



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

June 14, 2021

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 appreciates the on-going support from the Town of Castle Rock to assist your citizens with various 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 goals - providing valuable services to the citizens of Castle Rock. The services include:

- reverse mortgage counseling,
- homebuyer counseling,
- foreclosure mitigation counseling,
- budgeting classes,
- down payment assistance to first time homebuyers
- tax credit rental units
- and emergency rental assistance for COVID relief.

We are happy to share with you the attached brief summary of our accomplishments. Also enclosed are:

- 2022 Service Organization Funding Application
- 2022 Proposed Performance Objectives
- A list of the DCHP Board of Directors

We are requesting continued funding in 2022 at the same level as past years (\$35,000). The funds will be used to cover a portion of salaries and operating expenses. You asked how this funding will be leveraged with other funds and volunteer resources. 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. DCHP raises additional funds from private (typically banks), state and federal sources to support our operations.

9350 Heritage Hills Circle • Lone Tree, CO 80124
Administration (303) 784-7824 • Fax (303) 814-2966
Home Ownership Program • Foreclosure Mediation Program (303) 784-7857
www.douglascountyhousingpartnership.org



If you or members of your Town Council have any questions, I would be happy to answer them. I can be reached at 303-784-7824 or dleaves@douglas.co.us. I am also the person who will be responsible for administration of the requested contract. Thank you for considering our request for continued funding.

Sincerely,



Diane Leavesley
Executive Director

**2022 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

DOUGLAS COUNTY HOUDING PARTNERSHIP

I. 2022 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?)

| | |
|--------------------------------------|------------------------|
| <u>Staff Salaries & Benefits</u> | <u>\$32,000</u> |
| <u>Audit/Accounting</u> | <u>\$3,000</u> |
| _____ | \$ _____ |
| _____ | \$ _____ |
| _____ | \$ _____ |
| _____ | \$ _____ |
| TOTAL FUNDING REQUEST | <u>\$35,000</u> |

II. 2022 PROJECTED ORGANIZATION BUDGET

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

2022 projected organizational budget
(Including funding from the Town) **\$539,174**

Projected sources of revenue

| | |
|------------------------------------------|-------------------------|
| <u>Homeownership Program</u> | <u>\$74,000</u> |
| <u>Foreclosure Prevention Counseling</u> | <u>\$19,000</u> |
| <u>Participating Jurisdictions</u> | <u>\$200,000</u> |
| <u>Private Activity Bond Fees</u> | <u>\$60,154</u> |
| <u>Client Fees</u> | <u>\$2,500</u> |
| <u>Real Estate Owned</u> | <u>\$183,520</u> |
| TOTAL PROJECTED REVENUE | <u>\$539,174</u> |

Projected expenditures
(By major budget category)

| | |
|-------------------------------------|-------------------------|
| <u>Salaries & Benefits</u> | <u>\$371,500</u> |
| <u>Accounting</u> | <u>\$15,600</u> |
| <u>Audit</u> | <u>\$13,000</u> |
| <u>Insurance</u> | <u>\$15,000</u> |
| <u>Legal</u> | <u>\$2,000</u> |
| <u>Real Estate Owned expenses</u> | <u>\$24,000</u> |
| <u>Administrative</u> | <u>\$25,000</u> |
| TOTAL PROJECTED EXPENDITURES | <u>\$466,100</u> |

**Douglas County Housing Partnership,
A multijurisdictional housing authority
Funding Request**

Douglas County Housing Partnership 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 workers in Douglas County. In 2020, the City of Castle Pines joined the Partnership.

Our Mission:

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

Our Programs:

- Home Ownership Program
- Home Buyer Education Classes & Budget Counseling
- Foreclosure Mitigation and Counseling
- Reverse Mortgage Counseling
- Rental Housing
- And Emergency Rental Assistance for those impacted by the COVID pandemic

Home Ownership Program

DCHP provides financial assistance to help families purchase their first home with two programs. A low-interest rate second position loan covers part of the down payment and closing costs or DCHP provides an investment of up to 20% (\$25,000 max.) of the purchase price. The two programs DCHP offers are funded from three sources: with HOME funds from the State of Colorado, CDBG funds from Douglas County and some private funds. DCHP has assisted first time homebuyers since January 2005. Through May 2021, DCHP has worked with 313 households to become homeowners in Douglas County. *In 2020, DCHP helped 9 families become homeowners – 4 in Castle Rock. (In our Performance Objectives, we projected 4.)*

Home Buyer Education Classes

A free, six-hour class is offered monthly, typically on the third Saturday of each month to anyone (regardless of income or residency) interested in becoming more educated about the home buying process. The class covers budgeting, credit, loan products and working with a Realtor. This class is a Colorado Housing and Finance Authority (CHFA) approved homebuyer education class. Started in November 2004, DCHP has educated 3,832 households - 3,290 in the class and an additional 542 households online. We added an online version of our class in 2018 as an option for people who could not attend in-person. *In 2020, 407 households learned*

about becoming a borrower and homeowner, 70 from Castle Rock. (We projected 40 would attend from Castle Rock.)

In spite of the pandemic, demand for home buyer education remains strong. Between the online classes which we were able to offer through the pandemic and the in-person classes that we are starting again, from January through May of 2021 235 households received home buyer education, 21 of these families were from Castle Rock.

Foreclosure Mitigation Counseling

Homeowners in Douglas County experiencing financial hardships that caused them to be delinquent on their home mortgage are assisted by the DCHP's HUD certified housing counselors. The homeowners are referred by the Douglas County Public Trustee. Working with the counselor, they determine the best course of action for their specific situation. Our counselor works with them and their lender to modify their mortgage. This starts with a review of their monthly budget to make sure they will be able to make the modified loan payment. The families are relieved and grateful to find help with a complex problem.

Started in 2008, DCHP has worked with 2,962 homeowners through May 2021. In 2020, DCHP worked with 38 households, (6 from Castle Rock; our projection was 10) and only one of our clients were foreclosed upon. Through May 2021, we have counseled 9 households, 3 from Castle Rock. Foreclosure filings have stayed about the same as last year. In this sellers' market, families can sell their home if they are having trouble paying their mortgage. The problem is-renting can cost as much or more than their mortgage payment.

Reverse Mortgage Counseling

In the fall of 2013, DCHP again began offering Reverse Mortgage Counseling to age 62+ homeowners. Reverse mortgages offer seniors with equity in their homes a way to access monies for living expenses. It is a program that was discontinued for a period of time by DCHP due to staffing changes, but now we have two certified counselors on staff, and we can offer this service. There is considerable and growing demand for this counseling. *In 2020, 225 households were provided Home Equity Conversion Mortgage (HECM) counseling, 5 from Castle Rock. (We projected 10 in our Performance Objectives.) Through May of 2021, 115 households received reverse mortgage counseling; 8 were Castle Rock households.*

Rental Housing

DCHP also provides apartment units at lower than market rents to income eligible citizens of Douglas County. DCHP owns the 64-unit **Oakwood Senior Apartments** in Castle Rock. Available to low-income seniors, the property is fully leased with a waiting list.

In 2018 DCHP went through a re-zoning request, asking the Town of Castle Rock to consider a PD Amendment to allow the addition of 45 units on the Oakwood Senior Apartments site. It was approved. In 2019, DCHP went through a Site Development process for the site and was awarded an allocation of 9% Low-Income Housing Tax Credits from the Colorado Housing and Finance Authority. Construction of a three-story, elevatored building began in the fall of 2020. Completion will be in January/February 2022.

DCHP is also a minority owner as a special limited partner in LincolnPointe Lofts and Reserve at Castle Highlands. **LincolnPointe Lofts** is a 221-unit apartment complex in the Meridian International Business Center for families with incomes at or below 50% and 60% of the area median income (AMI). **Reserve at Castle Highlands** in the Town of Castle Rock is 200 units of rental family housing that has rents for 41 of the units affordable to families at or below 50% of the area median income as a result of its partnership with DCHP. The remaining 159 units

In 2014, there were two more developments completed, adding 245 units to the stock of affordable housing in Douglas County. **Apex Meridian** in the Meridian International Business Center added 155 more 60% AMI family units and **Auburn Ridge** in Castle Rock added 90 units for seniors. **Auburn Ridge** is a mixed income property with 5-30% AMI units, 21-40% AMI units, 26-50% AMI units, 28-60% AMI units and 10 units that are not income restricted. DCHP is a special limited partner with Shea Properties in the Apex Meridian development and with Atlantic Development in the Auburn Ridge property.

Copper Steppe, 264 units in the Sierra Ridge development in unincorporated Douglas County was completed in September 2017. Demand was very strong; the entire property with 11 residential buildings was leased in advance of the completion of construction, with tenants moving in as soon as a building got its certificate of occupancy. **Copper Steppe** added 264 more family units to the supply of LIHTC housing in Douglas County. The developer, Inland Group of Spokane, WA is our partner.

Apex Meridian East was completed in May/June 2020. Constructed across the street from Apex Meridian (now called Apex Meridian West) in the Meridian International Business Center added 155 more 60% AM family units. An additional 208 units will be constructed across the street to the south with completion planned for March of 2022.

There are four additional affordable housing rental properties are in various stages of development/construction. **The Audrey** will be completed in September of 2021 and provide 134 units for seniors in Highlands Ranch. **South Range Crossings** in Parker will add 204 units in 8 buildings for families. Buildings will come on-line from November 2021 through the Spring of 2022. A project with assisted living units, **Bridgewater Castle Rock** is under construction. **Ridgegate Station** should close on its financing in about a month and construction will take about 14 months to add 67-units of mixed income family housing in Lone Tree. DCHP will also be a minority partner in these developments.

Maximizing Community Resources

In 2020 DCHP raised \$644,855 to support our programs from private, local, state and federal sources. Those funds, along with your continued support makes these accomplishments possible. We look forward to leveraging your investment and adding to these accomplishments as we continue to provide services to the people of Castle Rock and the county.

2022 Performance Objectives

Douglas County Housing Partnership will provide home buyer education classes monthly which 40 Castle Rock renters considering homeownership will attend.

Douglas County Housing Partnership will provide down payment assistance to 3 households purchasing homes in Castle Rock.

Douglas County Housing Partnership will provide Foreclosure Mitigation Counseling to 7 Castle Rock households.

Douglas County Housing Partnership will provide Reverse Mortgage Counseling to 10 households in Castle Rock.

Board of Directors of Douglas County Housing Partnership

Town of Castle Rock

| | |
|---------------|-----------------------------|
| Jason Gray | Mayor |
| Sandy Vossler | Town Staff – Senior Planner |

Town of Parker

| | |
|----------------|----------------------|
| Cheryl Poage | Town Council member |
| Bryce Matthews | Town Staff -Planning |

City of Lone Tree

| | |
|----------------|---------------------|
| Wynne Shaw | City Council member |
| Shelley Bryant | Citizen - Realtor |

Douglas County

| | |
|----------------|----------------------------------------------|
| George Teal | County Commissioner |
| Jarrold Lassen | Citizen - FirstBank President-Douglas County |

City of Castle Pines

| | |
|--------------------|---------------------------------------------|
| Melissa Courdeyras | Mayor Pro Tem |
| Sam Bishop | Town Staff – Community Development Director |