



1

About the State of Colorado's Department of Local Affairs (DOLA)

The Department of Local Affairs (DOLA) serves as the primary interface between the State and local communities. DOLA provides financial support to local communities and professional and technical services to community leaders in the areas of governance, housing, and property tax administration.

The Department of Local Affairs in Colorado unites divisions, boards, and offices, working together to support local communities in areas like governance, housing, and property tax.



2

About the Division of Housing

The Division of Housing (DOH) partners with local communities to create housing opportunities for Coloradans who face the greatest challenges to accessing affordable, safe, and secure homes.

Working with the Colorado State Housing Board, the division supports a wide range of housing efforts, including affordable housing, rental assistance vouchers, homelessness, regulation of mobile home parks and factory-built structures, and home modifications for accessibility.



3

DOLA-DOH's Historical Use of HOME Funds

- Acquisition costs
- Construction costs
- Community Housing Development Organization (CHDO)
- Refinancing costs
- Repayment of bridge loan
- Tenant-Based Rental Assistance



4

General Practices

Include in the Grant or Loan agreement

- Statement of Project
- Performance measures
- Project's sources and uses
- Project's eligible uses of HOME & HOME-ARP funds
- Administrative requirements
- Project requirements
- Property standards



COLORADO
Department of Local Affairs

5

General Practices Cont'd

Beneficiary and Rent Use Covenant / Regulatory Agreement

- Recorded at County's Clerk & Recorder's Office
- Specifies the period of affordability
 - Written to retain the affordability regardless of changes in ownership, successors, lessees, successors, etc.
- Administrative requirements
- Project requirements
- Property standards



COLORADO
Department of Local Affairs

6

Contract Monitoring

General expectations:

- On-site contract monitoring takes place when property is 80-90% occupied and all HOME-assisted units are designated.
- Asset Manager initiates the monitoring via email and give no less than 2 weeks notice. Email includes: summary of visit, what documentation is being requested, how long each component will take, etc. Asset Managers reserve a half hour to provide technical assistance or training to compliance and on-site staff.
- Components: Tenant file review, physical inspections, and administrative review/interview.
- Monitoring letter issued within 60 days of site visit, clearly describes the findings, concerns and physical deficiencies, and allow 30 days for a response (unless 24 hour health and safety deficiency).



COLORADO
Department of Local Affairs

7

Contract Monitoring Cont'd

Tenant File Review: application or income and asset questionnaire, lawful presence, student status, verification of income and assets, calculation of annual income, income eligible, rent charged, rent burden and lease agreement (tenant protections).

Physical Inspections: inspect the property in its entirety, common spaces such as computer or fitness rooms and inspect the greatest of 20% of total HOME-assisted units, 5% of the total project units or a minimum of 4 units.

Crosscutting Requirements: Davis-Bacon, FHEO/Nondiscrimination/Section 504, Section 3, MBE/WBE, Section 104(d), Uniform Relocation Act, and Lead-Based Paint.

Administrative Review: AFHMP (as applicable), cost certification financial and managerial viability, occupancy rate, tenant selection, utility allowance schedule, recordkeeping, and VAWA.



COLORADO
Department of Local Affairs

8

HOME-ARP Specifics

Targeting and Occupancy

- At least 70% of the HOME-ARP units shall be restricted to occupancy by households that are Qualifying Households at the time of their initial occupancy.
- No more than 30 percent of the HOME-ARP units must be restricted for occupancy by Low-Income Households.
- A household that qualified pursuant to HUD Notice CPD-21-10 as a Qualifying Household at the time of initial occupancy shall be deemed to qualify throughout the duration of its occupancy.

Rent limitations

- 30% adjusted income, rent limit for low-income households, or Federal/State Project-Based Vouchers.



9

HOME-ARP Specifics

Minimum Compliance Period

- 15 years minimum

Property Standards:

- 92.251 new construction or rehabilitation

Lease and Tenant Protections

- Each HOME-assisted household must execute a lease that complies with the tenant protections

Coordinated Entry and Project-Specific Waitlists

- DOH allows project owners to use CoC/project specific waiting list



10

HOME Long-Term Monitoring (LTM)

Risk Based Monitoring Policy

Tenant file review of HOME/HTF units in long term monitoring:

- Monitor a percentage of the files when there is over 5 DOH-assisted units
- DOH-assisted units must be reported ahead of time in order to make a selection on which files to review
- Examples of how files are selected:
 - New move-ins or newly designated
 - Was not reviewed at the last on-site visit
 - Tenant based voucher holders
 - Random selection

Minimum Unit Sample Size Chart*

Number of DOH-assisted units in Project	Number of units selected for review
1	1
2	2
3	3
4	4
5-9	5
10-16	6
17-23	7
24-29	8
30-36	9
37-40	10



11

HOME Long-Term Monitoring (LTM)

Tenant File Review: application or income and asset questionnaire, lawful presence, student status, verification of income and assets, calculation of annual income, income eligible, rent charged, rent burden and lease agreement (tenant protections).

- Subsequent annual recertifications
- Allow self-certification/follow the 6-year cycle

Physical Inspections: inspect the property in its entirety, common spaces such as computer or fitness rooms and inspect the greatest of 20% of total HOME-assisted units, 5% of the total project units or a minimum of 4 units.

Administrative Review: AFHMP (as applicable), cost certification financial and managerial viability, occupancy rate, tenant selection, utility allowance schedule, recordkeeping, and VAWA.



12

Project Example of HOME & HOME-ARP Rental

Bentley Commons in Colorado Springs, Colorado serving Family, Veterans, Homeless, and At Risk of Homeless Individuals

DOH provided the following assistance:

- HOME Construction Costs
- HOME-ARP Construction Costs
- HOME CHDO set aside

The Project is supported by 28 Supportive Housing Project-Based (VASH) vouchers, 4% Low-Income Tax Credits (“LIHTC”), a City of Colorado Springs HOME loan, City of Colorado Springs use tax waivers, and CHFA Loan and Grant.



COLORADO
Department of Local Affairs

13



COLORADO
Department of Local Affairs

14