



COLORADO
Department of Local Affairs

Proposition 123 & Rental Assistance Update

February 29, 2024

- **Rental Assistance Overview**
- **Proposition 123: Past Achievements, Future Pathways**



Rental Assistance Overview



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Comparing Rental Assistance Programs



Program Name	Emergency Rental Assistance 2	Temporary Emergency Rental Assistance Grant Program	Colorado Renters Stabilization Program
Launch Date	2022 (ongoing)	February 2024	Estimated mid-2024
Bill or Proposition	American Rescue Plan Act -DAA	Senate Bill 23B-1001 (State and Local Fiscal Recovery Funds & General Fund)	Proposition 123 (Cash Fund)
Spend Deadline	September 30, 2025	June 30, 2024	Ongoing
Eligibility	<ul style="list-style-type: none"> 80% AMI or below Imminent threat of eviction with court summons Have not received Emergency Rental Assistance 2 or Colorado Renters Stabilization Program assistance in the last 12 months COVID-19 impact 	<ul style="list-style-type: none"> 80% AMI or below “Are at risk of eviction or displacement” Primary residence 	<ul style="list-style-type: none"> 60% AMI or below Imminent threat of eviction with court summons Have not received ERA/CRSP assistance in the last 24 months
Award Amount	<ul style="list-style-type: none"> Current average award is \$6,000 per household \$15,000 max award 	<ul style="list-style-type: none"> Past rent, present rent, plus up to 2 months in advance Utility bills, late fees, court costs, attorney fees Deposits, move-in expenses 	Maximum award to be determined in the next several months.

Impact of Emergency Rental Assistance Two



54 counties have been
served by Emergency Rental Assistance
Two

99.6% of all Colorado renters
reside in the these counties

97% of funds spent



Temporary Rental Assistance Grant: Eligibility Requirements



Be at 80% Area Median Income (AMI) or below

Be at risk of eviction or displacement.

Be applying for support for their primary residence.

Have a notice of late rent from their landlord.

Have not received rental assistance within the past 12 months.

Attest to some other risk factor(s) that caused them to fall behind, such as:

- A healthcare event, including mental health;
- A loss or decrease in income;
- A death in the family;
- A need to leave your home due to domestic abuse; and/or
- A substantial, unexpected expense, such as a car repair.



Note that those with an eviction notice may continue to be served by the ERA program under those current guidelines.

Special Session Implementation: House Bill 23B-1001 Rental Assistance



\$30 million in Temporary Rental Assistance Grant

Will help approximately **3,700 Colorado households** that are past-due on rent stay in their homes.

- Request for Applications published on **November 29, 2023**
- Request for Applications Closed **December 18, 2023**
- Five nonprofits selected **December 29, 2023**
- Funds must be expended by **June 30, 2024**
- First round of pre-applications **February 15th-20th**
- Next round **March 15-20th**



Temporary Rental Assistance Grant: Distribution of Funds



Rental assistance must be reviewed, approved, and distributed through Colorado nonprofit organizations.

DOLA has awarded 5 nonprofits to administer this program:

- CEDP
- La Puente
- Total Concept
- Neighbor to Neighbor
- Brothers Redevelopment



Program Design: Distribution of Funds



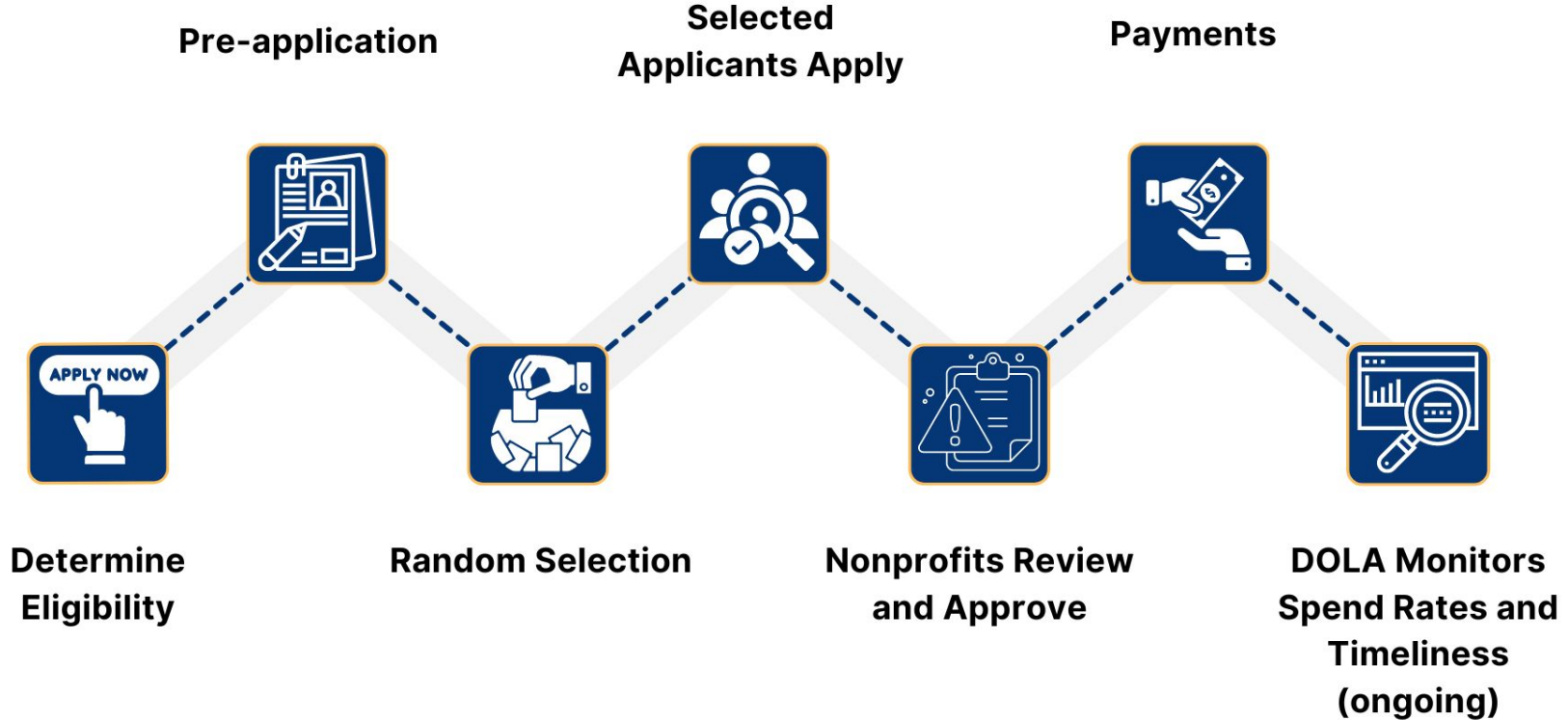
Based on estimates nonprofit partners shared, we can review and approve approximately **3,700 households** during this program.

With current average award sizes of \$7k (with prospective rent) with ERA, that should **expend available funds**, but depends on meeting these estimates.

TRAG Projected Spending	Random Selection Periods	Estimated Households Served	Total Projected Spending
February	Feb 15-20	800-1200	\$5-\$7M
March	March 15-20	800-1200	\$12-\$15M
April	April 15-20	800-1200	\$20-\$24M
May*	May 15-20	800-1200	\$25-\$29M
*Dependent on spend rates through April			

All figures in this table are estimates, and are based on number of non profit capacity and based on actual review speeds.

Steps to Getting Assistance



Proposition 123: Past Achievements, Future Pathways



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Proposition 123: Local Community Commitments



202

Local and tribal governments successfully filed a 3-year commitment.



87.7%

Percent of population living within committed jurisdictions.



22,855

New affordable housing units committed.



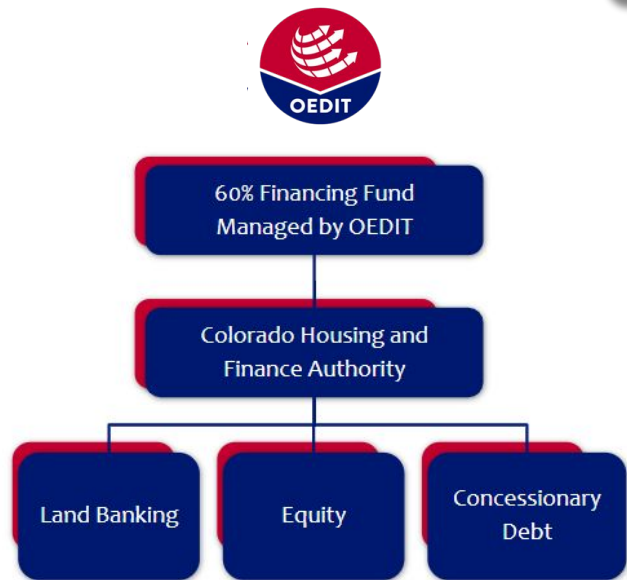
Proposition 123: Distribution of Funds



Year One Actual: \$96 million
Year Two Estimate: \$186.84 million

Colorado Income Tax Revenue
0.1%

Year One Actual: \$64 million
Year Two Estimate: \$124.56 million



December 2023
Forecast
Fiscal Year 2022-2023
\$160 million
Fiscal Year 2023-2024
\$311.4 million



C.R.S. 29-32-106 Money appropriated must supplement and shall not supplant the level of general fund and cash fund appropriations for affordable housing programs

Proposition 123: DOLA Overview



50%

Affordable
Homeownership
Programs

45%

Programs
Serving Persons
Experiencing
Homelessness

5%

Local Planning
Capacity Grant
Program

Proposition 123: Homeownership Achievements



Fiscal Year 2023-2024 Achievements: \$32 Million

Acquisition and Development (New Construction and Rehabilitation)

Awarded **\$6.8 million** for **152 units**. Reviewing applications for **\$8 million** that would add **178 units**

Owner Repair

Awarded one application for an entity to manage **\$895,000** in single family owner-occupied rehab funds

Down Payment Assistance

Awarded three programs over **\$7 million** to support **180 homeownership opportunities**. Underwriting two applications for **\$2.4 million**

Proposition 123: Homeownership Funds Remaining

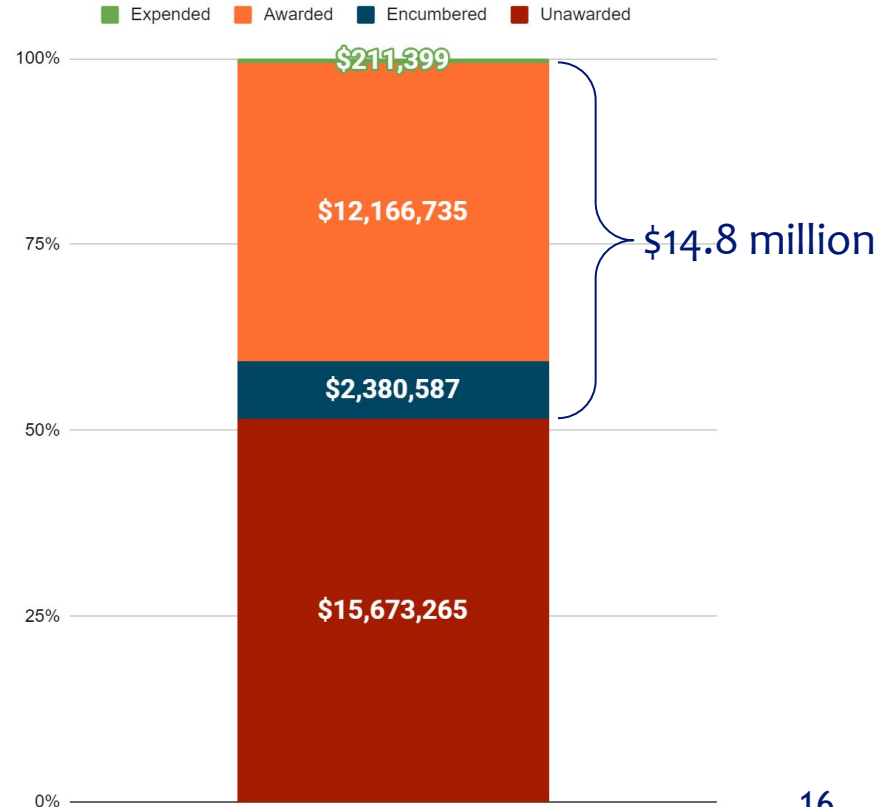


Funds remaining for homeownership

The division is on track to award or expend more than **\$32 million** by June 2024.

The remaining funds include:

- Underwriting 7 applications for **\$10 million** to serve **263 households**
- **\$5.5 million** of pipeline projects expected to submit applications between March and June



Proposition 123: Homeownership - Coming Up



Funding opportunities for fiscal year 2024 - 2025.

- Acquisition and development
- Owner repair
- Down payment assistance

\$62.8 million allocated for homeownership initiatives

Stakeholder engagement starting March 2024



Proposition 123: Homelessness Achievements



Fiscal Year 2023-2024 Achievements: \$28.8 million

Development of Supportive Housing

Awarded three projects totaling **\$12.175 million** for **218 units**

Street Outreach

Awarded **17 applicants** totaling **\$1.02 million**

Rapid Rehousing

Awarded **25 applicants** totaling **\$1.14 million**

Homeless Prevention

Awarded **20 applicants** totaling **\$1.31 million**

Emergency Shelter

Awarded **56 applicants** totaling **\$4.53 million**

Supportive Services

NOFA released November 2023 for approximately **\$2.5 million**

Proposition 123: Homelessness Funds Remaining

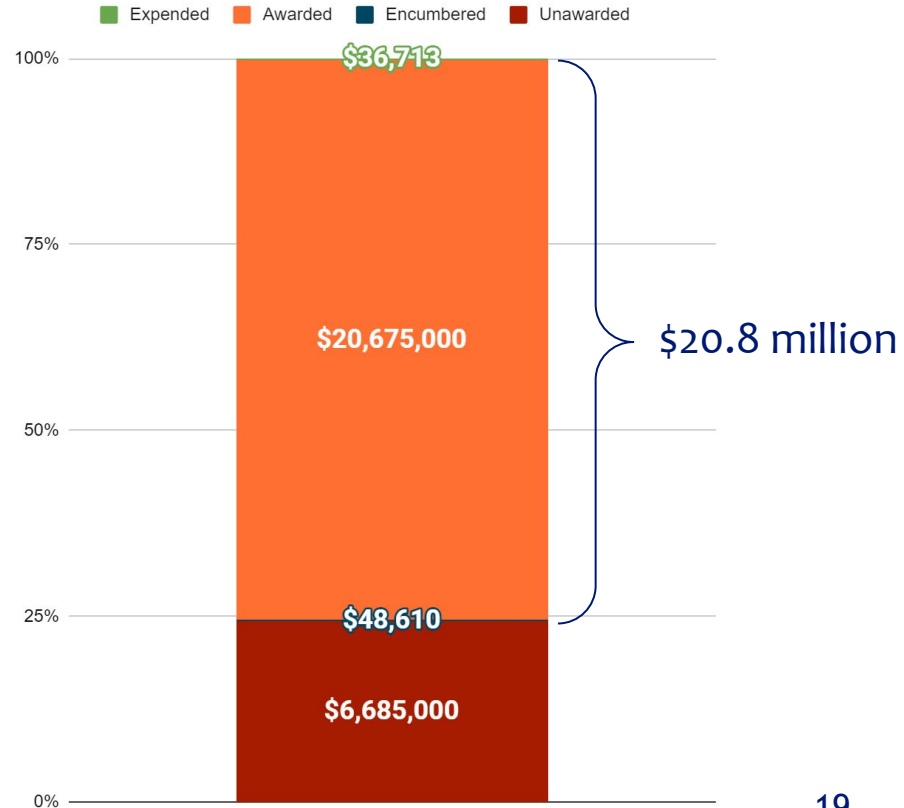


Funds Remaining for homelessness

The division is on track to award or expend more than **\$28.8 million** by June 2024.

The remaining funds include:

- **\$4 million** for Colorado Renters Stabilization Program (CRSP) NOFA being released in March 2024.
- **\$2.68 million** were included in November Request for Applications for the Creation of Supportive Housing, funding determinations in conjunction with CHFA's LIHTC annual cycle, with first round expected in May.



Proposition 123: Homelessness - Coming Up



Funding opportunities for fiscal year 2024 - 2025.

- Prevention and diversion
- Street outreach and inreach
- Emergency shelters and transitional housing
- Rapid re-housing and permanent supportive housing
- Systems improvement and capacity building

\$56.5 million allocated for homelessness programs

Stakeholder feedback forum in January



Fiscal Year 2023-2024 Accomplishments

Technical Assistance

Provided over **400 hours** of in-person and virtual assistance

Interactive Tool

Created interactive **Baseline Assistance Tool**

Webinars and Workshops

Delivered **in collaboration** with local groups, including regional councils of government

Stakeholder Engagement

Established Prop 123 **EngageDOLA** engagement webpage

Stakeholder Updates

Provide **timely updates** through EngageDOLA

Ask a Question Forum

Stakeholders can **ask questions and get answers**

Proposition 123: Technical Assistance - Coming Up



Technical assistance opportunities for fiscal year 2024 - 2025.

- Launch government commitment 2-year filings. (2024 was three years) Opens **May 2024**
- **134** jurisdictions eligible for a 2-year commitment; deadline is **November 1, 2024**

DOLA Fast Track Guidance Webinars - April 2024

DOLA Guidance on unit count compliance – June 2024



Fiscal Year 2023-2024 Achievements: \$3 Million to Award

Local Planning Capacity Grant Program

Awards of **\$2.5 million** to be announced in March 2024 for **26 projects**, supporting **37 local governments**.

Expedited Review of Affordable Housing

Fast Track of affordable housing through land use code changes, improving policies and procedures, and other strategies.

Guidance on Prop 123 Fast Track Requirement

Facilitation of **stakeholder engagement process** with developers, local governments and key partners to publish guidance on new requirements and recommend best practices and strategies.

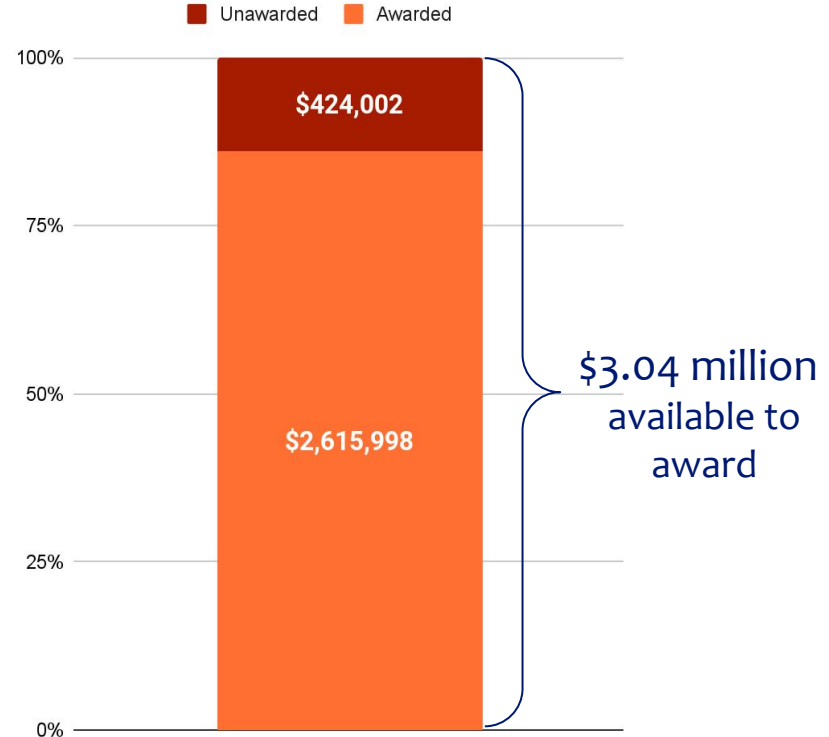
Funds Remaining for Local Planning

The Division is on track to award **86%** of this year's available funding, or **\$ 2.6 million**.

The remaining funds roll forward to next FY:

- \$424,002 rolled over, due to applicants withdrawing applications.
- Next round of funding opens May 2025
- **\$6 million** available to award

Grant Program Priority: supporting local governments adoption of fast track approval process and general streamlining



Questions?



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