



## **Notes from 2022 Housing Colorado Summer Engagement meetings:**

Greetings in this New Year!

Thank you for your patience as we (CHFA, the Division of Housing, and Housing Colorado) spent time compiling a comprehensive report of the 2022 Statewide Engagement and Outreach events that occurred throughout the state. We visited six locations this year - Frisco, Denver, Grand Junction, Greeley, Durango, and Colorado Springs – between June 27<sup>th</sup> and August 9<sup>th</sup>. We met with over 500 individuals representing a myriad of organizations and interests statewide. We polled, we asked questions, we listened.

At these events, our agencies presented on the state of affordable housing in Colorado and we heard from participants about the unique circumstances and needs of local communities. These interactions have shaped the way in which policies have been written and rolled out as well as our perspective as we head into the 2023 legislative session.

Our state is uniquely positioned to address the affordability crisis we face. With new and existing resources ready to be allocated, we are confident that we can make headway in building and preserving housing that is affordable to all Coloradans, especially those who are most vulnerable.

Thank you for your participation in our Statewide Engagement and Outreach sessions last year. We look forward to maintaining our connections with you in the near future and beyond.

Best,

Colorado Housing and Finance Authority  
Colorado Department of Local Affairs – Division of Housing  
Housing Colorado

### **Housing Policy Debrief: Housing Colorado discussion**

At every stop during our Statewide Engagement and Outreach tour, we led an open forum conversation that allowed participants to bring up ideas, issues, and insights from their experience working on the ground. We endeavored to capture those comments and will summarize what we heard below. Please note that this synopsis does not encapsulate everything that was brought up during these sections of the programming, but instead tries to draw out major themes that we heard across the six engagement sessions across the state.

## **Theme 1: Collaboration**

Working together across sectors and regions was a major theme that emerged through all the tour stops. Participants were happy to be in the same room with others in the affordable housing world and found that there were a number of ways that they could be working together. There was a hope throughout the events that opportunities to connect and collaborate could continue. With individuals on the ground from each of the three organizations represented, there is a commitment to continue to foster connection and collaboration beyond once-off Statewide Engagement and Outreach events.

## **Theme 2: Tenant Rights, Protections, and Empowerment**

A number of ideas and questions came up that related to tenant rights, protections, and empowerment. This area of conversation included topic such as:

- The need to eliminate onerous screening criteria by landlords that is circumventing source of income discrimination protections already afforded to renters by law.
- Educating tenants about the rights they already have and the outlets for enforcement of those protections should violations occur.
- Efforts to organize and mobilize mobile home park residents to 1) ensure that conditions in parks meet public health and safety standards and 2) ensure that residents know their rights and what resources might be available if their park goes up for sale.
- Regulating rental costs and increases.

## **Theme 3: Understanding the Unique Needs of Various Communities**

In the context of DOH working to categorize counties according to the stipulations of HB22-1304 and SB22-159, the need to more deeply understand the unique characteristics and needs of local communities came up time and time again. The unique challenges facing urban, rural, and rural resort communities are different, and participants implored resourcing and legislating entities to consider those differences when trying to make decisions about funding needs. One size fits all solutions to our affordability crisis in Colorado will not work so it will be important to listen to local communities and respond accordingly.

## **Theme 4: New Funding**

Between one-time federal dollars and the now-passed Proposition 123, hundreds of millions of dollars in new funding for affordable housing is in the pipeline. There were discussions about

how that money will be distributed and equity concerns were shared by participants. In addition, concern was expressed in general about how small local governments and small nonprofits can come to learn about and access resources as they become available.

### **Other Items of Discussion**

A number of items that didn't fit neatly into the themes shared above were brought up during the outreach events. They are captured here in list form with as much context as possible:

- The need for neighborhood-scale interventions to address gentrification and displacement.
- Changing current Colorado statute prohibiting rent control to allow for caps to rent increases.
- The need for technical assistance and capacity building for smaller communities to access available resources at the state level.
- Homeless Management Information System
  - Reporting and capacity
  - Rural set aside?
- Address the construction defect law to open up possibilities for households to move from rent to homeownership.
- Address the effects that short term rentals have had on the housing market, especially in resort communities.
- Working to develop resources to address objections to affordable housing development.
- Create incentives for employers to build housing for workers.

## **Table Topic One: AFFORDABLE HOUSING TOOLKIT FOR LOCAL OFFICIALS**

As part of HB21-1271, DOH was tasked with the creation of a toolkit for local governments and elected officials, which would include educational and training opportunities focused around policies that incentivize affordable housing as well as a competitive application for tailored technical assistance for communities struggling with affordable housing. On July 1<sup>st</sup>, Enterprise Community Partners was selected as the consultant to work with DOH on the creation of this toolkit. The timing worked out so that DOH and Enterprise could take advantage of the outreach events around the state. Having so many housing experts in the same room made for the perfect opportunity for DOH to ask for input from folks from different regions as to what they would like to see from the Affordable Housing Toolkit for Local Officials. There were many themes common to different regions, such as:

- Outdated zoning codes and overburdened planning departments can be a barrier to affordable housing. A lack of funding and capacity can present challenges to updating those codes and addressing the lack of affordable housing.
- The idea of regional housing consortiums, whether made up of smaller Front Range communities, rural agricultural communities, or mountain resort communities, to tackle similar affordable housing issues in collaboration.
- Participants provided examples of how the tailored technical assistance could be used in their respective communities, such as planning for attracting developers to more remote communities, the creation of discretionary housing funds, and revising zoning codes to be more conducive to the creation of affordable housing.

DOH and Enterprise were able to use the feedback received to craft the curriculum for an Affordable Housing Toolkit for Local Officials that will respond to the unique issues present in the different market types and regions around the state.

## EMERGENCY RENTAL ASSISTANCE

In each outreach session stakeholders met with DOH, CHFA and Housing Colorado staff to discuss and provide feedback about the Emergency Rental Assistance Program (ERAP). Stakeholders were prompted with three questions. (Below is a summary of the discussion on each topic.)

1. Has ERAP supported clients of your organization? How impactful has ERAP been to your organization?
  - The ERA Program has been indispensable to communities throughout Colorado in a time of great need
  - The ERA Program prevented thousands of household from eviction during the pandemic
  - Great need for a long-term rental assistance program
  - Legal aid paired with rental assistance is most impactful
  - Need for more wrap-around services to ensure long-term stability
2. After ERAP funds run out, what local community resources do you have for eviction prevention?
  - Few local rent resources. Of the local resources, none will compare to ERAP
  - Some communities have limited Community Service Block Grant (CSBG) funding for rental assistance after ERA funding is exhausted

- Concerns that community resources will return to pre-pandemic levels, where most households in need were not able to access them
  - Community resource centers bracing for need after ERA funds are exhausted, but fear they will not be able to keep up with the demand
  - Cliff-effect concerns post-ERA without eviction moratoriums in place
3. If you could design your ideal eviction prevention program, what would that look like? How many months of assistance? Eligibility criteria? Other supportive services? This question prompted good discussion and feedback. Common themes included:
- Income eligibility
  - A combination of legal defense paired with rental assistance
  - Limited rental assistance to ensure the most reach throughout Colorado
    - 3-6 months of assistance
    - Sliding scale, based on income
    - Tapered assistance to support self-sufficiency (e.g. month 1 assisted at 100%, month 2 assisted at 75%, month 3 assisted at 50%, etc.)
    - One-time assistance every few years
  - Requirement of a substantial life event that caused the need for the assistance
  - Requirement of sustainability of the home in the future
  - Required legal representation for all tenants facing eviction
  - Adding additional review agencies throughout the state to ensure adequate community representation
    - In-person application access
    - Wrap-around case management
  - Appropriate marketing of the program to ensure all Coloradoans know of the program
  - Landlord training
    - Current tenant-landlord laws (source of income, late fees, habitability, discrimination, rent increases, illegal evictions)

## HOMELESSNESS RESPONSE

Stakeholders were prompted with three questions:

1. How would you grade your regional homeless response system?
2. What do you see as the most effective means of supporting or incentivising collaborative action on homelessness?

3. How does racial equity inform the design of your community's homeless response system? (or should it)

Many of the table discussions went beyond answering these specific questions and more to homelessness response in general or questions/input regarding the new funding opportunities from the new bills. The following are the main themes/trends shared:

- Some rural/frontier areas of the state, such as Jackson County, have little to no homelessness response system, including no main providers or housing resources. Many do not know their homeless and housing needs, but Built for Zero (BfZ) is helping many with that and want to continue that. These communities want to expand what little they have; while others need help knowing even how to start and how to get local support.
- Resort communities have unique needs with seasonal workers, short term rentals, and higher AMIs still not livable.
- Any new homelessness response funding needs to include funding for supportive services and operating costs for any homeless and housing program across the homelessness response continuum [i.e. - outreach, shelter, prevention, Rapid Rehousing (RRH), and Permanent Supportive Housing (PSH)].
- Need to build capacity for staff to engage, know, coordinate with other community resources/partners. Need to build capacity for applying for and administering gov't funding. Need capacity to coordinate across partners, communities, systems and reduce siloed and competitive localities/organizations.
- With that said, several communities did give examples of increased efforts in outreach, collaboration, data, increasing homelessness response systems, and look to new funding to help continue that work, not have to start over or have funding conflict with recent efforts.
- Hidden populations, particularly hidden Latinx, Native Americans, undocumented immigrants. Need to build trust, Spanish speaking, cultural competency, peers, more outreach.
- Cost of living in addition to the cost of housing is high, so rental assistance is not enough.
- Short to medium term assistance has limited effectiveness because more permanent housing options to transition to. Need more vouchers in general. Need more landlords and units willing to take vouchers. Need more single site supportive housing.
- Some feedback included not focusing on PSH or currently homelessness and instead focus on more upstream efforts to prevent inflow.
- Many attendees had questions regarding the application processes that will be coming. Main focus was on flexibility for the funding and simplicity of the application process.

- HMIS forms can be challenging to have individuals complete and is often not the only database/platform used by agencies so interoperability would be helpful.
- Accessible units and helping people get access to the housing was identified as a need.
- Multiple application dates and a variety of activities for a comprehensive project concept would be helpful.
- Many noted the challenges with landlords being able to ask for more money, having concerns about damages/behavior/etc.
- Staffing capacity in general is a stress for many organizations as staffing vacancies have increased while the need seems to as well.
- Some suggestions: Single-site PSH makes a difference for one provider's veteran participants. Trauma-informed care training should be provided to everyone.
- Is there a way to use work from HUD NOFOs for DOH NOFA applications so COCs and communities who worked on those feel they can use those efforts and stay consistent with those efforts.
- Several noted the importance of incorporating peers, lived experience, and participant input.
- Several immediate needs/challenges, such as encampments or shelters closing, were on top of mind for many stakeholders, making it challenging to focus on more macro system change with urgent issues needing immediate attention. Hard to focus on systems coordination and long term change with these current challenges.
- Some expressed that more basic needs assistance such as hygiene resources, shelter, or other capacity to manage homelessness would enable communities to focus on solving homelessness.
- Request flexibility on who is defined as homeless.

## LOCALITY CLASSIFICATIONS

Stakeholders were asked the following questions:

1. What information about unique housing and economic circumstances should be considered in order to determine whether a locality is classified as urban, rural, or rural resort?
2. If a locality seeks to be reclassified, what information about unique housing and economic circumstances, if any, could the appellant be expected to submit to the Division of Housing?

3. What should be considered in terms of how the locality reclassification process is operationalized? For example: how can expediency be balanced with diligence, or flexibility balanced with structure?

The novelty of this policy and process resulted in lively and productive discussion, including:

- Administrative responsiveness
  - Housing, labor, and other markets change frequently, but the information used to measure economic needs and design affordable housing policy responses is often stale or imprecise. Accurate and timely information that most appropriately illustrates local needs should be used for policy development to allow for responsiveness to local needs.
  - The process through which the Division of Housing reviews and makes determinations on locality classifications should be intuitive and involve technical assistance, so that policies can be updated to meet the needs of localities, without placing stress on the capacity of localities.
- Policymaking flexibility
  - The method through which counties were initially classified, based upon the work of the Strategic Housing Working Group, was seen as an important starting point as it creates the conceptual framework through which all localities will be considered. However, participants shared that the policy may have to be changed for their localities in the future. Often because the challenges and needs of their municipality differ from those of their county. Or, because the unique conditions of their area were outside of the scope of the Strategic Housing Working Group.
  - Participants shared that this new policy and process would be a learning and growth experience on all sides, and generally agreed that open communication and close collaboration between DOH and customers would improve the effectiveness and efficiency of this shared responsibility.

## REVOLVING LOAN FUND & MOBILE HOME PARK ACQUISITION

Stakeholders were prompted with two questions:

1. What types of loans are of greatest need and what flexible loan terms are of most importance?



- Acquisition, bridge and long term financing all needed.
  - High LTV (consider lending over appraised value but up to 100% of cost in areas where it is more expensive to construct than the appraised value of the new property)
  - Low rates and/or flexible (interest only, extended amort & cash flow based) repayment terms.
  - Loan guarantees and/or cash collateral support
  - Extended maturity dates to match senior debt
  - Quick turn around in the Division of Housing underwriting and contracting process. Speed to market.
2. When seeking to purchase a Mobile Home Park (MHP) what are the most important technical assistance (TA) needs of your community and in addition to the need for acquisition loans what other capital improvements are in need of financing for MHPs?
- TA is needed up front to help residents organize and take advantage of their right to purchase. Need to act quickly here!
  - Communication and TA needs to be in multiple languages to meet the needs of the community.
  - Post acquisition / long term TA will be a continuing need to help residents manage their Resident Co-Op and operate the MHP long term.
  - There is a need for nonprofits to step in when needed to purchase the park on behalf of the residents to ensure long term viability and property ownership/management expertise.
  - Need for individual unit repair and energy efficiency upgrade loans or grants.
  - Need for lot rent assistance grants to homeowners to prevent displacement.

## General SLIDO Summary:

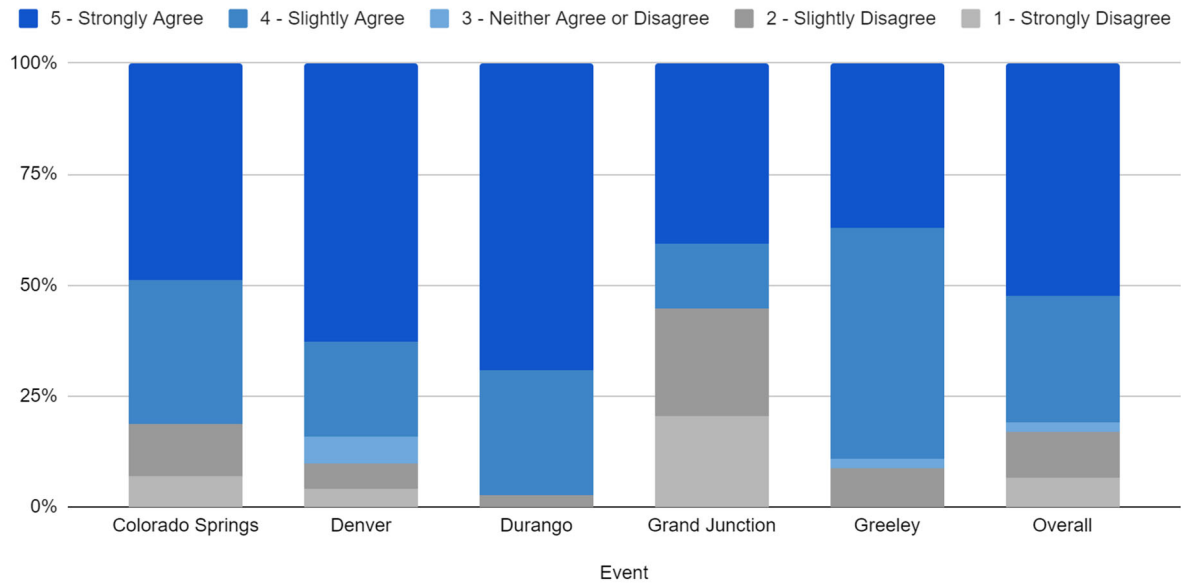
In each outreach session a series of interactive polls and word clouds were used to collect input and facilitate discussion amongst members of the audience using an interactive product called Slido. Participants read interactive prompts on the screen, and responded to them using their computers or phones, after which the results were discussed amongst the audience and facilitators. Stakeholders were asked the following questions as polls:

1. Does the initial classification of your community (and if it is Rural, Rural Resort, or Urban) reflect the housing market and economic factors present in your community?

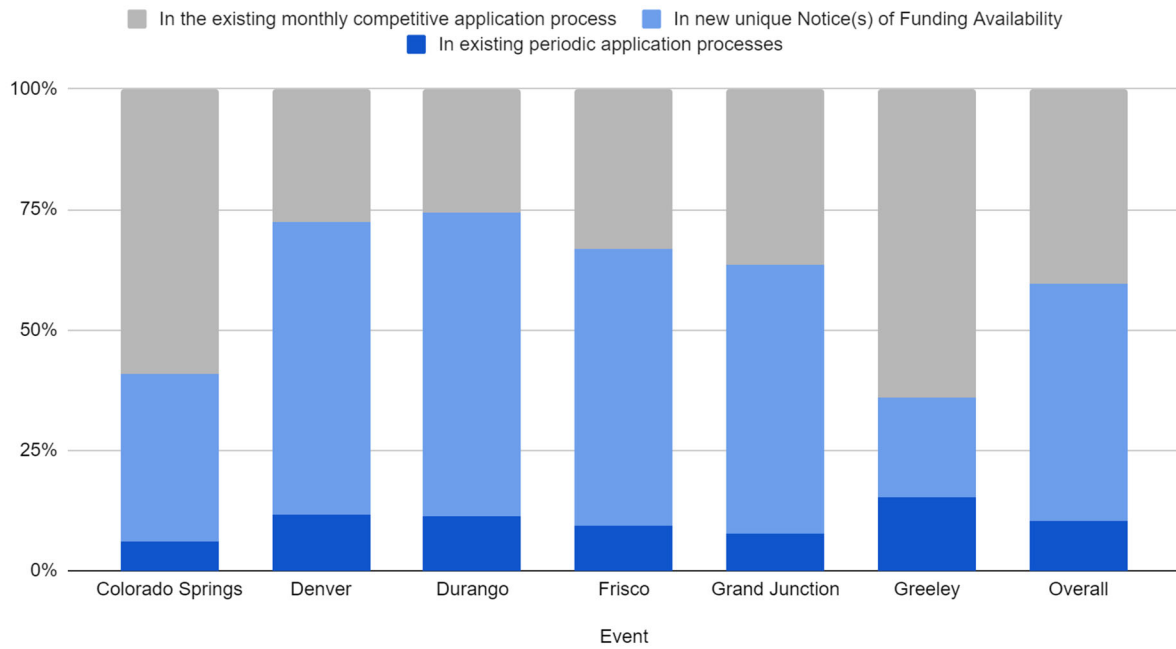
2. How should applications for funding be made available? (1 of 2, before the programs were discussed by DOH staff)
3. How should applications for funding be made available? (2 of 2, after the programs were discussed by DOH staff)

The responses to the polls are as follows:

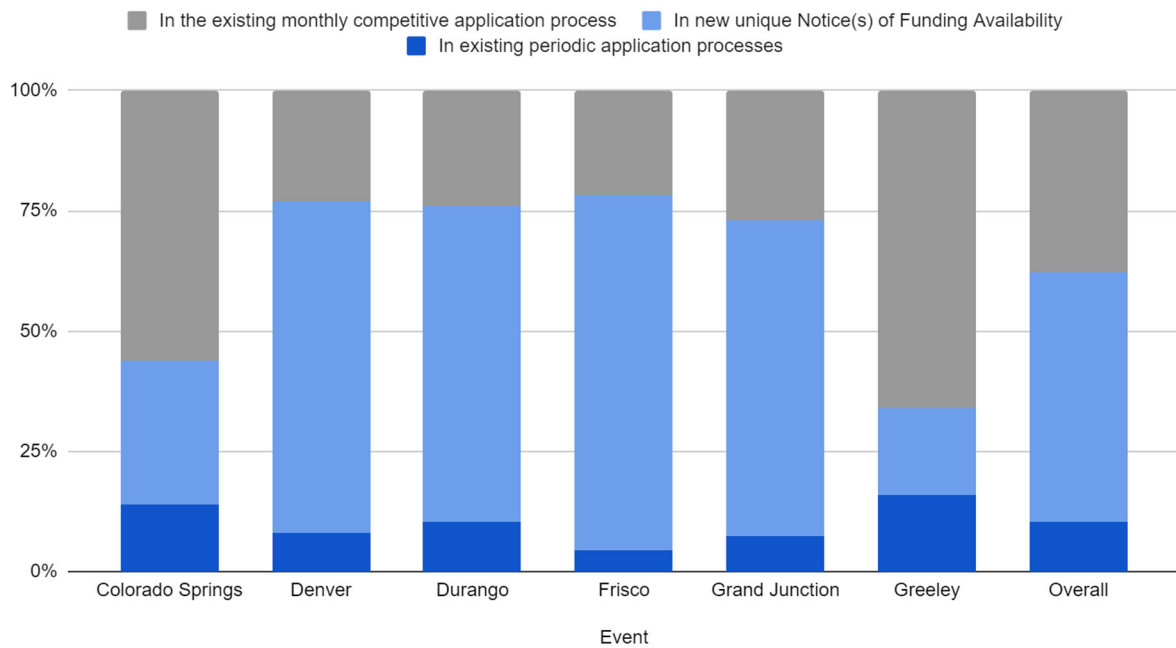
Does the initial classification of your community (and if it is Rural, Rural Resort, or Urban) reflect the housing market and economic factors present in your community?



### How should applications for funding be made available? (1/2)



### How should applications for funding be made available? (2/2)



## TINY HOMES, MOBILE HOME PARKS & ENERGY CODES

DOH staff met with interested stakeholders across the state to solicit feedback in response to three bills from the 2022 session that DOH's Office of Regulatory Oversight is tasked with implementing or assisting another agency in its implementation. The three bills are as follows:

1. House Bill 22-1242 - Colorado law regulates the manufacturers, sellers, and installers of manufactured homes; on and after July 1, 2023, it will also include "tiny homes" as defined in the bill.
2. House Bill 22-1287 - Effective October 1, 2022, the "Mobile Home Park Act" and its "Dispute Resolution and Enforcement Program" were amended to add additional protections for mobile home park residents.
3. House Bill 22-1362 - On or before October 1, 2022, a "Energy Code Board" must be appointed and convened to develop both a model electric ready and solar ready code, and a model low energy and carbon code for adoption by counties, municipalities, and state agencies by deadlines established in the bill.

Participants in discussions concerning these bills provided some excellent insight and feedback. Overarching it is clear that more efforts need to be made in order to communicate these new requirements as well as any additional implementation efforts to local jurisdictions or mobile home parks and their residents to ensure they understand what is expected by the General Assembly in order to help DOH more effectively carry out these expectations. They also shared some specific questions or suggestions for consideration.

- HB 22-1242
  - Accounting for community living; allowing for the bathroom/kitchen to be separate in a communal area to limit costs, i.e. tap fees
  - Distinguishing a home owner building their own from a manufacturer producing several units
  - Determining what is acceptable coming in from other states or units being highly mobile in the state
  - Regulate by use to determine level of certification
  - Create a program for communities to utilize to help with homelessness, including a training program to develop skills to construct them
  - Make sure standards are not so strict where it makes the product unaffordable
  - Talk to the local communities about what they would like to see established for standards

- Need to clearly identify differences in types of homes and how they are regulated
- Making sure more units are accessible for individuals with disabilities; universal design/trauma informed design
- Allow for flexibility and evolution (ex. shipping container homes)
- Possibility of having 10 pre-approved designs or some sort of pre-approval checklist to fasttrack getting houses for people who need them
- Concerns that local jurisdiction zoning requirements preventing placement of tiny homes certified by the state
  
- HB 22-1287
  - Clarify triggering event for notice of a change of use of the land
  - Create a local government toolkit about mobile home parks
  - Address concerns regarding parks requiring residents to provide verification of income, proof of title, or other information each year when the park is registering with the state
  - Pausing the clock (tolling) on the timelines established in the opportunity to purchase the park provisions; concern with litigation and dragging these deals out and preventing them from closing
  - Aligning with technical assistance funds made available for mobile home park residents as identified in Senate Bill 22-160 to help with meeting the opportunity to purchase provisions of this bill
  - Dealing with mobile homes in parks that are no longer habitable or close to being so and creating funding to help rehabilitate or replace them
  
- HB 22-1362
  - Account for lifetime cost; do not rely on upfront cost