



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

June 12, 2019

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

Dear Shannon:

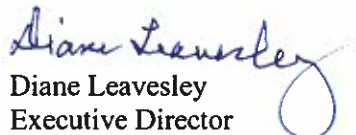
Douglas County Housing Partnership appreciates the on-going support from the Town of Castle Rock to assist your citizens with various housing needs. With your funds, in conjunction with funding from the City of Lone Tree, the Town of Parker and Douglas County, DCHP has been able to accomplish its mission 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 and tax credit rental units. We are happy to share with you the attached brief summary of our accomplishments. Also enclosed are:

- 2020 Service Organization Funding Application
- 2020 Proposed Performance Objectives
- A list of the DCHP Board of Directors

We are requesting continued funding in 2020 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.

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 • Foreclosure Mediation Program (303) 784-7857
www.douglascountyhousingpartnership.org



**2020 SERVICE ORGANIZATION
FUNDING APPLICATION**

ORGANIZATION REQUESTING FUNDING:

Douglas County Housing Partnership

I. 2019 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 and benefits</u>	<u>\$32,000</u>
<u>Administrative costs</u>	<u>\$2,000</u>
<u>Audit/Accounting</u>	<u>\$1,000</u>
<u> </u>	<u>\$ </u>
<u> </u>	<u>\$ </u>
<u> </u>	<u>\$ </u>
<u> </u>	<u>\$ </u>
 TOTAL FUNDING REQUEST	 <u>\$35,000</u>

II. 2020 PROJECTED ORGANIZATION BUDGET

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

2019 projected organizational budget

(Including funding from the Town) **\$442,500**

Projected sources of revenue

<u>Homeownership Programs</u>	\$ 63,000
<u>Foreclosure Counseling</u>	\$ 17,000
<u>Participating Jurisdictions</u>	\$165,000
<u>Private Activity Bond Fees</u>	\$ 38,500
<u>Grants</u>	\$ 10,000
<u>Client fees</u>	\$ 4,000
<u>Owned Real Estate</u>	\$145,000

TOTAL PROJECTED REVENUE **\$442,500**

Projected expenditures

(By major budget category)

<u>Salaries and Benefits</u>	\$340,000
<u>Accounting</u>	\$ 15,600
<u>Audit</u>	\$ 10,000
<u>Insurance</u>	\$ 15,000
<u>Legal</u>	\$ 2,000
<u>Real Estate</u>	\$ 34,000
<u>Administrative</u>	\$ 25,000

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 & Budget Counseling
- 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 May 2019, DCHP has worked with 296 households to become homeowners in Douglas County. *In 2018, DCHP helped 8 families become homeowners – 3 in Castle Rock. (In our Performance Objectives, we projected 5.)*

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 nearly 3,000 households. *In 2018, 310 households learned about becoming a borrower and homeowner, 56 from Castle Rock. (We projected 65 would attend from Castle Rock.) Demand for this class is very strong,*

with 143 households attending from January through May of 2019, with 23 of these families 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 2,877 homeowners through May 2018. In 2018, DCHP worked with 63 households, (6 from Castle Rock; our projection was 20) and none of our clients were foreclosed upon. Through May 2019, we have counseled 18 households, 4 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 2018, 102 households were provided Home Equity Conversion Mortgage (HECM) counseling, 6 from Castle Rock. (We projected 10 in our Performance Objectives.) Through May of 2019, 43 households received reverse mortgage counseling; 6 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 we went through a re-zoning request, asking Castle Rock to consider a PD Amendment to allow us to add units on the Oakwood Senior site, which was approved. We are in the application process for an award of Low Income Housing Tax Credits from the Colorado Housing and Finance Authority, which will provide the funding to build a 53-unit building with elevators.

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.

DCHP is currently working with two developers on two more family developments in unincorporated Douglas County and in Parker that will add 355 more LIHTC units. One is just starting construction and the other hope to begin construction in the fall.

Maximizing Community Resources

In 2018 DCHP raised about \$476,750 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.

2020 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 4 households purchasing homes in Castle Rock.

Douglas County Housing Partnership will provide Foreclosure Mitigation Counseling to 10 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

Jess Loban	Town Council member
Julie Kirkpatrick	Town Staff – Long Range Project Manager

Town of Parker

Cheryl Poage	Town Council member
Bryce Mathews	Town Staff -Planning

City of Lone Tree

Wynne Shaw	City Council member
Shelley Bryant	Citizen - Realtor

Douglas County

Abe Laydon	County Commissioner
Jarrold Lassen	Citizen - FirstBank President-Douglas County