

We dedicate ourselves to creating and sustaining communities through innovative partnerships and entrepreneurial housing programs.



June 14, 2023

Shannon Eklund
Executive Assistant
Town Manager's Office
Town of Castle Rock
100 N. Wilcox Street
Castle Rock, CO 80104

Re: Douglas County Housing Partnership, a Multijurisdictional Housing Authority

Dear Shannon:

Douglas County Housing Partnership (DCHP) relies on the continued support and membership from the Town of Castle Rock to assist residents with a variety of housing needs. With your funds, in conjunction with funding from the City of Lone Tree, the Town of Parker, the City of Castle Pines, and Douglas County, DCHP has been able to accomplish its mission and goal of providing housing opportunity and stability through the following programs:

- Budget and credit improvement counseling
- Homebuyer counseling services and educational classes
- Down payment assistance to first-time homebuyers
- Foreclosure mitigation counseling services
- Home Equity Conversion Mortgage (HECM), reverse mortgage counseling for seniors
- Low-Income Housing Tax Credit and other rental housing
- Emergency rental assistance in 2021 (ended Q1 2022)
- General housing partnerships to provide and develop other attainable housing options

DCHP requests 2024 funding of \$35,000, which is the same level we have requested in the past. The funds will be used to cover a portion of salaries and operating expenses. Please note, DCHP does not utilize volunteers to provide its services because the counseling we do involves confidential client financial information. We do, however, leverage the town's investment in several ways including raising additional funds from private sources, rental revenue as well as state and federal funding, which helps to support our operations.

Enclosed you will find:

- DCHP's 2022 Accomplishment Summary
- 2024 Service Organization Funding Application
- 2024 Proposed Performance Objectives
- DCHP Board of Directors

The 2024 Service Contract will be administered by:

Maria Ciano,

Executive Director

phone: 303-784-7824

email: mciano@douglas.co.us

Please reach out with any questions. Thank you for considering DCHP's request for continued funding.

Sincerely,

DocuSigned by:
Maria Ciano
EC129A255C5F4F8...

Maria Ciano
Executive Director



**2024 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Douglas County Housing Partnership

I. 2024 FUNDING REQUEST (Please use this form for this information and not another format.)

Breakdown of funds (For what specifically would monies from the Town be used?)

Staff Salaries and Benefits	<u>\$32,000.00</u>
Audit/Accounting Services	<u>\$3,000.00</u>

TOTAL FUNDING REQUEST	<u>\$35,000.00</u>
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II. 2024 PROJECTED ORGANIZATION BUDGET

(Please use this form for this information and not another format.)

<u>2024 projected organizational budget</u> (Including funding from the Town)	<u>\$ 1,187,752.86</u>
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Projected sources of revenue

Homeownership Program	<u>\$22,005.67</u>
Housing Counseling and Programs	<u>\$132,034.00</u>
Participating Jurisdictions	<u>\$200,000.00</u>
Private Activity Bond Fees	<u>\$168,312.00</u>
Development or Partnership Income	<u>\$222,581.04</u>
Real Estate Owned	<u>\$895,532</u>
Other Revenue	<u>\$20.00</u>

TOTAL PROJECTED REVENUE (By major budget category)	<u>\$1,640,565.23</u>
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Employee Benefits, Salaries	<u>\$599,621.00</u>
Accounting and Auditing	<u>\$49,900.00</u>
Insurance	<u>\$48,648.96</u>
Legal	<u>\$2,250.00</u>
Real Estate Owned Expenses	<u>\$339,147.74</u>
Administrative/ Other	<u>\$57,195.16</u>

TOTAL PROJECTED EXPENDITURES	<u>\$1,096,762.86</u>
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III. 2024 PROPOSED PERFORMANCE OBJECTIVES

Please propose up to eight measurable performance objectives that your organization will strive to accomplish **in direct relationship to any funding and contract awarded by the Town.**



Douglas County Housing Partnership, a Multi-Jurisdictional Housing Authority Town of Castle Rock 2022 Accomplishments

DCHP Overview

The Douglas County Housing Partnership (DCHP) was established in 2003 by the City of Lone Tree, the Town of Castle Rock, the Town of Parker, and Douglas County due to concerns expressed by the business community, public officials, and others of insufficient housing for moderate- and low-income workers in Douglas County. In 2020, the City of Castle Pines entered the partnership.

DCHP Mission

To achieve economically thriving communities by preserving, providing, and developing housing choices in Douglas County, Colorado.

Our Programs

- Budget and credit improvement counseling (included with all program offerings)
- Homebuyer counseling services and educational classes
- Foreclosure mitigation counseling services
- Home Equity Conversion Mortgage, reverse mortgage counseling for older adults
- Home Ownership program (down payment assistance)
- Low-Income Housing Tax Credit and other rental housing (development and operations)
- Housing partnerships to provide and develop housing options

Home Buyer Counseling and Education Classes

DCHP provides a free, monthly, six-hour class typically on the third Saturday of each month to anyone (regardless of income or residency) interested in gaining an education about the home-buying process. The class covers budgeting, credit, loan products, and working with a realtor. Please note, an online education option is also available.

The class is a Colorado Housing and Finance Authority (CHFA) approved homebuyer education class.

A 2013 study updated in 2016 of 6,224 NeighborWorks pre-purchase counseling clients found that counseled borrowers had a 16% lower delinquency rate than their counterparts.

From November 2004 to 2022, DCHP educated 4,155 households, with 483 households attending the DCHP Home Buyer Education class in 2022. In 2022, 65 residents from the Town of Castle Rock attended the class.

Foreclosure Mitigation and Counseling

Homeowners in Douglas County experiencing financial hardships that cause them to be delinquent on their home mortgage are assisted by DCHP Housing and Urban Development (HUD) certified housing counselors. Homeowners are typically referred by the Douglas County Public Trustee. Working with the DCHP counselor, households determine the best course of action for their specific situation. Most often the hardships are due to job loss or health problems. Our counselors work with residents and their lenders to modify their mortgages. This starts with a review of their monthly budget to make sure they will be able to make the modified loan payment. Starting in 2008, DCHP has worked with approximately 2,987 homeowners from 2013 to 2022. 104 households were counseled in 2022, with four residents from the Town of Castle Rock receiving this service during 2022.

A 2014 study reviewed outcomes associated with 240,000 loans, finding that half of the borrowers who received post-purchase foreclosure mitigation counseling were nearly three times more likely to receive a loan modification and 70 percent less likely to redefault on a modified loan than their counterparts.

Home Equity Conversion Mortgage (HECM)

The HECM program, also known as reverse mortgages, offers older adults that are age 62 and older, who have equity in their homes, a way to access that equity. Many people are looking for funds to supplement living expenses, but the funds may also be used for purchasing a new home. There is a considerable and growing demand for this counseling service. The HECM can also be used to prevent foreclosure, for those who qualify. From 2013 to 2022 DCHP provided HECM counseling to 1,511, with 336 in 2022. 14 residents who are from the Town of Castle Rock received this counseling service.

Home Ownership Program

DCHP has assisted first-time homebuyers since January 2005. As of 2022, 314 households became homeowners in Douglas County through this program. Due to the currently limited housing stock and extremely high housing prices, the number of households that can participate in this program is greatly restricted. In 2022, market conditions prevented all down-payment assistance. Six residents from the Town of Castle Rock received pre-purchase counseling in 2022.

DCHP provides financial assistance for first-time home purchases with two programs:

- 1) a low-interest rate, second-position loan covers part of the down payment and closing costs; or
- 2) DCHP provides an investment of up to 20% of the purchase price (\$41,000 max.).

DCHP homeownership programs are funded from three sources:

- 1) HOME (Home Investment Partnership Program) funds from the State of Colorado.
- 2) CDBG (Community Development Block Grant) funds from Douglas County.
- 3) Existing private funds (Cash-in-Lieu).

Rental Housing in Douglas County

DCHP is involved with a total of 1,827 units, that provide income aligned, affordable housing to households in Douglas County. DCHP is involved with an additional 582 affordable units that are under construction or coming soon. Additionally, DCHP is in the process of acquiring Reyn Rock Plaza, a 33-unit of HUD subsidized elderly housing in the Town of Castle Rock. Of the 2,442 units DCHP is involved with throughout Douglas County, 737 of the rental units are in the Town of Castle Rock.

Generally, rents at affordable properties are an average of \$450-\$600/month less than market-rate rents, saving the residents \$5,400 to \$7,200 per year in rent that can be spent on other household needs.



Photos: Oakwood Senior Apartments, in Castle Rock, Colorado

DCHP works with private developers to create housing options through special limited partnerships (SLP) that provide essential tax-exempt benefits that make the affordable development feasible. Additionally, DCHP issues private activity bond (PAB) cap to help finance affordable developments. Developers use the PAB alongside Colorado Housing Finance Authority (CHFA) low-income housing tax credits (LIHTC) to finance affordable developments. Additionally, DCHP owns and operates (O&O) 127 units of rental housing in Douglas County.

The below tables provide the names of the properties DCHP is involved with, and provides the total number of units, the partnership status, and the percentage of the area median income (AMI) the units are set aside for, as well as information on the demographic the unit is set aside for. Note, in 2023 someone that makes under \$52,140 per year, makes 60% of the AMI and may qualify for a 60% unit, with rents at or below \$1,396 per month.

Property	Units	Partnership	AMIs	Demographic
Apex Meridian East	156	SLP, PAB	60%	No demographic preference, LIHTC
Apex Meridian South	208	SLP, PAB	60%	No demographic preference, LIHTC
Apex Meridian West	156	SLP	60%	No demographic preference, LIHTC
Copper Steppe	264	SLP, PAB	40-60%	No demographic preference, LIHTC
LincolnPointe Lofts	221	SLP	50-60%	No demographic preference, LIHTC
South Range Crossing	204	SLP	50-60%	No demographic preference, LIHTC
Talus at RidgeGate Affordable	67	SLP	60%	No demographic preference, LIHTC
The Reserve at Castle Highlands (Town of Castle Rock)	200	SLP	50-60%	No demographic preference, LIHTC
Mayfair Scattered Condo	1	O&O		No demographic preference, Naturally Affordable
Olympia Scattered Condo	1	O&O		No demographic preference, Naturally Affordable
Stonecreek	15	O&O	30-100%	No demographic preference, Naturally Affordable
Summerset Scattered Condo	1	O&O		No demographic preference, Naturally Affordable
Oakwood Senior II (Town of Castle Rock)	53	O&O	30-60%	Older Adults, Disabled LIHTC
Oakwood Senior I (Town of Castle Rock)	56	O&O	30-60%	Older Adults Affordable
Auburn Ridge (Town of Castle Rock)	90	SLP	30-60%	Older Adults LIHTC
The Audrey	134	SLP, PAB	60%	Older Adults LIHTC
Total Units	1,827			

Coming Soon

Property	Units	Partnership	AMIs	Demographic
Bridgewater Castle Rock	79	PAB	60%	LIHTC Assisted Living
Meadowmark (Town of Castle Rock)	200	SLP, PAB	30-80%	Older Adults LIHTC
Ridge Gate Senior Apartments	101	SLP	60%	Older Adults LIHTC
The Sophia	160	SLP, PAB	60%	Older Adults LIHTC
Unity on Park Street (Town of Castle Rock)	42	GP & O	30-60%	Disabled (I/DD), Neuro inclusive Affordable
Reyn Rock Plaza (Town of Castle Rock)	33*	O&O	30%	Elderly HUD subsidized
Total Coming Soon	615 *			

(*includes acquisition)

Maximizing Community Resources

DCHP funds its programs from private, state, and federal sources. Those funds, along with the support from the Town of Parker, the Town of Castle Rock, Douglas County, the City of Castle Pines, and the City of Lone Tree make the valuable DCHP programs possible. Thank you for your continued support.

In accordance with the contracts, organizations will be required to track and report on attainment of the objectives at the middle and end of the contract term.

EXAMPLES OF POTENTIAL PERFORMANCE OBJECTIVES:

Chamber: Conduct X one-on-one business consultations during 2021 through the Castle Rock Economic Gardening program.

EDC: Produce bimonthly economic activity updates (number of prospects, jobs and capital investment) that highlight critical issues affecting economic expansion in the Town of Castle Rock.

Historical Society: Hold open the Castle Rock Museum four days per week, five hours per day, excluding holidays, with no admission charge, 100 percent of the time.

Senior Center: Provide shuttle service to seniors and people with disabilities five days a week, excluding holidays, 100 percent of the time.

Youth Initiative: Serve X individuals through the WrapAround program during 2022.

Downtown Merchants Association: Provide an annual event series, free to the public, consisting of: three Starlight movies, the Classic Rock Cruise-in Car Show, Oktoberfest, ...

Downtown Development Authority: Increase attendance at Rink at the Rock by X percent over 2021.

IV. SUPPLEMENTAL INFORMATION

- a) *Provide a cover letter no longer than three pages that includes:*
 - a. ***A summary of how the requested funding would be leveraged with other dollars and volunteer resources to maximize the return on the Town's requested investment (What does your organization expect to generate using monies the Town might give?)***
 - b. *The name of and contact information for the person within the organization responsible for administration of the requested contract*
 - c. *If applicable, the amount of additional funds requested this year, and an explanation for the request*
 - d. *Any further discussion about the application as deemed necessary by the requesting organization*

- b) *Provide a list of the board of directors of the organization*

**Douglas County Housing Partnership
Town of Castle Rock 2024 Performance Objectives**

Objective one: Douglas County Housing Partnership will promote housing opportunity by providing homebuyer education classes monthly, with an attendance goal of 40 Town of Castle Rock renters who are considering homeownership.

Objective two: Douglas County Housing Partnership will promote housing opportunity by providing down payment assistance to one household and pre-purchase counseling to four households purchasing homes in the Town of Castle Rock.

Objective three: Douglas County Housing Partnership will promote housing stability by providing Foreclosure Mitigation Counseling to 10 Town of Castle Rock households.

Objective four: Douglas County Housing Partnership will promote housing stability by providing Home Equity Conversion Mortgage (Reverse Mortgage) Counseling to 10 households in the Town of Castle Rock.

Douglas County Housing Partnership Board of Directors, June 2023		
Name	Role	Appointing Jurisdiction
Jarrold Lassen	Board Chair	Douglas County
Lora Thomas	Board Member	Douglas County
Jennifer Eby	Alternate	Douglas County
Sam Bishop	Vice Chair	City of Castle Pines
Geoff Blue	Board Member	City of Castle Pines
Deborah Metzger Mulvey	Alternate	City of Castle Pines
Kelly A. First	Board Member	City of Lone Tree
Marilee Wing	Board Member	City of Lone Tree
Mike Anderson	Alternate	City of Lone Tree
Max Brooks	Board Member	Town of Castle Rock
Brad Boland	Treasurer	Town of Castle Rock
Tim Dietz	Alternate	Town of Castle Rock
Bryce Matthews	Secretary	Town of Parker
Anne Barrington	Board Member	Town of Parker
Brandi Wilks	Alternate	Town of Parker