can help pay for impacts.	County WP, V, CC
Collaboration/ Public Resources	<u>Partnerships between public, non-profit and private entities</u> Applicable to all types of housing production (owner, renter, etc)	A variety of methods exist for public and private entities to jointly develop affordable housing. The focus of these efforts would be to leverage public resources.		Potential exists to involve private sector entities, both large and small, to develop housing solutions. Teller County has a wide array of existing non-profit and private activity in local housing mitigation – pooling resources could make programs even more effective.	County WP, CC, V

Appendix B – Existing Housing Resources in Teller County

APPENDIX B – EXISTING HOUSING RESOURCES IN TELLER COUNTY

Organization	Contact Information	Description
Help the Needy	Greg Schilling, (719) 687-7273	Help the Needy is a local non-profit that provides housing assistance and other services to clients, including assistance with utility bills and rent, car maintenance, legal aid, doctor's visits, etc. - basically everything except food and clothes, which other organizations provide.
Aspen Mine Center http://www.cripple-creek.co.us/aspenmine.htm	Mary Bielz, (719) 689-3584	Local non-profit offering one-stop shopping for 27 different agencies that serve southern Teller County residents; Services include physical and mental health programs, senior and children programs, rent/mortgage assistance, work assistance programs, lodging assistance and clothes provision
Teller County Department of Social Services (DSS)/ Employment First http://www.co.teller.co.us/dss/ds_s_main.htm	Director Lloyd Malone (719) 687-3335 Lloyd.Malone@state.co.us	Administers about 38 different programs including: - Various public assistance programs (such as welfare, working assistance, and education programs); Providing protection for children and adults who are unable to protect or care for themselves; - Provide public assistance funds and client referrals to local community agencies (including "Help the Needy" and "The Aspen Mine Center").
Cripple Creek Rehab & Wellness Center	Nursing Director Cathy Karpilo (719) 689-2931	Have 60 beds for use for nursing home facilities for seniors, physical therapy rehabilitation and drug and alcohol rehabilitation; - Provides care for mostly homeless and rehab patients; - Physical therapy program provides a local option for workers to receive needed care as opposed to driving to Woodland Park or Colorado Springs for care
Teller Senior Coalition	(719) 687-3330 or info@tellerseniorcoalition.org	Provides services for seniors including: transportation, hot meal program, handyman home repairs, caregiver assistance; Exploring options for senior housing needs
Upper Arkansas Area Council of Governments (UAACOG) http://www.uaacog.com/	ADMINISTRATION Judy Lohnes (719) 275-8350 ext. 106 jlohnese@uaacog.com	The Administration program provides technical assistance to local governments in grant writing, grant administration, and accomplishing regional projects
	HOUSING REHABILITATION Erlin Trezell (719) 275-4191 ext.111 homeimprovement@uaacog.com	The Housing Rehabilitation program provides loans to low to moderate income families at low interest rates for the purpose of repairs or replacement of owner occupied existing homes
	HOUSING Sharon McKinsey (719) 269-7687 ext. 107 housing@uaacog.com	The Mutual Self Help Housing program provides oversight and construction supervision to families constructing their own homes with loans from Rural Development. Groups of families provide 65% of the labor to construct the homes of the entire group
	WORKFORCE CENTER (Cañon City) (719) 275-8024 canoncity@cwfc.net	The Colorado Workforce Center provides employment and training opportunities for economically disadvantaged youth and adults, and dislocated workers. Services include job search skills, assessment, GED, on-the-job training, licensing fees, vocational education, summer youth employment, academic skills upgrade, and limited internship and work experience
	SECTION 8 HOUSING Autumn Dever (719) 275-9566 ext. 112 section8@uaacog.com	The Section 8 Housing program provides qualified families the opportunity to live in safe, decent and sanitary rental housing through rent subsidy; Approximately 30 vouchers in Teller County
Family Crisis	Tessa (719) 659-3584 ext. 21	Domestic Violence and Sexual Assault resource and assistance center
Pikes Peak Community College (CO Springs)	(800) 456-6847	This is the closest community college, home of a Colorado workforce center, a potential partner in projects, and an area stakeholder

Organization	Contact Information	Description
Colorado State University Cooperative Extension (Cripple Creek)	(719) 689-2552; malchowb@co.teller.co.us	The mission of Cooperative Extension is to provide information and education, to encourage the application of unbiased research-generated knowledge, and to develop leadership techniques with the aim of improving the quality of life for citizens throughout Colorado
Teller County Public Health Department http://www.co.teller.co.us/PublicHealth/public.htm	Chris Rubin (719) 687-6416 rubinc@co.teller.co.us	A stated goal is to develop policies and plans that support individual and community health; - Provides services such as WIC (Women, Infants, and Children) food assistance, adult health programs, children's health programs, and free educational clinics and health programs
Habitat for Humanity http://www.habitat.org	Gene Betterman (719) 687-6259	Builds and rehabilitates homes with the help of the homeowner (partner) families (sweat-equity) and volunteer labor and sells the homes to partner families at no profit. Homes are financed with affordable loans and homeowners' monthly mortgage payments are used to build more Habitat houses. Habitat for Humanity has sponsored over 20 homes in Teller County to date.
Rural Community Assistance Corporation (RCAC)	Craig Nielson (719) 539-3450	RCAC is a nonprofit organization dedicated to assisting rural communities achieve their goals and visions by providing training, technical assistance and access to resources. Most RCAC services are available to communities with populations fewer than 50,000 and for the benefit of low-income people
Colorado Division of Housing	Ann Watts (303) 866-4652	The Colorado Division of Housing oversees distribution of State HOME funds to areas such as Teller County that aren't large enough to receive funds directly.
USDA	Lennece Sarascino (719) 275-4465	For Teller County, Rural Development provides section 502 low-income loans up to \$186,300 for new construction, rehabilitations, or new mobile homes, the loan guarantee program for moderate income families, and home rehabilitation loans for low-income residents and grants up to \$7,500 for residents over 62.

Appendix C – Additional Housing Organization and Funding Opportunities

Organization and Funding Opportunities

No two communities are alike and each community will find different tools work best for them in the development, management and financing of affordable housing. Below, more detail is provided on several different tools, including:

- Non-profit organizations (including Community Housing Development Organizations (CHDO's),
- Housing authorities, and
- Additional sources of funds.

Non-Profit Organizations

Work through an existing or new non-profit organization

Non-profit organizations fill in gaps left by the private market and government organizations. There are several ways to structure non-profits that would be appropriate for producing housing. Many housing non-profits are called 501(c) 3s because of the section of the federal tax code under which they are organized. Non-profit organizations are generally run by an Executive Director reporting to a volunteer board. Any money generated by the non-profit is reinvested into the organization, rather than being paid to Board members or stockholders.

Some advantages of a non-profit organization in delivering housing are:

- Fewer regulations to comply with in comparison to governmental entities, such as local governments and housing authorities;
- They are typically small organizations and may be positioned to move more quickly than larger organizations;
- For community fund-raising, the non-profit may be more successful than a governmental entity (governmental agencies may have more difficulty collecting donations since they already receive public tax dollars);
- Some grant-making foundations prefer to make grants to non-profits, as opposed to governmental entities;
- Certain government grants are only available to non-profits – such as Section 811 funds for disabled persons and Section 202 funds for seniors; and
- A non-profit organization may be the best tool to engage community members directly as it does not carry the connotation of being a governmental agency.

Form a Community Housing Development Organization (CHDO)

A specific type of non-profit organization appropriate for producing housing is known as a CHDO or Community Housing Development Organization. Key attributes of a CHDO are:

- A CHDO must state as its purpose providing decent, affordable housing to low-income households in its charter, articles of incorporation, or by-laws. It must serve a specific, delineated geographic area; a neighborhood, several neighborhoods, or the entire community. Merely serving certain population groups (by ethnicity, race, age or gender) does not qualify.
- The two main benefits available exclusively to CHDOs are that they can apply for operating expense money and *forgivable* pre-development loans. The typical amounts for starting up range around \$50-60,000. There is a strong need for a local match of some amount.
- CHDOs are generally created to use HUD HOME funds and Community Development Block Grant (CDBG) funds. For Teller County, which doesn't have enough people to qualify for a direct allocation of these federal funds, they would have to apply for state pass-through funding.
- The CHDO must have a formal process for involving potential and actual low-income HOME program beneficiaries in the design, siting, and development of CHDO programs and projects. No less than one-third of the CHDO's governing board must be residents of low-income neighborhoods (defined as at least 51 percent of households with incomes below 80 percent of median), low-income residents of the CHDO's target area, or elected representatives of low-income neighborhood organizations.
- CHDOs, as owners, must hold title to or have a long term lease in a given housing property. Additionally, a CHDO developer may own and develop a property or have a contractual obligation to a property owner to develop a project. Finally, a CHDO sponsor may develop a project that it solely or partially owns and agrees to convey ownership to a second nonprofit that retains ownership for the purpose of providing affordable housing to low-income renters.
- A CHDO must demonstrate the capacity to carry out HOME development projects, by displaying a development track record, by hiring experienced development staff, or by hiring experienced consultants with a plan to train the CHDO development staff. The CHDO must also have at least one year of serving its HOME target community prior to receiving HOME funds. Since some CHDOs are likely to be new organizations established specifically for HOME, they can inherit their required one year of community service from a parent organization, such as an existing community development corporation (CDC), a human service organization (such as a local United Way or a United Way affiliate), a community land trust, a church group, etc.
- The HOME program calls for authentic community-based nonprofits as CHDOs. Public bodies or instruments of public bodies (public housing authorities, redevelopment agencies, housing finance agencies, etc.) do not qualify. Local or state governments can appoint no more than one-third of the membership of a CHDO board, and public officials can constitute no more than one-third of a CHDO board.

Create a housing authority

Housing Authorities have long been considered a local community's most powerful tool to address its housing and community development needs. Public Housing Authorities (PHAs) have historically been the only entities eligible to access significant amounts of federal funding, typically administered through the Department of Housing and Urban Development (HUD).

The State of Colorado has established regulations regarding rights and responsibilities of housing authorities. As an "authority" these organizations have certain powers that are not available to non-profits. For example:

- Housing authorities can issue debt that is exempt from tax, resulting in a lower interest rate;
- No property tax is paid for properties owned by housing authorities;
- Housing authorities can act as redevelopment authorities and have broad powers to work in the public interest including the power of eminent domain (condemnation);
- Housing authority members are appointed (usually by the mayor or County Commissioners) so are less vulnerable to political concerns than elected officials. As a result, they may also be seen as having more stature or power in the community to carry out an affordable housing mission than a non-profit Board; and
- Multi-jurisdictional housing authorities have the power to collect a sales tax for funding, if passed.
- If a housing authority was established, Teller County could apply for its own allocation of Section 8 Housing Choice vouchers and, in addition to the creation of a Housing Authority, allows the vouchers currently administered by UAACOG to remain in Teller County, rather than being portable to other communities.

Additional potential sources of housing funds

There are a variety of other fund sources that may be appropriate for Teller County to explore more fully, including:

1. Grants and technical assistance from private foundations

The Enterprise Foundation works throughout the US providing both grants and technical assistance to their members. The Foundation also has several sister organizations that provide loans and purchase tax credits for affordable housing projects. In addition to the Enterprise Foundation, there are other private foundations that offer either grants or technical assistance.

2. Local housing trust funds

The *City of Boulder* has a local housing trust fund known as CHAP – Community Housing Assistance Program. The fund is composed of several sources including property tax and a tax on new residential and commercial development. Also, the CHAP source is supplemented by cash-in-lieu payments that developers pay when they choose not to provide affordable housing on site through the inclusionary zoning program (currently in Boulder, 20% of all new residential development must be affordable to low and moderate income households.)

The *Colorado Housing Investment Trust Fund (CHIFC)* is still in development, but the intent is to establish a fund which would be a statewide affordable housing assistance fund. The CHIFC would be a permanent state revenue source dedicated to the creation and preservation of high quality, affordably priced rental and homeownership opportunities. There are 36 other states with state housing funds which have provided successful models.

Denver has a housing trust fund established with funds from the proceeds of land sales in the 16th Street mall urban renewal district called the *Skyline Trust Fund*. They distribute funds for eligible CDBG and provide funds for home ownership activities to agencies like the Colorado Housing Assistance Corporation, which has received approximately \$3 million in Skyline Trust Fund dollars.

The *Longmont Housing Trust Fund*, funded with seed capital from Longmont's 1997 general fund (\$75,000) and "in lieu of" payments (\$60,000) from annexations, provides low-cost financing for affordable housing developers. When a developer is requesting an annexation, the city requires 10 percent of the total units (both by housing type and by project phase) to be made affordable, including rentals for households at or below 60 percent of AMI or ownership for households at or below 80 percent of AMI. All annexations can elect to make a payment "in lieu of" actual development.

The *Aspen Housing Day Care Fund* was established to support development activities including: land acquisition, construction, redevelopment and renovation, operations, and day care. In 1998, no new units were constructed; however, 17 existing units were acquired and deed restricted for affordable housing. In 1999, 40 units were completed at the Aspen Country Inn, a senior rental housing project and 15 affordable building sites have been offered for sale. The fund is capitalized by a one percent real estate transfer tax (implemented pre-TABOR) and a 0.45 percent sales tax. In 1998, the real estate transfer tax contributed \$4.2 million to the fund. This amount was skewed by the sale of the Ritz-Carlton Hotel during 1998. The sales tax added an additional \$1.7 million. All funds are administered by the Aspen/Pitkin Housing Office as part of an intergovernmental agreement between Aspen and Pitkin County.

Both foundation funds and local housing trust dollars can be used for matching requirements when applying for state or federal funds.

3. USDA programs

This federal program provides loans for development of affordable rental housing and also on-going rent subsidy. Residents of rental housing built under this program pay 30% of their income in rent and the federal government covers the rest of the rent.

Rural Development Programs such as the home ownership loan guarantee program may be available in Teller County to provide direct support to residents for home ownership. The USDA programs include:

For home ownership:

- Rural Housing Guaranteed Loan
- Rural Housing Direct Loan
- Housing Repair & Rehabilitation Loan
- Housing Repair & Rehabilitation Grant
- Self-Help Technical Assistance Grant
- Mutual Self-Help Loans
- Rural Housing Site Loans
- Individual Water & Waste Grants
- Housing Application Packaging Grants
- Homes for Sale
- Multi-Family Housing

For rental:

- Farm Labor Housing Loans and Grants
- Rural Rental Housing
- Housing Preservation Grant
- Guaranteed Rental Housing
- Rental Assistance Program