

Housing and Housing Stimulus Programs

Ryan McMaken

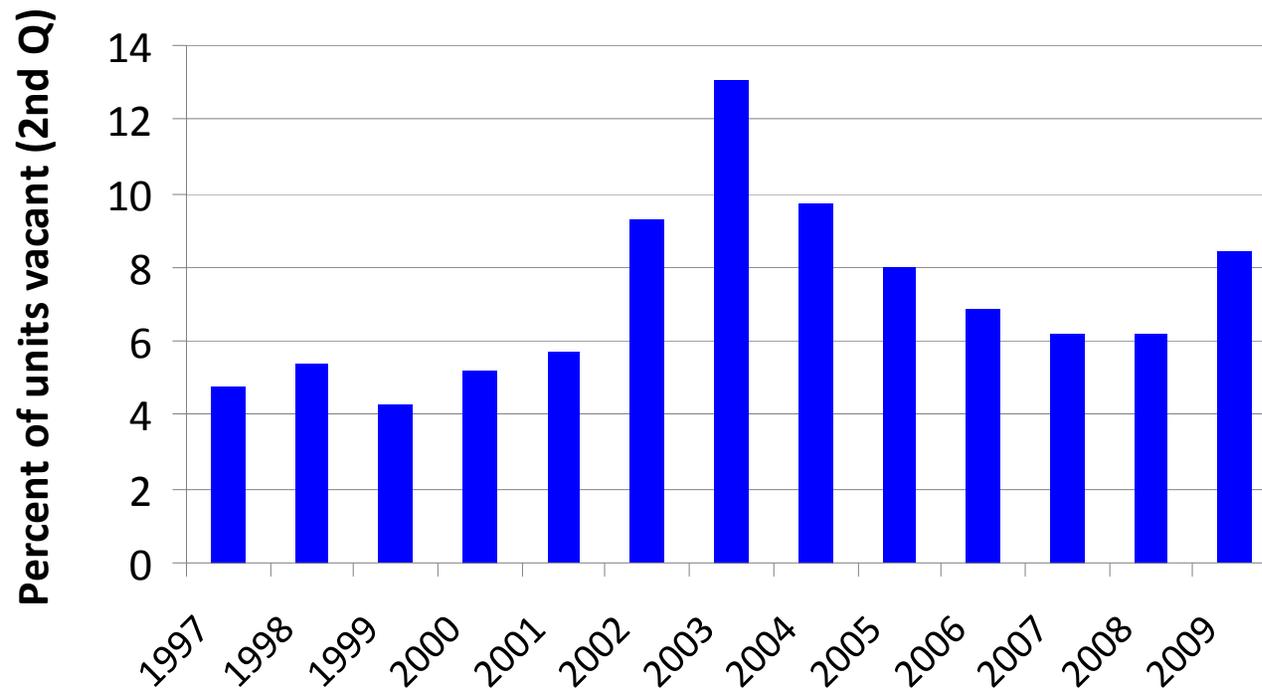
Research and Communications,
Colorado Division of Housing

Rental Housing

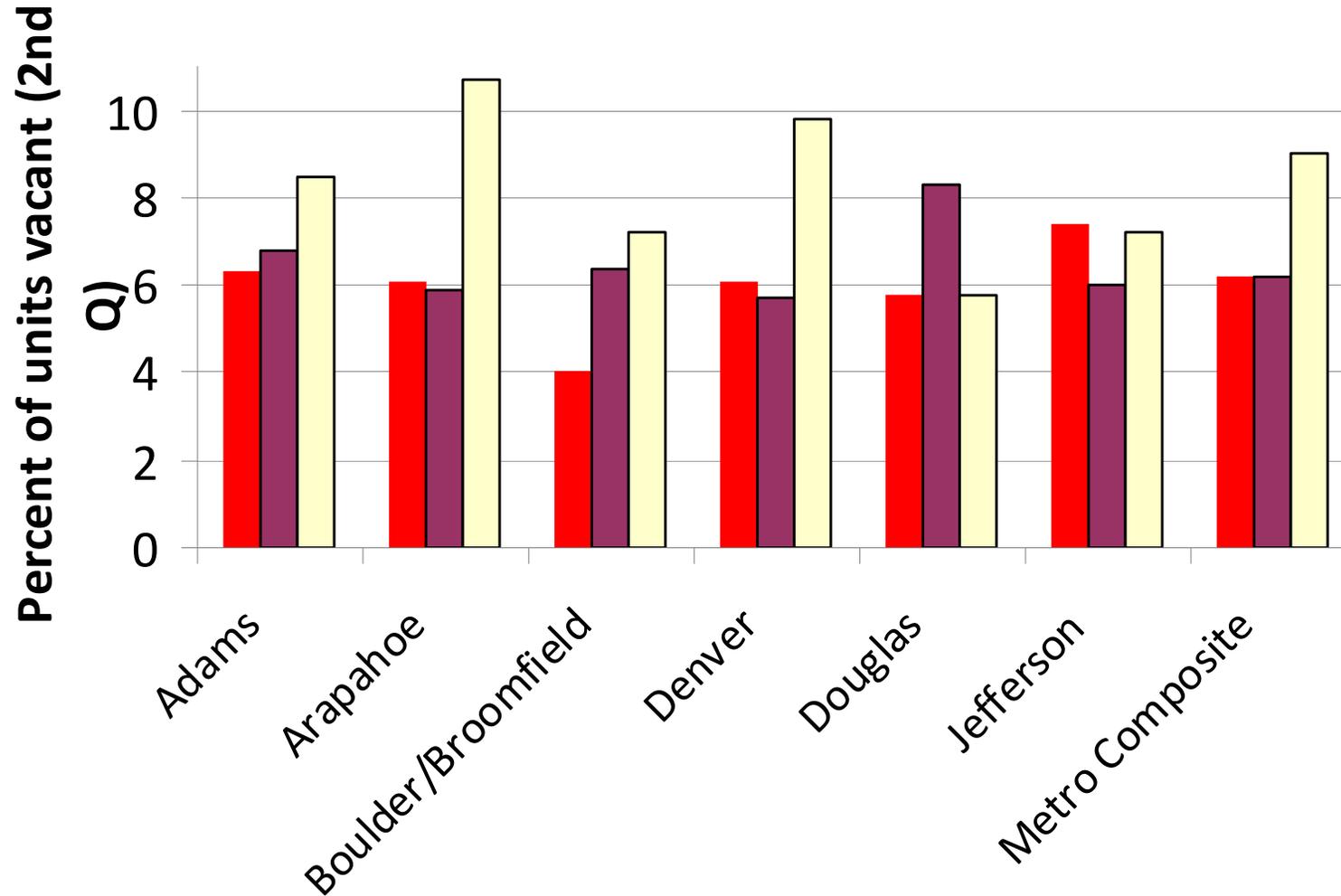
- Why do builders care about rental housing?



Metro Vacancies Statewide

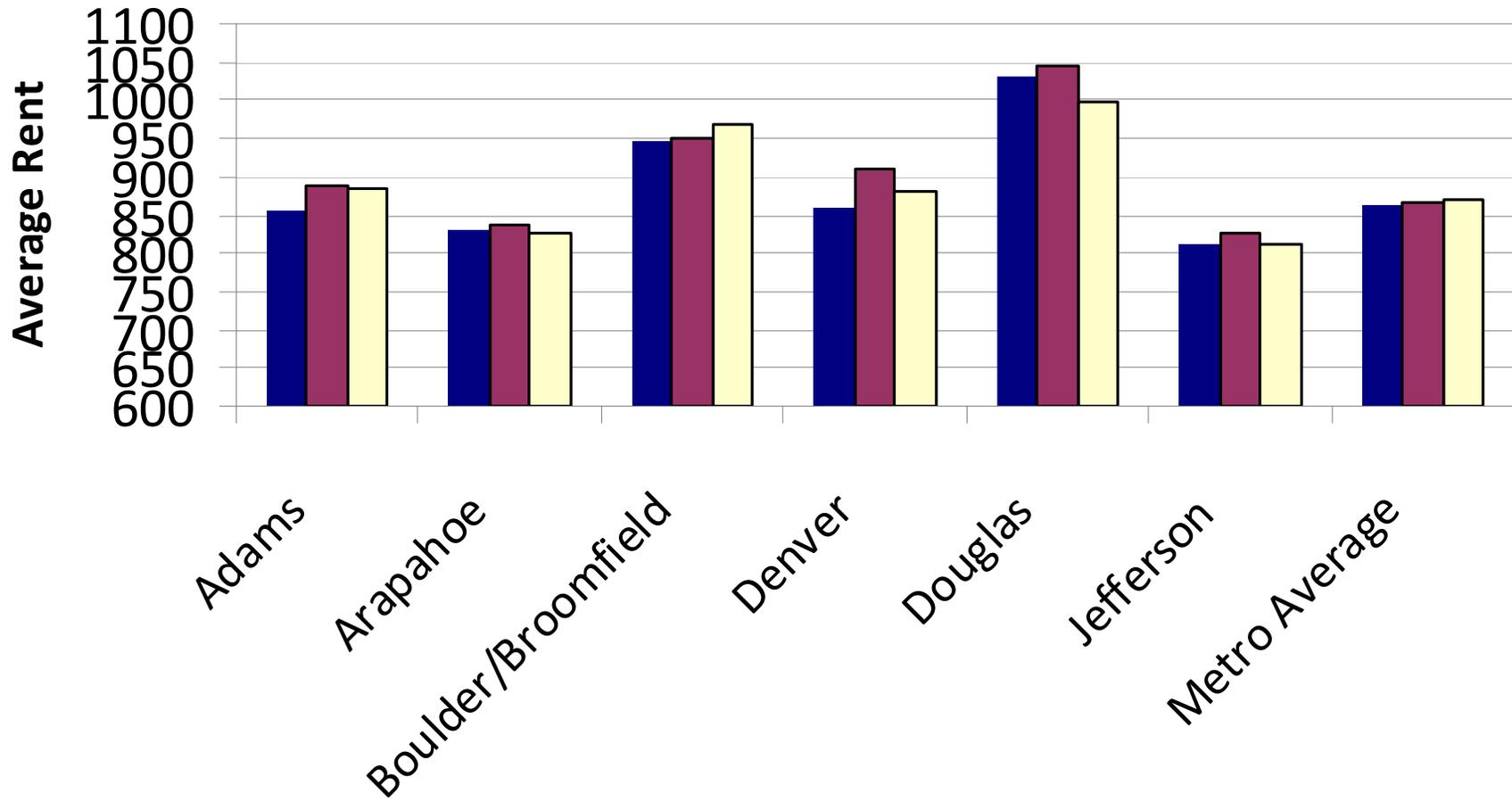


Vacancies in Denver-area counties



1st Q: Red = 2007, Purple = 2008, White = 2009

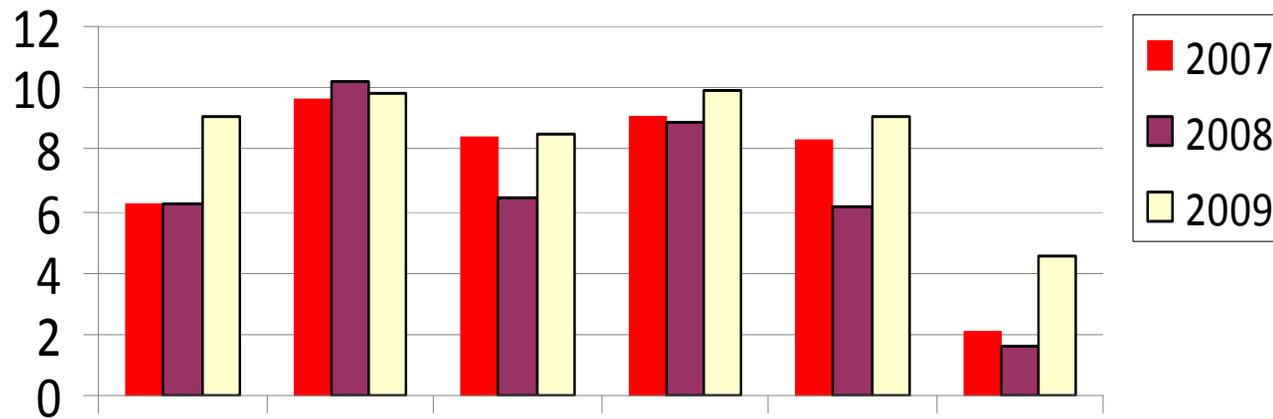
2nd Q Average Rents



blue = 2007, purple = 2008, white = 2009

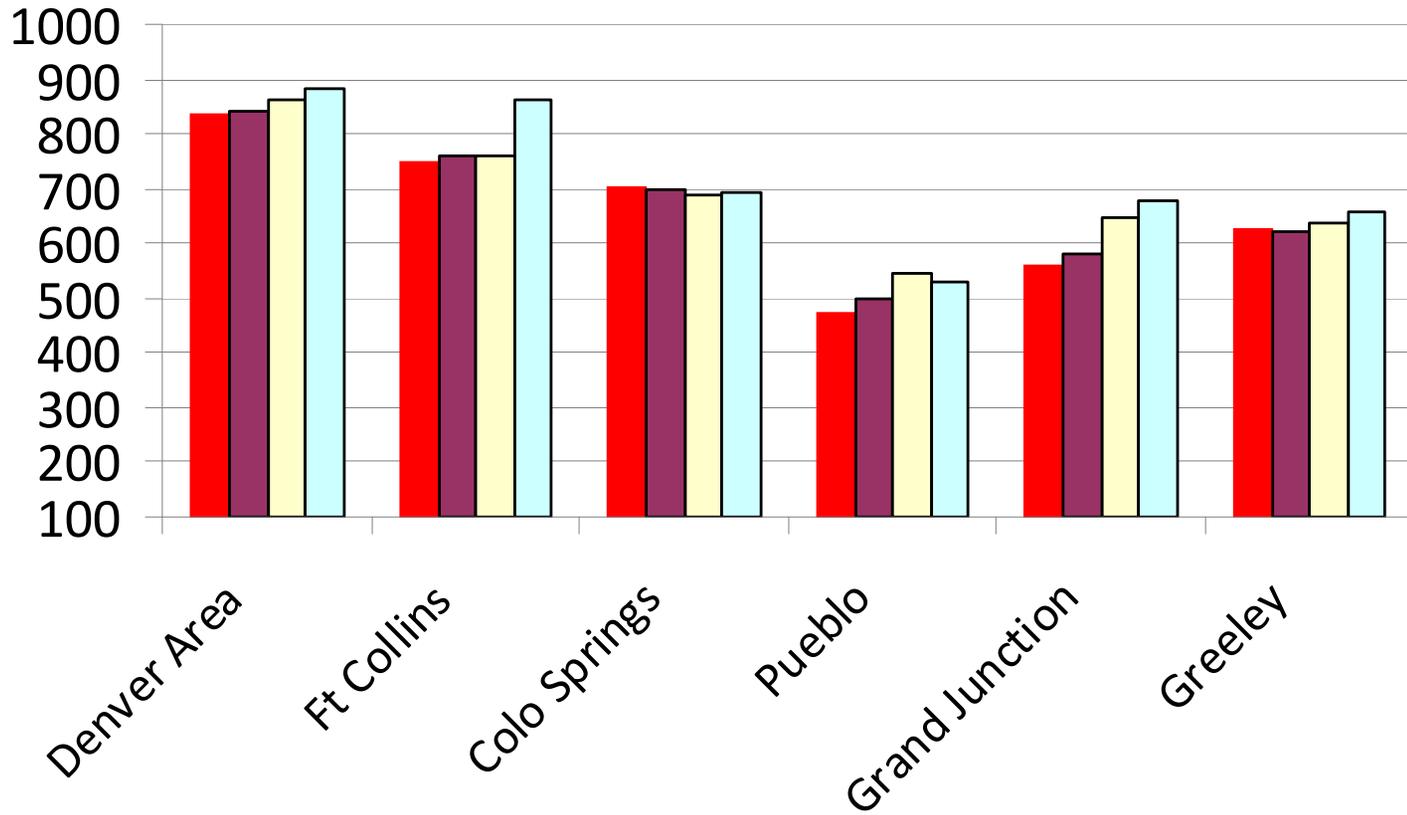
Metro Vacancies Statewide

Percent of units vacant (2nd Q)

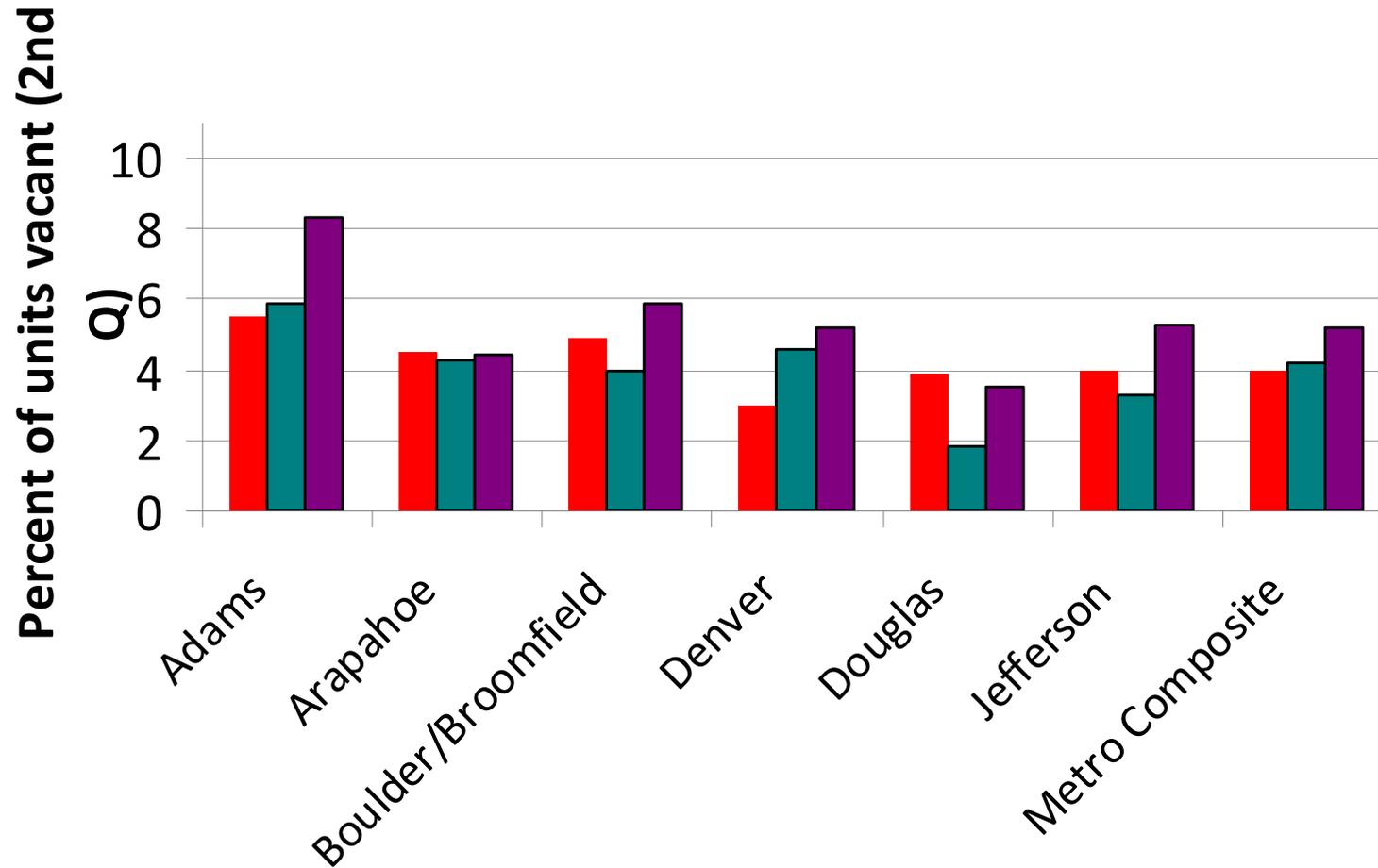


Average rents in Colorado metro areas

Average Rents, 1st Q 2006-2009

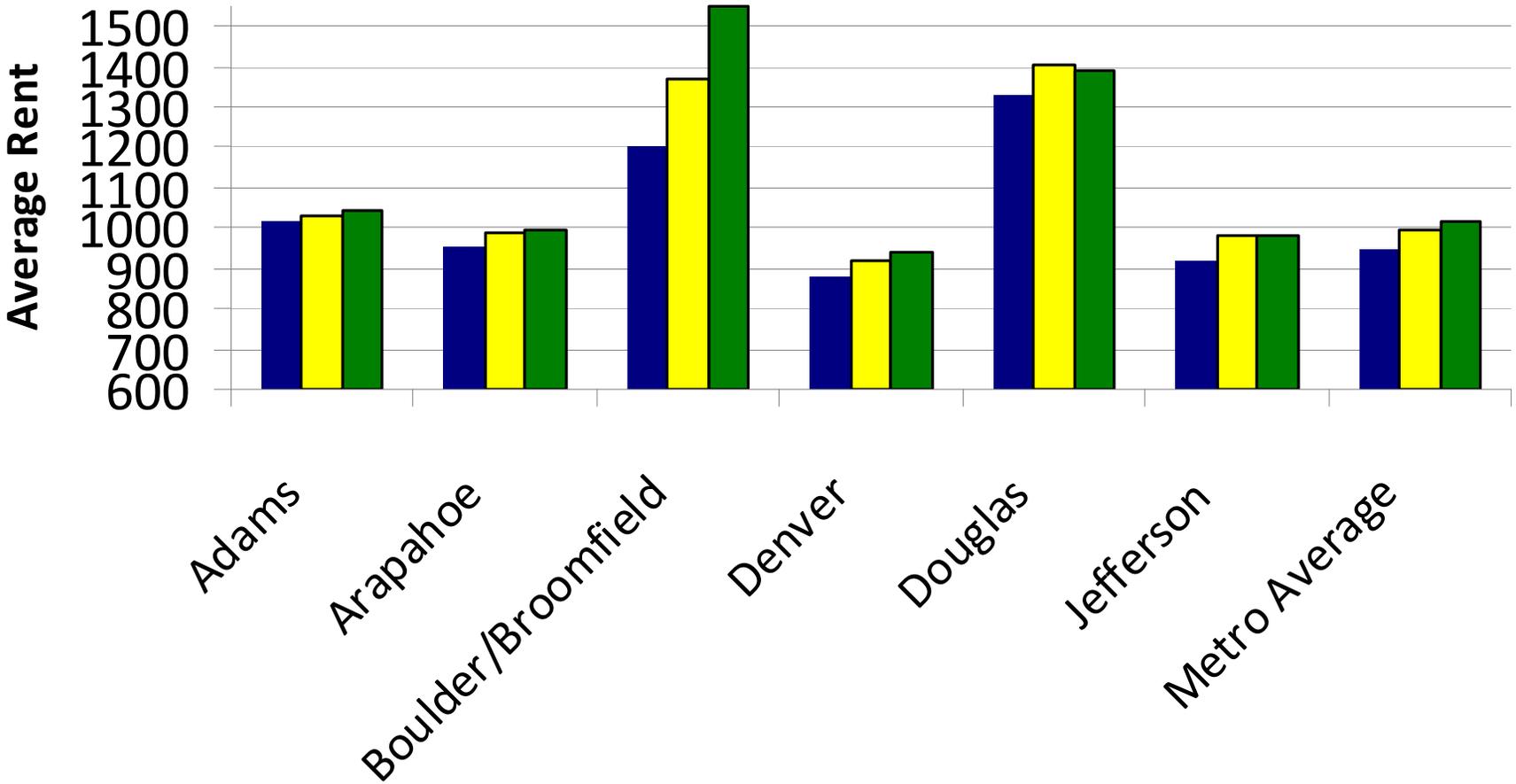


Single-family rental vacancies in Denver-area counties



1st Q: Red = 2007, Purple = 2008, White = 2009

2nd Q Average Rents - Single family



blue = 2007, yellow = 2008, green = 2009

What are home prices doing?

- According to Case-Shiller: Denver is down 3.6% from 1 year ago, although Denver has recently seen two months of slight growth.
- According to FHFA:
 - Colo Springs -2.41%
 - Denver -0.29%
 - Ft Collins/Loveland -0.38%
 - Greeley -1.64%
 - Grand Junction -3.63%
 - Pueblo -0.61%

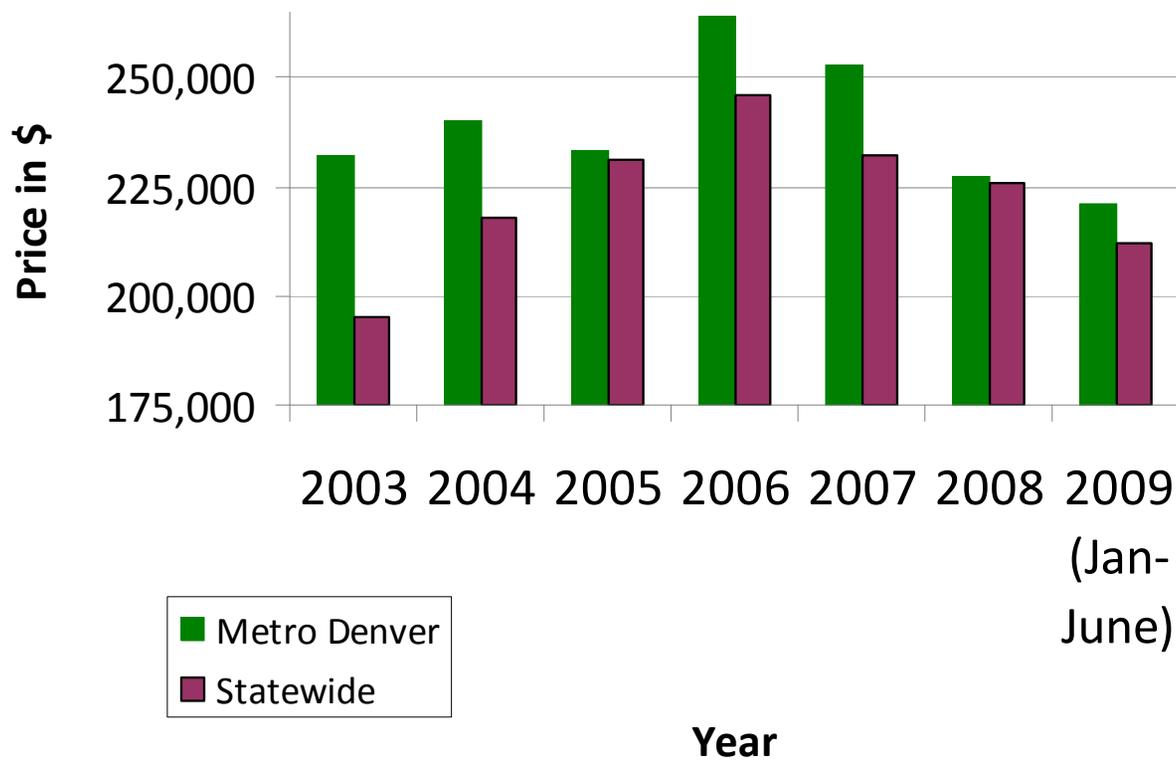


Recent metro Denver movement in home sales

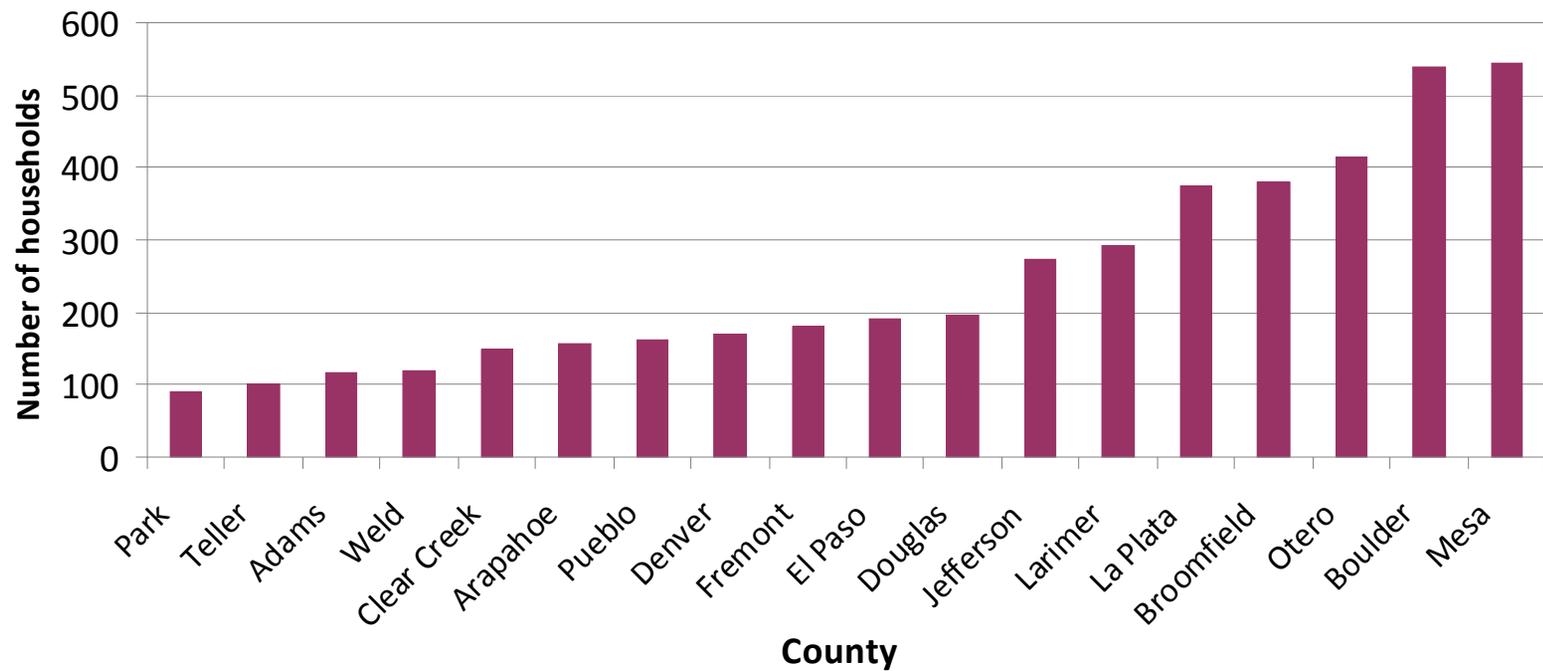
- June 08-09: \$232,000 to \$236,000
 - up 2%
- But units sold fell from 3917 to 3375
 - down 14%
- July 08-09: \$228,000 to \$225,000
- Units sold fell from 4215 to 3373
 - down 20%



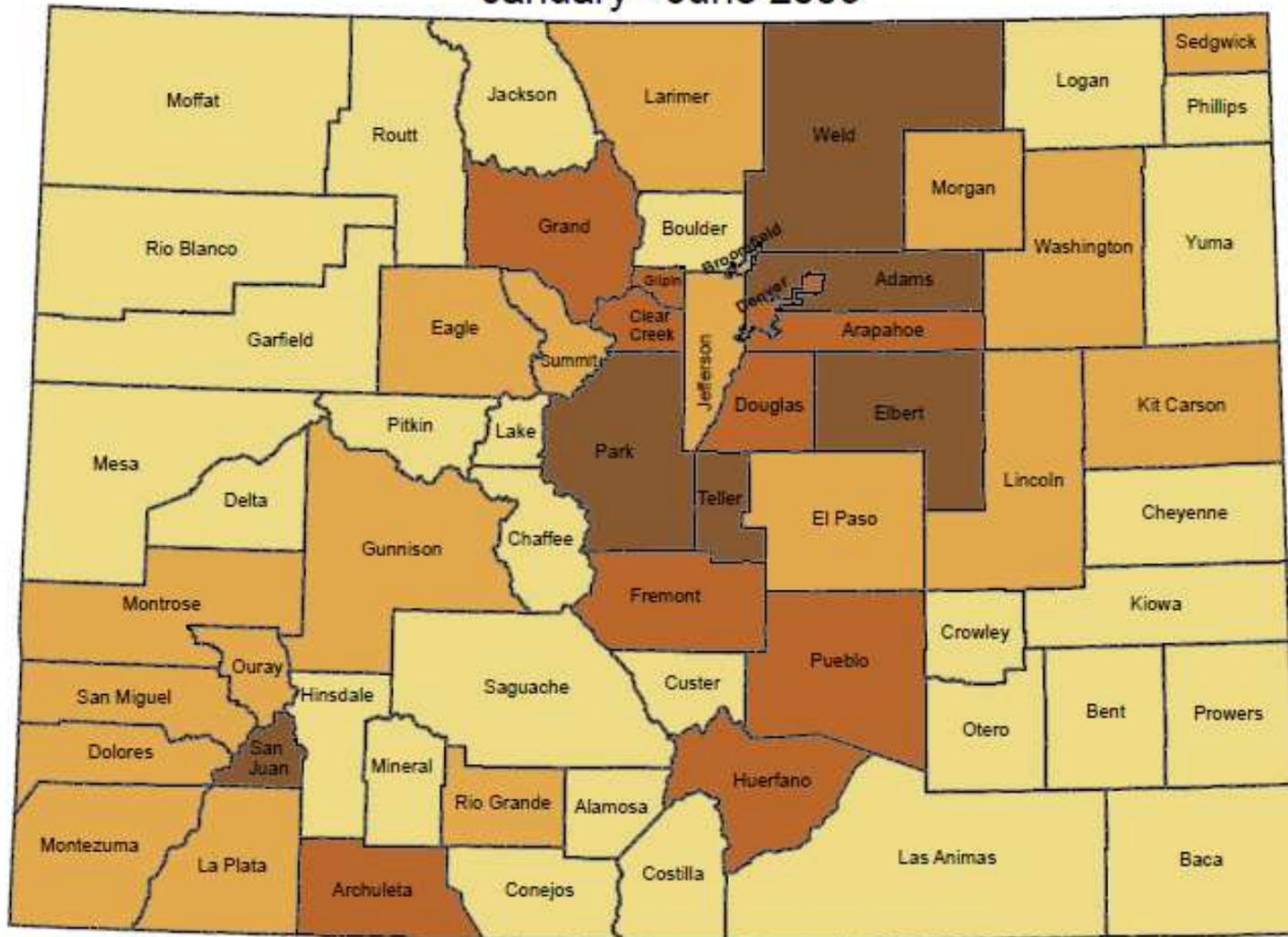
Metro Denver/Statewide Median Home Prices



No. of households per completed foreclosure (selected counties, 2009, Jan-June)



Percentage of Occupied Households Completing Foreclosure January - June 2009



Legend
(categories are based on percentages)

 0 - .24999	 .25 - .4999	 .5 - .74999	 Greater Than .75
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Department of Local Affairs



Strengthening Colorado Communities

Department

Strengthening

Stimulus Programs

- Homeless Prevention and Rapid Re-Housing
- Neighborhood Stabilization Program



Homeless Prevention and Rapid Re-housing

- \$8,154,036 total
- (1) financial assistance (including short-term rental assistance, medium-term rental assistance, security deposits, utility deposits, utility payments, moving cost assistance, and motel or hotel vouchers); or,
- (2) housing relocation and stabilization services (including case management, outreach, housing search and placement, legal services, mediation, and credit repair).



NSP background - National

- Foreclosure crisis
- HERA: Housing and Economic Recovery Act, 2008
 - Enacted July 30, 2008
 - Created the NSP, providing \$3.92 billion to states, counties and cities to acquire, rehabilitate, demolish and redevelop foreclosed and abandoned residential properties
 - In effect through July 30, 2013



NSP goals - Colorado

- Goal 1: stabilize property values
- Goal 2: purchase and rehabilitate housing in the highest impacted areas quickly to lessen the extended negative impact of blighted properties in neighborhoods
- Goal 3: acquire foreclosed properties to serve the most severely cost burdened households for the greatest period of time



Entitlement allocations

Direct from HUD

- State of Colorado \$34 million
- Colorado Springs \$3.9 million

(State Administered: \$37.9 million)

- Denver \$6 million
- Adams County \$4.6 million
- Aurora \$4.5 million

Entitlement allocations

Distributions to Entitlement Jurisdictions (from State)

- Denver \$3.5 million
- Adams County \$2.7 million
- Aurora \$2.6 million
- Colorado Springs \$162,000

TOTAL: \$9 million



Non-entitlement allocations

First-Tier allocations (from State)

■ Jefferson County	\$6 million
■ Weld County	\$5.4 million
■ Douglas County	\$3.6 million
■ Pueblo County	\$2.9 million
■ Arapahoe County	\$2.1 million
■ El Paso County	\$1.2 million
■ Broomfield	\$430,000

TOTAL: \$21.6 million



Non-allocated jurisdictions

Second-Tier Jurisdictions (as yet, no allocation from State)

- Elbert County
- Park County
- Teller County
- Gilpin County
- Morgan County
- Larimer County
- Phillips County
- Lincoln County
- Washington County
- Fremont County
- Logan County
- Kit Carson County
- Prowers County
- Rio Grande County



Use of funds

- All funds must be obligated within 18 months, or will be recaptured
- All funds must be spent within 4 years
- All funds must serve households at or below 120% of area median income (AMI)
- Low-income set-aside: \$9.5 million
(25% must serve households at or below 50% of AMI)
- 10% Program Administration: \$3.8 million



Additional provisions

- Heavily foreclosure-impacted areas
(7-10 in HUD risk score)
- Minimum continued affordability
period
(5-15 years, based on amount of NSP funds
invested)
- Rehabilitation standards and
increased energy efficiency
- Monitoring and reporting



NSP2 – in process

■ ARRA: American Recovery and Reinvestment Act, 2009

- \$1.93 billion, nationwide competitive application (due to HUD July 17, 2009)
- Goals: arrest neighborhood decline; stabilize and sustain neighborhood in revitalized community
- Minimum application size: \$5 million and impact of 100 properties returned to productive use
- Notification of selected recipients by December 1, 2009



For more information on NSP

- US Department of Housing and Urban Development:

<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/>

- Colorado Division of Housing:

<http://www.dola.state.co.us/cdh/NSP.htm>

- July Progress Report:

<http://www.dola.colorado.gov/cdh/NSP/qpr073109.pdf>

- Census Blocks with Risk Scores 7-10:

<http://www.dola.state.co.us/cdh/NSP/Appendix%205.%20Census%20Blocks%20w%207-10%20Risk%20Score.xls>

Department of Local Affairs



Strengthening Colorado Communities

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