



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

September 16, 2015

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

Dear Ms. Zagurski:

Thank you for your past support of the Douglas County Housing Partnership. 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. We are happy to share with you the attached brief summary of our accomplishments for the full year of 2014 and through June of 2015. Also enclosed are:

- 2016 Service Organization Funding Application
- A narrative Funding Request
- 2016 Proposed Performance Objectives
- A list of the DCHP Board of Directors

We would also respectfully request continued funding for 2016 in the amount of \$35,000. The funds will be used to cover salaries along with operating expenses. The Town of Castle Rock funds are leveraged with funds from the three other member jurisdictions, from other grant programs and from earnings on real estate partnerships. The \$35,000 annual investment in our organization by the Town is leveraged about 13 times and provides valuable services to the citizens of Castle Rock as you can read in the Funding Request.

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

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
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**2016 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Douglas County Housing Partnership

I. 2016 FUNDING REQUEST (Please use this form for this information and not another format.)

Breakdown of funds (What would monies from the Town specifically be used for?)

<u>Staff Salaries / Benefits</u>	\$31,750
<u>Administration</u>	\$1,950
<u>Audit / Accounting</u>	\$600
<u>Insurance</u>	\$650
<u>Legal</u>	\$50
TOTAL FUNDING REQUEST	<u>\$35,000</u>

II. 2016 PROJECTED ORGANIZATION BUDGET

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

2016 projected organizational budget

(Including funding from the Town)

\$431,490

Projected sources of revenue

<u>Home Ownership Program Administration Fees</u>	\$87,420
<u>Foreclosure Counseling Administration Fees</u>	\$50,000
<u>Real Estate Owned Fees</u>	\$116,620
<u>Grants</u>	\$7,500
<u>Client Fees</u>	\$4,950
<u>Participating Jurisdictions</u>	\$165,000
TOTAL PROJECTED REVENUE	<u>\$431,490</u>

Projected expenditures

(By major budget category)

<u>Staff Salaries / Benefits</u>	\$333,000
<u>Foreclosure Counselor (Contractor)</u>	\$27,734
<u>Administration</u>	\$24,275
<u>Audit / Accounting</u>	\$8,667
<u>Insurance</u>	\$10,584
<u>Legal</u>	\$1,500
<u>Real Estate Owned Expenses</u>	\$33,595*

TOTAL PROJECTED EXPENDITURES \$439,355*

*includes non-cash Depreciation of \$12,858

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% (\$50,000 max.) of the purchase price. The programs are funded with HOME funds from the State of Colorado, CDBG funds from Douglas County and some private funds. CDBG funds will still be able to be used in Castle Rock in 2016, but not in 2017. Started in January 2005, DCHP has worked with 247 households through June 2015 to become homeowners in Douglas County. *In 2014, DCHP helped 20 families become homeowners – 10 in Castle Rock. In 2015 through June, 8 families purchased homes with DCHP assistance. – 4 in Castle Rock. (We anticipated 9 each year.)*

Home Buyer Education Classes

A free, six hour class is typically offered 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 1,500 households. *In 2014, 251 households learned about becoming a borrower and homeowner, 45 from Castle Rock. Demand for this class is very strong, with 172 households attending from January through June 2015, 42 of the families from Castle Rock. (The number of families attending exceeded our predictions.)*

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 and the Colorado Foreclosure Hotline. 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 loan. 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 2,500 homeowners through June 2015. *In 2014, DCHP worked with 554 households, 95 from Castle Rock) and only three were foreclosed. Through June 2015, we have counseled 114 households, 10 from Castle Rock. There have been fewer foreclosure filings than we anticipated. 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 due to staffing changes, but now that we have a certified counselor on staff again, we can offer this service. *In 2014, 50 households were provided Home Equity Conversion Mortgage (HECM) counseling, 5 from Castle Rock. Through June of 2015, 55 households received reverse mortgage counseling; 5 were Castle Rock households.*

Rental Housing

DCHP owns the 64-unit Oakwood Senior Apartments in Castle Rock. Available to low-income seniors and adults with disabilities, 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.

There were two more developments completed, adding 245 units to the stock of affordable housing in Douglas County in 2014. 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.

Negotiations are in process with another private developer to begin construction on 264 more family units next year.

Maximizing Community Resources

In 2014 DCHP raised about \$505,000 to support our programs from private, state and federal sources. Your continued support makes these accomplishments possible. We look forward to leveraging your investment and adding to these accomplishments with our continued service to the people of Castle Rock and the county.

2016 Performance Objectives

Douglas County Housing Partnership will provide home buyer education classes monthly which 35 Castle Rock renters considering homeownership will attend.

Douglas County Housing Partnership will provide down payment assistance to 9 households purchasing homes in Castle Rock.

Douglas County Housing Partnership will provide Foreclosure Mitigation Counseling to 40 Castle Rock households.

Douglas County Housing Partnership will provide Reverse Mortgage Counseling to 5 households in Castle Rock.

Board of Directors of Douglas County Housing Partnership

Town of Castle Rock

Ken Kania Citizen

Heather Lamboy Town staff

Town of Parker

Debbie Lewis Town Council

Courtney Howey Citizen

City of Lone Tree

Harold Anderson City Council

Shelley Bryant Citizen

Douglas County

David Zwerenz Citizen

Maureen Waller County staff