

# **DRAFT - Regional HOME Consortium**

(as of 10/11/06)

## **Purpose of the Consolidated Plan**

Beginning in fiscal year 1995, the U.S. Department of Housing and Urban Development (HUD) required local communities and states to prepare a Consolidated Plan in order to receive federal housing and community development funding from four programs: the Community Development Block Grant (CDBG), the HOME Investments Partnership Program (HOME); the Emergency Shelter Grant (ESG); and Housing Opportunities for People with AIDS (HOWPA).

The Purpose of the Consolidated Plan is:

1. To identify a community or state's housing and community development needs, priorities, goals and strategies; and
2. To stipulate how funds will be allocated to housing and community development activities.

**Consolidated Plan.** This report is the FY2007-2009 Five-year Consolidated Plan for the Boulder County/Broomfield County Regional HOME Consortium. It covers the HOME dollars expected to be received by the Consortium, an estimated \$1.4 million per year. In addition it covers the CDBG funding to be received by the two entitlement cities, Boulder and Longmont. These dollars will be used to address the housing and community development needs of low- and moderate-income residents in the Consortium area.

**Affirmatively Furthering Fair Housing Choice.** In addition to the Consolidated Plan, HUD requires that cities and states receiving CDBG funding take actions to affirmatively further fair housing choice. Cities and states report on such activities by completing an Analysis of Impediments to Fair Housing Choice (AI) every three to five years. In general, the AI is a review of impediments to fair housing choice in the public and private sector.

An AI for the Consortium was completed separately from the HOME Consolidated Plan.

## **Background on the Consortium**

[to be added]

## **Geographic Area of Focus**

This Consolidated Plan encompasses the geographic area of Boulder County and Broomfield County, and the incorporated and unincorporated areas within these two counties.

## Research Process

The research process for the Consolidated Plan was both quantitative and qualitative in nature. It involved collection and analysis of demographic, economic, housing and home loan data; an assessment of subsidized housing conditions; and a detailed analysis of the affordable housing market. In addition, focus groups were conducted with stakeholders involved in housing and community development and providing services to special needs populations.

**Public process.** Citizens contributed to the development of the Consolidated Plan through stakeholder focus groups and interviews, and a 30-day draft public comment period. In August 2006, four focus groups and follow-up interviews were conducted with individuals from organizations representing public housing authorities (PHAs) and serving special populations, and local elected officials. A total of 32 individuals representing 24 organizations and city and county departments participated in the focus groups. In addition, the City of Longmont held three public hearings on June 26, September 26 and October 24 to gain input on the city's housing and community development needs.

## Summary Findings

**Housing market conditions.** Summary findings from the Housing Market Analysis conducted for this Consolidated Plan include the following:

- The Boulder/Broomfield Counties HOME Consortium is home to about 330,000 people and 128,000 households. Residents in the Consortium have higher incomes than other counties in the Denver Metro area—but they also face higher housing costs.
- As of March 2006, the median rent for a one-bedroom apartment in the Boulder/Broomfield County area was \$780. This was the second-highest rent level of any county in the seven-county Denver Metro area. About half of the Consortium's renter population can afford to pay the median rent without being cost burdened.
- Although affordable rental units are fairly easy to come by for many renters in the Consortium, renters with the lowest incomes have a very limited supply of units from which to choose. In addition, the vouchers available to assist these renters with rent payments are inadequate to help the many renters who need assistance. Indeed, in 2005, about 7,500 renter households—20 percent of all renter households—earned less than \$15,000. There are approximately 2,400 affordable units and rental assistance vouchers available to households in this income range, leaving a shortage of 5,100 rental units.
- In addition, renters who earn less than \$50,000 per year have a very difficult time finding an affordable home to purchase in the Consortium area. Sixty-five percent of renters earned less than \$50,000 per year, but only 8 percent of the for-sale market (around 1,000 units) was affordable to them in 2005. The median price of an attached unit for sale in Boulder County was \$200,000 in 2005; the median price of a detached unit was \$362,450. In Broomfield County,

the median price of an attached unit was \$206,054; the median price of a detached? unit was \$282,250.

- Homeowners who make less than \$50,000 per year would have a tough time selling their home and finding an affordable replacement home within the Consortium boundaries, unless they had substantial equity in their existing home.
- As many as 1,500 of the Consortium's lowest income households could be living in units built before 1960 and, as such, have some risk of lead-based paint exposure. On the upper end, as many as 14,100 low- to moderate-income households could be at risk of exposure if all of the Consortium's oldest units are occupied by low- to moderate-income households.

**Housing needs.** Participants in the focus groups conducted as part of the Consolidated Plan examined the greatest housing needs in the Consortium area and identified potential solutions to meet these needs.

In general, the populations identified as having the most critical affordable housing needs included low-income households, seniors, people with disabilities and families. Focus group attendees agreed that these groups are the most typical types of households that have difficulties securing affordable housing, whether for rent or to own.

**Special needs populations.** Organizations serving populations with special needs each considered the population they serve to have critical affordable housing needs. All of the participating organizations had closed waiting lists for rental assistance vouchers or for affordable units the organizations manage. For people with physical disabilities there is a lack of affordable *accessible* housing for rent or ownership. For people with HIV/AIDS there are an insufficient number of affordable units with wraparound services such as counseling. For people with mental disabilities, there are an insufficient number of affordable units with attendant supportive services. Participants also believe that a number of people with disabilities of any type are "housed" in hospitals because they have no place else to go.

**Homeless and at-risk.** Organizations serving the currently homeless, households at risk of homelessness and formerly homeless entering transitional housing consider the populations they serve to have acute affordable housing needs. Longer term, participants identified a need for increasing permanently affordable units. In the short term, there is a need for increasing single room occupancy (SRO) and other transitional housing units.

**Solutions to meeting needs.** Rather than proscribing a singular initiative for HOME dollars, the majority of focus group participants spoke generally about undertaking a blend of activities that would have the greatest impact on the greatest number of people for the longest period of time.

**Top needs.** Combining the top findings from the qualitative and quantitative assessments conducted for this Consolidated Plan produces the following overall top housing needs in the Consortium:

- A need for more affordable rental units or tenant-based rental assistance for renter households earning less than \$15,000 per year. These units should be prioritized for persons with special needs, single parents and families.
- Affordable, accessible housing, including assisted living for persons with disabilities and elderly persons.
- Affordable housing with supportive services for persons with mental illnesses and developmental disabilities.
- Transitional housing to serve persons transitioning out of homelessness.
- Affordable homes to purchase for renters earning less than \$50,000.

### **Strategic Plan and Action Items**

Based on the research conducted for the FY2007-2009 Consolidated Plan, the Boulder County/Broomfield County Regional HOME Consortium has developed the following plan for addressing current and future housing and community development needs:

### **Draft Five Year Strategic Goals**

The Consortium has five overall goals for meeting its housing and community development needs between FY2007 and 2009:

1. Increase the supply of affordable housing units for low- to moderate-income homebuyers.
2. Increase affordability of rental housing for the Consortium's lowest income renters.
3. Preserve existing affordable housing stock.
4. Work to reduce homelessness in the Consortium.
5. Maintain and/or improve a suitable living environment and expand economic opportunities for low- and moderate-income persons.

**Goal No. 1: Increase the supply of affordable housing for low- to moderate-income homebuyers.**

- Continue to create affordable homebuyer opportunities through providing funding for land acquisition and affordable housing development, inclusionary zoning ordinances, and other land use and incentive programs such as density bonuses and fee waivers.
  - Consider adopting inclusionary zoning ordinances in jurisdictions in which they do not exist. These ordinances should complement those already established in other jurisdictions.
  - Consider establishing consistent fee waiver and density bonus programs in all jurisdictions with inclusionary zoning ordinances.
- Continue to offer downpayment assistance for first time homebuyers. All of Boulder County is covered by the two programs operated by Longmont (countywide, outside of Boulder) and by Boulder (inside Boulder city limits). Adding Broomfield or calling them out to offer a DPA program would be appropriate.
- Continue to fund homeownership counseling classes, including education, and housing counseling for low to moderate income households who are prepared to purchase a home.
- Streamline the application process for HOME funds to reduce the administrative costs associated with development planning.
- Preserve existing affordable homeownership units by expanding Housing Rehabilitation Programs and by ensuring that current existing affordable homes do not go into foreclosure or otherwise lose their Deed Restriction.

**Goal No. 2: Increase affordability of rental housing for the Consortium's lowest income renters.**

- Increase the number of affordable rental housing units through acquisition of existing rental housing and the rehabilitation of rental housing for very low-moderate income households; acquisition of land on which to build permanently affordable and/or mixed income housing; and construction of safe, decent, permanently affordable rental housing for very low- moderate income households.
- Acquire land on which to build permanently affordable and/or mixed income housing; and fund the construction of safe, decent, permanently affordable rental housing for very low- moderate income households.
- Provide funding to public housing authorities to assist them with capital needs, operating needs and affordable rental development. Also, apply for additional Section 8 vouchers when available.

- Make capital funds available to rehabilitate existing rental units that will maintain affordable rents for low to moderate income households.
- Provide programs to make accessibility improvements to rental units occupied by persons with disabilities. Allow the improvements to remain after the tenant leaves if the owner agrees to maintain the affordability of the unit. These programs should primarily benefit households earning less than 50 percent of the AMI. (Longmont already has such a program)
- Streamline the application process for HOME funds to reduce the administrative costs associated with development planning.

**Goal No. 3: Preserve existing affordable housing stock.**

- Make funds available for the long term preservation (through acquisition and rehabilitation) of existing affordable rental housing units; for the acquisition of existing rental housing and the rehabilitation of owner and renter-occupied housing for very low-moderate income households.
- Support the acquisition and preservation of mobile home parks, when feasible, to protect low- and moderate income mobile home owners who might otherwise be displaced.
- Provide programs to rehabilitate and or improve the existing stock of homes occupied by low- and moderate-income owners (includes mobile and/or manufactured homes). Rehabilitation efforts would include lead-based paint detection and remediation.
- Provide programs to make accessibility improvements to homes occupied by persons with disabilities. These programs should primarily benefit households earning less than 50 percent of the AMI.
- Provide emergency assistance programs to homeowners to assist them with emergency repairs as needed. These programs should primarily benefit households earning less than 50 percent of the AMI.

**Goal No. 4: Work to reduce homelessness in the Consortium.**

- Continue to allocate funds to human service providers that provide grants, emergency shelter and counseling to households facing eviction or who are at risk of homelessness.
- Support other initiatives and programs designed to address homelessness.
- Create additional transitional housing and emergency shelter units.
- Allocate funds for emergency shelter and transitional housing programs for operations and supportive services and rental assistance.

- Provide support for development of permanently affordable housing for homeless households.
- Coordinate with community based organizations, housing providers, housing funders and other stakeholders to plan for a range of additional permanent housing units and options that serve very low income households at 30 percent of AMI and below, and that are targeted to serve homeless households.

**Goal No. 5: Maintain and/or improve a suitable living environment and expand economic opportunities for low- and moderate-income persons.**

- Make capital funds available for public facilities, in order to maintain the capacity of human services agencies to provide human services to low and moderate income residents/citizens.
- Maintain support for priority public service activities. Maintain support for the removal of architectural barriers in public housing units and in residential units occupied by low and moderate income households.
- Assist small and or economically disadvantaged businesses that are owned by low to moderate income entrepreneurs.