



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

May 18, 2017

Ms. Kristin Zagurski  
Management Analyst  
Town of Castle Rock  
100 N. Wilcox Street  
Castle Rock, CO 80104

Dear Ms. Zagurski:

Douglas County Housing Partnership appreciates the on-going support of 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 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 and rental units. We are happy to share with you the attached brief summary of our accomplishments. Also enclosed are:

- 2018 Service Organization Funding Application
- 2018 Proposed Performance Objectives
- A list of the current DCHP Board of Directors (we are in process to replace one Castle Rock representative)

We are requesting continued funding in 2018 at the same level as past years (\$35,000). The funds will be used to cover a portion of salaries and a portion of 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 information. We do leverage the town's investment in several ways. DCHP raises additional funds from private (typically banks), state and federal sources to support our operations.

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](mailto: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,

A handwritten signature in blue ink that reads "Diane Leavesley".

Diane Leavesley  
Executive Director

9350 Heritage Hills Circle • Lone Tree, CO 80124  
Administration (303) 784-7824 • Fax (303) 814-2966  
Home Ownership Program (303) 784-7857 • Foreclosure Mediation Program (303) 784-7856  
[www.douglascounthousingpartnership.org](http://www.douglascounthousingpartnership.org)



**2018 SERVICE ORGANIZATION  
FUNDING APPLICATION**

**ORGANIZATION REQUESTING FUNDING:**

**Douglas County Housing Partnership**

**I. 2018 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>\$31,000</u>
<u>Administration</u>	<u>\$2,000</u>
<u>Audit/Accounting</u>	<u>\$1,000</u>
<u>Insurance</u>	<u>\$1,000</u>
_____	\$ _____
_____	\$ _____
_____	\$ _____
 TOTAL FUNDING REQUEST	 <u>\$35,000</u>

**II. 2018 PROJECTED ORGANIZATION BUDGET**

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

2018 projected organizational budget

(Including funding from the Town) \$448,000

Projected sources of revenue

<u>Homeownership program admin fees</u>	<u>\$100,000</u>
<u>Foreclosure counseling</u>	<u>\$14,000</u>
<u>Real Estate – fees &amp; rents</u>	<u>\$144,000</u>
<u>Private Activity Bond Issuer fees</u>	<u>\$13,000</u>
<u>Contributions</u>	<u>\$8,000</u>
<u>Client fees</u>	<u>\$4,000</u>
<u>Participating Jurisdictions funding</u>	<u>\$165,000</u>
 TOTAL PROJECTED REVENUE	 <u>\$448,000</u>

Projected expenditures

(By major budget category)

<u>Staff Salaries &amp; Benefits</u>	<u>\$330,000</u>
<u>Accounting (contractor)</u>	<u>\$15,600</u>
<u>Administrative costs</u>	<u>\$25,000</u>
<u>Audit</u>	<u>\$10,000</u>
<u>Insurance</u>	<u>\$14,000</u>
<u>Legal</u>	<u>\$2,000</u>
<u>Real Estate owned expenses</u>	<u>\$35,000</u>

TOTAL PROJECTED EXPENDITURES \$431,600

**Douglas County Housing Partnership**  
**A multi-jurisdictional 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.

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
- Foreclosure Mitigation and Counseling
- Reverse Mortgage Counseling
- Rental Housing

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 April 2017, DCHP has worked with 278 households to become homeowners in Douglas County. *In 2016, DCHP helped 18 families become homeowners – 6 in Castle Rock. (We projected 5 in our Performance Objectives.)*

CDBG funds can no longer be used to assist Castle Rock purchasers due to the Town's decision to opt out of HUD's CDBG program.

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 about 1,968 households. *In 2016, 341 households learned about becoming a borrower and homeowner, 89 from Castle*

*Rock. Demand for this class is very strong, with 158 households attending from January through April of 2017, with 75 of these families from Castle Rock. (The number of families attending far exceeding our prediction of 50.)*

#### 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 over 2,700 homeowners through April 2017. In 2016, DCHP worked with 61 households, (33 from Castle Rock) and only 3 were foreclosed. Through April 2017, we have counseled 41 households, 9 from Castle Rock. Foreclosure filings have continued to decline in the County; the number of families counseled is smaller than in past years. Families can now sell their home, in this seller's market, 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 that we have a certified counselor on staff again, we can offer this service. There is considerable and growing demand for this counseling. *In 2016, 77 households were provided Home Equity Conversion Mortgage (HECM) counseling, 6 from Castle Rock. Through April of 2017, 41 households received reverse mortgage counseling; 4 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.

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 in the Sierra Ridge development in unincorporated Douglas County will be completed this fall. Currently under construction with 6 of the 11 residential buildings completed, it will add 264 more family units to the supply of income restricted housing. Although construction is not finished, the entire property is leased, demonstrating the demand for these apartments. The developer, Inland Group of Spokane, WA is our partner.

#### Maximizing Community Resources

In 2016 DCHP raised about \$504,000 to support our programs from private, 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.

## **2018 Performance Objectives**

Douglas County Housing Partnership will provide home buyer education classes monthly which 65 Castle Rock renters considering homeownership will attend.

Douglas County Housing Partnership will provide down payment assistance to 5 households purchasing homes in Castle Rock.

Douglas County Housing Partnership will provide Foreclosure Mitigation Counseling to 20 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

TBD

Julie Kirkpatrick    Town staff – Long Range Project Manager

### Town of Parker

Debbie Lewis        Town Council

Courtney Howey    Citizen

### City of Lone Tree

Wynne Shaw         City Council

Shelley Bryant     Citizen

### Douglas County

David Zwerenz      Citizen

Maureen Waller    County staff