



opening doors

community report
2012





The CHFA team works together throughout Colorado to increase the availability of affordable, decent, and accessible housing for lower income Coloradans and strengthens the state's economy by providing financial assistance to businesses.

board of directors

CHFA is governed by an 11-member Board of Directors. They establish policies that further CHFA's mission. In addition, the Board of Directors adopts and amends bylaws, appoints the Executive Director and other members of the Executive Team, adopts credit policies and credit guidelines for CHFA's lending programs, and authorizes bonds and investments to support CHFA's lending activities.



Pictured top row left to right: Colorado State Representative Keith Swerdfeger, Joel Rosenstein, Charles Knight, Jim Hahn, and Jennifer Lopez
Bottom row left to right: Cecilia Sanchez de Ortiz, David Myler, Colorado State Auditor Dianne Ray, and Sam Betters. Board members not pictured above: John Blumberg and Colorado Department of Local Affairs Executive Director Reeves Brown

chfa's community investment in 2012

• **2,535**

households supported with home mortgage loans or CHFA Statewide Mortgage Credit Certificatessm

• **6,888**

households supported by CHFA-sponsored homebuyer education classes

• **2,141**

affordable rental units constructed or preserved

• **3,227**

jobs impacted through CHFA's business finance programs

• **\$166,000**

dollars contributed through sponsorships and donations to Colorado nonprofit organizations with missions related to CHFA's work in affordable housing or economic development

letter from executive director and ceo

This year was one of innovation, outreach, and improvement. CHFA's work opened new doors for our customers and partners through our mission of providing affordable housing and economic development finance across Colorado.

Our work demonstrates our reputation for offering industry expertise to our partners and new opportunities to our customers. Every day, CHFA strives to open doors for Coloradans, increasing their chances for success through timely programs, professional expertise, and statewide support.

Cris A. White, Executive Director and CEO



chfa home finance

CHFA's Home Finance team helps Colorado's low and middle income residents achieve homeownership responsibly and affordably. To meet our mission, we collaborate with lenders and housing counseling agencies across the state to offer 30-year fixed rate loan programs, down payment assistance, and homebuyer education.

In 2012, CHFA introduced several new programs and products, detailed on the following pages, to ensure that our offerings continue to meet the current needs of our customers and lender partners in the most effective way possible.



"I have a new perspective on everything! To be a homeowner, it feels like it is a different world."

~Wayne Chitwood,
CHFA single family borrower

Once homeless due to an on-the-job injury, Wayne worked diligently to achieve his dreams of homeownership while living in an LIHTC-supported multifamily property that participated in a transitional housing program. As part of the program, he was matched with mentor Susan Kannawin, a former lender, who connected Wayne with CHFA. Wayne used CHFA's home finance loan program and The Mile High United Way down payment match program to purchase his home.



How did CHFA open doors for you?

chfa's 2012 home finance investment

• **2,535**
households served

• **\$435.5**
million dollars
invested

• **6,888**
statewide homebuyer
education households
served

home finance customers

average loan amount	\$157,608
average credit score	680
average income	\$56,102
first time homebuyers	99%

home finance partners

participating lenders	90
homebuyer education providers	24
lender and real estate partner trainings held	419

home finance economic impact

jobs impacted	2,784
total investment	\$435.5 million
related economic activity	\$169.5 million

home finance programs launched

chfa smartstepsm & chfa smartstep plus

The CHFA SmartStep program was designed based on feedback from CHFA's lender partners, who requested that we bundle our most innovative and affordable program offerings into one easy to use loan product. The result provides CHFA customers with our lowest interest rate loan available, and the option to pair it with a second mortgage loan for down payment or closing cost assistance, as well as a CHFA MCC. By providing access to homeownership as affordably as possible, CHFA increases our customers' opportunities to be successful homeowners. The savings combined with the stability of a 30-year fixed rate mortgage will offer them peace of mind for years to come. Additionally, the streamlined nature of the program makes it easy for our statewide lender network to use and explain to their customers. CHFA SmartStep launched in June. In only six months, 684 Colorado households were served by the program, resulting in over \$123.8 million in production.



Pictured above: CHFA home finance customer Wayne Chitwood with his mentor Susan Kannawin

“CHFA was a perfect fit for Wayne because of his alternative credit. We’d been telling him all along, don’t get credit cards, and he didn’t. Despite his lack of a credit record, when it came to qualifying for a loan, CHFA was able to recognize that he was still a worthy credit risk. Plus the rate was awesome.”

~Susan Kannawin,
mentor to CHFA home finance customer
Wayne Chitwood



How did CHFA open doors for you?

chfa mcc

CHFA’s Statewide Mortgage Credit Certificatesm (MCC) program was restructured to help even more Coloradans benefit from the tax savings MCCs provide. They work by reducing the amount of federal income taxes paid every year. Homeowners can then use the savings earned to reinvest back into the economy, or to increase their personal savings to better prepare for the ongoing responsibilities of homeownership.

The 2012 MCC restructuring increased MCC utilization by allowing a pairing with CHFA’s most affordable fixed rate loan products, CHFA SmartStepsm and CHFA SmartStep Plus. CHFA also tiered the tax benefits, allowing MCC holders to claim 20, 30, or 50 percent of their annual mortgage interest as an annual federal tax credit based on their first mortgage loan amount. The program changes generated a 91.8 percent increase in MCCs issued over 2011. In 2012, CHFA allocated \$103.3 million in funding for the CHFA MCC program and administered 631 certificates.

eDelivery for lender partners

eDelivery is a faster, more efficient, and more accurate way for participating lenders to send their files to CHFA. The system saves the lenders approximately \$10 to \$30 in overnight fees per loan file and saves our employees time scanning in the paper documents. With online submission, the files are easier to read and handle, and lenders can track their submissions, granting them an earlier acceptance message. CHFA officially launched loan file eDelivery in January 2012, and by year-end 97 percent of file submissions were electronic.

chfa advantagesm

CHFA Advantage is CHFA’s first conventional loan program since 2008, and targets a unique CHFA market. It offers a 30-year fixed interest first mortgage loan that rewards borrowers with strong credit by eliminating the mortgage insurance requirement while only asking for a 3 percent down payment.

CHFA Advantage customers can save 2 percent in upfront costs with the lower down payment requirement and approximately \$160 per month in mortgage insurance savings. CHFA estimates that CHFA Advantage will help 800 Colorado households in 2012 and 2013.

CHFA Advantage will help 800 Colorado households in 2012 and 2013. For every 100 households served, \$20.5 million in direct economic impact will be created and 104 jobs will be supported.

expanded homeownership support

eHome America

Since 2000, CHFA has required and paid for all of our borrowers to complete a CHFA-approved homebuyer education class as part of their qualification for a CHFA mortgage loan, investing a total of over \$3 million into homebuyer education. In August 2012, CHFA Home Finance expanded our approved homebuyer education offerings to include eHome America's Official Homebuyer Education Certified Course in addition to our free in-person classes available statewide.

eHome America's online course meets the National Industry Standards for Homebuyer Education and brings added benefit to Colorado borrowers and housing counseling agencies. The online course is available in English and Spanish, and is updated regularly to ensure the curriculum remains current with new mortgage regulations and trends. Borrowers choosing to take the online class pay a \$50 class enrollment fee, which CHFA counts towards the \$1,000 minimum borrower contribution required for their loan. Following completion of the online class, borrowers meet with a CHFA-approved housing counseling agency to discuss Colorado-specific mortgage and lending information and answer any questions the borrower may have. By pairing a nationally recognized curriculum with local expertise, Colorado homebuyer education participants receive the greatest benefit.



Pictured above: First time homebuyers attending a CHFA-sponsored homebuyer education class in Grand Junction, Colorado



foreclosure prevention

In addition to our programs that help Coloradans achieve homeownership, CHFA administers state and federal grant programs designed to help homeowners avoid foreclosure. In 2012, CHFA and 13 housing counseling agencies were awarded an \$889,254 grant from the NeighborWorks® America's National Foreclosure Mitigation Counseling (NFMC) Program to make free, HUD-approved housing counseling available to Colorado homeowners at risk of foreclosure.

Since 2008, NeighborWorks America has awarded CHFA and its partners over \$6.4 million through the NFMC program. These funds have helped over 17,614 Colorado households. CHFA serves as the fiscal intermediary for the grant award, reimbursing the 13 sub-grantees for their work with grant proceeds as counseling sessions are completed.

In addition, as part of the National Mortgage Servicing Settlement, Colorado Attorney General John Suthers awarded CHFA \$5.3 million in funds to further support access to HUD-approved housing counseling. CHFA's home finance team provided technical support to the Attorney General's office as they developed programs designed to support homeowners through supplemental loan modification and delinquent payment relief.

loan servicing alliance

Last year, CHFA decided to embark on a new alliance with Dovenmuehle Mortgage, Inc. (DMI) for the servicing of CHFA's single family portfolio. The decision to partner with DMI was determined following a review of CHFA's in-house loan servicing operation, which identified that CHFA and its customers could benefit from the established infrastructure, technology, and economies of scale that a sub-servicing partner can provide.

Additionally, by helping reduce CHFA's long-term costs, CHFA can remain focused on investing as much of our resources as possible back into our mission of affordable housing and small business lending.

DMI was selected following an extensive RFP process based on their experience servicing mortgage portfolios on behalf of other housing and finance agencies across the nation. Their work demonstrates an understanding of CHFA's unique tax exempt bond finance structures, as well as our mission-based approach to lending and servicing.

Among the new features we anticipate CHFA's customers will enjoy are:

- Increased customer service staff available to respond to calls and answer questions;
- A 24-hour automated phone line that customers can use to obtain basic loan information; and
- Free online bill payments available through CHFA's new customer service website.

CHFA will retain its mortgage servicing rights, which ensures that our ongoing vested and proactive relationship with our customers, investors, mortgage insurance providers, and guarantors will be maintained. Additionally, CHFA will retain key components of our internal loan servicing operation to help oversee CHFA's sub-servicing partner and ensure that CHFA maintains an active and productive role in shaping the quality of loan servicing provided.



chfa business finance

Since 1982, CHFA's Business Finance team has deployed over \$970 million of capital resources to Colorado small businesses through loans, bond issuances, secondary market purchases, and capital access programs. In response to recent economic challenges, CHFA has worked closely with public and private partners to design new tools to increase small businesses' access to capital. Through partnerships with local lenders, these lending tools have enabled hundreds of businesses across Colorado to access loans critical to their success and impacted thousands of jobs.

"We wouldn't have been able to do this without CHFA. The CHFA loan was critical to the development of our business and the town. The Roastery has become a hub of the community."

~Joel Benson,
Owner of Buena Vista Roastery

Benson and his wife received a CHFA Rural Development loan to expand the Roastery's kitchen, storage, and retail seating area so they could move to one central location.



How did CHFA open doors for you?

chfa's 2012 business finance investment

• **3,227**
jobs impacted

• **266**
businesses served

• **\$30.1** million
dollars invested

business finance customers

women-owned businesses	30%
minority-owned businesses	12%
average loan amount	\$108,364

business finance partners

program lenders	36
training webinars held	9

business finance economic impact

total investment	\$30.1 million
related economic activity	\$16.9 million



chfa's capital access programs

state small business credit initiative (ssbci)

With a goal of encouraging more private lending activity in Colorado, CHFA partnered with the Colorado Office of Economic Development and International Trade (OEDIT) to design capital access programs funded through the Small Business Jobs Act of 2010. The funding requires leveraging with private lenders to support creditworthy small businesses who are struggling to access loans.

With these funds, we began to administer the Cash Collateral Support (CCS) and the Colorado Capital Access (CCA) programs in 2012. CCS provides a deposit of cash as collateral for a business loan when a business cannot meet the lender's collateral requirements. CCA is a credit reserve enhancement wherein a loan loss reserve account is created and held by a participating lender to help mitigate any losses associated with loans in the program. CCS and CCA are expected to support 260 and 380 small business loans respectively.

colorado credit reserve (ccr)

Another capital access program that CHFA has been administering since 2009, and continues to have great success with, is the CCR program. A program-funded loan loss reserve account held at the participating bank strengthens credit applications and grows over time with each new loan registered in the program. Loans can be made to support financing up to \$500,000, with women- and minority-owned businesses and those located in Enterprise Zones receiving additional incentives. In difficult credit environments, the CCR program helps mitigate the inherent risks associated with small business lending.

In 2012, 283 businesses received CCR loans, reaching a total program disbursement of \$1.7 million. For every dollar of CCR money allocated, nearly \$16 in private sector lending has been generated. The average loan registered in the program is under \$40,000, which means that the program is helping to meet the needs of Colorado's small businesses seeking capital.

“Partnering with CHFA on rural development loans has helped our clients by offering them a wider range of funding possibilities to give them a better opportunity for success in rural Colorado. CHFA has been a wonderful partner. It’s been an honor working with them through a multitude of programs to help both of our clients, since we have a mutual goal.”

~April Dahlager,
Director of Business and Cooperative
Programs, U.S. Department of Agriculture
(USDA) Rural Development



How did CHFA open doors for you?

expanded business finance support

webinar trainings

CHFA's Business Finance team is very involved with our lender partners, travelling to their offices for in-person meetings and offering trainings on our programs. In 2012, the Business Finance team began using webinar trainings as a complement to face-to-face meetings and as a way to maintain more regular contact with lenders across the state. CHFA team members host webinars every two to three months to go over general CHFA Business Finance products and programs. Additionally, product-specific webinars are held to support the launch of new lending tools or when customer satisfaction surveys alert CHFA to a need in the market. An average webinar features 20-25 participants consisting of lenders, economic development professionals, and small business owners. In 2012, the Independent Bankers of Colorado invited CHFA's Business Finance team to host a webinar on their platform, which was recorded and stored for their lenders to access anytime. CHFA's team has replicated that effort with the Colorado Bankers Association. While the team considers the face-to-face meetings the primary method of outreach and training, webinars are another way for them to connect with banking partners and to remind them of the various ways that CHFA's products can help their clients.

In 2012, the Colorado
Credit Reserve program
leveraged \$10.3 million in
private sector lending and
impacted 2,417 jobs.



chfa multifamily finance

The need for affordable rental housing finance was significant in 2012 as rental vacancies decreased across Colorado and increasing numbers of households looked to rental housing to meet their needs.

In 2012, CHFA continued our efforts allocating 9 percent competitive LIHTC while reintroducing our 4 percent LIHTC and bond, as well as our direct lending programs, which had suffered from three years of inactivity due to ongoing market hurdles resulting from the 2008 economic decline.

Last year, in addition to allocating 9 percent LIHTC to 14 developments, CHFA supported 10 affordable housing developments with 4 percent LIHTC allocations and provided financing for two of the 10 transactions. In total, these 24 LIHTC developments will support the preservation of 642 affordable rental housing units and the construction of 1,128 new units. CHFA also provided financing to support the development or preservation of four affordable housing properties that did not receive LIHTC allocations in 2012, bringing the total number of multifamily developments supported by CHFA to 28.



"This community has given me the opportunity to meet new people and do more things that interest me because it has freed me of the responsibility of owning a home. I feel secure knowing that I can rely on the staff to take care of any issues I have."

~Helen Loehr,
Resident at Wheat Ridge Town
Center Apartments

Wazee Partners, LLC, the senior community's developer, was awarded Low Income Housing Tax Credits by CHFA.



How did CHFA open doors for you?

chfa's 2012 multifamily finance investment

• **28**
total developments supported

• **2,141**
total units supported

• **\$47.8 million**
dollars invested through multifamily financing

multifamily lihtc

LIHTC developments	24
LIHTC units	1,770
LIHTC allocated	\$15.2 million

multifamily finance customers

homeless housing developments	3
senior housing developments	10
assisted living developments	1
transit-oriented developments	5
new construction developments	18
acquisition/rehab developments	6

multifamily finance economic impact

total project development costs	\$333.3 million
jobs impacted	2,551
related economic activity	\$159.1 million

chfa's allocation of 9 percent low income housing tax credits (lihtc)

As Colorado's allocating agency of federal Low Income Housing Tax Credits (LIHTC), CHFA helps developers raise private sector equity for their affordable apartment developments, which in turn helps them keep development costs down and rents affordable.



Pictured above: Jim Mercado, President of J. Mercado & Associates, Inc., and Carol Lease, Executive Director of The Empowerment Program, Inc., at the Odyssey Development site

"This project gave Empowerment the opportunity to provide housing for single-parent families (a first) and to design a secure building for women who have lifelong histories of trauma. It will provide support services that will help the residents stay in housing, reunite with their families, and give them hope for a future free of violence, addiction, and mental illness."

*~Carol Lease,
Executive Director of
The Empowerment Program, Inc.*

The Empowerment Program, Inc. received Low Income Housing Tax Credits to build Odyssey Apartments. Odyssey Apartments will provide 36 new affordable rental units for women veterans and at-risk women participating in service programs. They are also going to repurpose the existing Elyria Elementary School for treatment and other services.



How did CHFA open doors for you?

increasing transparency in 9 percent low income housing tax credits (lihtc) allocation

Following the economic decline in 2008, affordable housing developers sought 9 percent LIHTC as a financing resource for affordable housing development creation and preservation at unprecedented levels. With this increased demand, CHFA took great strides in 2012 to ensure that applicants were provided with an increased amount of transparency into the competitive allocation process. CHFA received very positive feedback from LIHTC applicants and interested stakeholders in response to the process enhancements, which included:

- Increasing the public hearings offered during development of the 2012 Qualified Allocation Plan (QAP);
- Introducing seven housing priorities within the QAP to more clearly establish the criteria being sought in applications;
- Adding two community member positions to the LIHTC Allocation Committee, which formerly only consisted of CHFA staff members; and
- Providing the opportunity for applicants to directly present their application to the LIHTC Allocation Committee and posting application narratives online for public viewing.

enterprise green communities subcommittee

Today, CHFA's Qualified Allocation Plan (QAP) requires that Low Income Housing Tax Credit (LIHTC) applicants meet all of the mandatory requirements of the Enterprise Green Communities program, as well as score an additional 35 optional points for new construction or 30 optional points for acquisition and rehabilitation developments. CHFA's commitment to sustainability remains constant, as we know that improved building practices can result in an enhanced quality of life for residents and reduced operating costs.

In November 2012, CHFA created a subcommittee comprised of affordable housing developers, architects, energy raters, and contractors to help CHFA ensure that the QAP continues to keep pace with changes in green building practices and programs. Additional areas the subcommittee will review include training opportunities for developers and identifying resources that can help mitigate increased development costs resulting from green building requirements. The subcommittee will help CHFA better understand and document the costs and benefits associated with a green building program threshold as part of the QAP.

transit-oriented development housing credit investment plan subcommittee

CHFA set affordable housing developments at Transit-Oriented Development (TOD) sites as one of the Qualified Allocation Plan's (QAP) priorities in 2012. While we have demonstrated success in leveraging resources to support affordable housing development near transit, the amount of LIHTC available annually to the state will not keep pace with the rapid expansion of the region's rail and bus systems. In addition, CHFA recognizes the existence of public transportation across the state, and many cities outside the Denver metro region are enhancing their public transit systems. In order to address these challenges, CHFA established a TOD subcommittee. The subcommittee will examine the various transit systems developing across the state as well as established systems in other states; analyze the market readiness of TOD stations for affordable housing, which can vary significantly across the state; and develop recommendations for changes to the QAP to support successful affordable housing at TOD sites while providing for transparency and equity in the housing credit allocation process.

developments allocated 9 percent low income housing tax credits (lihtc) in 2012

Avondale Apartments

Developer: Del Norte
Neighborhood Development

Avondale Apartments will be an 80-unit new construction Transit-Oriented Development (TOD) project located in Denver between the West Line Federal Boulevard and the upcoming Knox Court light rail stations. It will provide family and workforce housing for residents with incomes between 40 and 60 percent Area Median Income (AMI). Del Norte Neighborhood Development Corporation is a nonprofit organization.

Lamar Station

Developer: Metro West Housing Solutions

Lamar Station will be a 110-unit new construction and mixed-income development by Metro West Housing Solutions, formerly known as the Lakewood Housing Authority. Lamar Station will include 87 units serving families with incomes between 30 and 60 percent AMI, and will include 23 market rate units. This award-winning development will be the first LIHTC-financed development on the west light rail line.

Canterbury Apartments

Developer: Community Housing
Development Association, Inc.

Canterbury Apartments is a 43-unit acquisition/rehabilitation project in Englewood serving families earning between 30 and 60 percent AMI. Nine of the units will be set aside for special needs populations. Planned renovations include substantial safety and health improvements as well as energy efficiency upgrades. The property is located close to public transportation, with a bus stop 50 feet away and a light rail station within a mile. Community Housing Development Association, Inc. is a nonprofit organization.

Lee Hill

Developer: Boulder County
Housing Partners

Lee Hill will be a 31-unit new construction project in Boulder for homeless individuals with incomes at or below 30 percent AMI. The project will be the first of its kind in Boulder County and is consistent with Boulder County's *10-Year Plan to Address Homelessness*.

Dahlia Square Senior Phase II

Developer: McDermott Properties

This development will add 40 new apartments to the existing 88-unit Dahlia Square I in Northeast Denver. It will serve seniors with incomes between 30 and 50 percent AMI. In 2012, Dahlia Square Senior Apartments won the Novogradac Journal of Tax Credits award for the Low Income Housing Tax Credit (LIHTC) Project that Best Reflects Market Success in Overcoming Significant Obstacles. The award honors the great efforts of the City of Denver and project developer McDermott Properties who collaborated with the Denver Urban Renewal Authority, city residents, and community leaders to bring reinvestment into a struggling Denver neighborhood that had survived drug- and gang-related crime.

Mariposa Redevelopment Phase III

Developer: Denver Housing Authority

Mariposa Redevelopment Phase III will be an 87-unit new construction development serving families, with 57 units targeted for households earning between 30 and 60 percent AMI and 30 market rate units. During the second allocation round of 2012, Mariposa received the second installment of a five-year LIHTC set-aside. The project is the third phase of the HOPE VI-financed redevelopment of South Lincoln Homes.

developments allocated 9 percent low income housing tax credits (lihtc) in 2012

Odyssey Apartments

Developer: Empowerment Program

Odyssey Apartments will be a 36-unit new construction project located in the Elyria Swansea Neighborhood of North Denver. Developed by the nonprofit Empowerment Program, Odyssey Apartments will provide special needs housing for women veterans and other women who are coming out of homelessness or who are at risk of being homeless, with incomes between 30 and 60 percent AMI.

Pueblo West Gardens II

Developer: Michael Jansen

Pueblo West Gardens II is a 30-unit new construction project by for-profit developer Michael Jansen offering 28 affordable assisted living units to individuals with incomes between 30 and 60 percent AMI. It will be connected to the existing Pueblo West Gardens building by a large dining room able to accommodate all Pueblo West Gardens residents, allowing the existing dining room to be converted to an activity room.

Renaissance Stout Street Lofts

Developer: Colorado Coalition for the Homeless

This 78-unit new construction project will serve homeless populations and families with incomes between 30 and 60 percent AMI. It will be a part of a mixed-use development that includes the new Stout Street Health Center and the Renaissance Stout Street Lofts supportive housing units. The Colorado Coalition for the Homeless, a nonprofit organization, will provide a range of supportive services to homeless and special needs individuals residing in the development.

Silverthorne Family Housing

Developer: Archdiocesan Housing

This 64-unit new construction project will provide family and workforce housing for households earning between 40 and 60 percent AMI. It will be the first affordable housing project built in Silverthorne in over 17 years. This project will help a community in which over half of the employment opportunities are in service industries.

TLC Washington Center Apartments

Developer: InnovAge, f/k/a Total Longterm Care

TLC Washington Center Apartments will be a 72-unit new construction project in Thornton for seniors with incomes between 30 and 60 percent AMI. The project will offer a wide range of social and recreational programs, such as potlucks, exercise classes, book discussion groups, and community gardens with raised beds for easy access for all residents. InnovAge is a nonprofit organization.

University Station

Developer: Koelbel and Company

This 60-unit new construction development located in Denver on the University light rail station at I-25 and University Boulevard will serve seniors with incomes from 30 to 60 percent AMI. The project is 40 steps away from the light rail platform and is close to the University of Denver, allowing residents to access a variety of activities and services. This project is being developed by for-profit developer Koelbel and Company.

Village Park

Developer: Grand Junction Housing Authority

This 72-unit new construction development in the heart of Grand Junction will serve families with incomes from 30 to 60 percent AMI. This family-focused development is close to schools, churches, a fire department, and has a Grand Valley Transit bus stop at the southern edge of the development.

Windsor Meadows, f/k/a Windshire Apartments

Developer: Windsor Housing Authority

This 44-unit new construction project will serve families with incomes from 30 to 60 percent AMI. Affordable housing is much needed in Windsor, as a 2010 study showed that there was a demand for approximately 567 more units than existed and proposed for households between 30 and 60 percent AMI. Windsor Meadows is close to public transportation, schools, and a shopping center.

4 percent lihtc bond market return

In 2012, the 4 percent tax credit and bond market saw some resurgence for the first time in four years. The return of the market will provide additional resources to support affordable housing development, which will in turn spur more economic development with the coinciding construction and investment in Colorado's neighborhoods. CHFA awarded non-competitive (4 percent) tax credits to 10 affordable housing development transactions during the past year. In total, these developments will support the preservation of 599 affordable rental housing units and the construction of 324 new units.



Pictured above: Interior of Wheat Ridge Senior Apartments, a 9 percent Low Income Housing Tax Credit recipient that celebrated its grand opening in 2012

developments allocated 4 percent low income housing tax credits (lihtc) in 2012

28th Street

Developer: Thistle Communities

This central Boulder community is comprised of six buildings of 69 one-, two-, and three-bedroom apartments for individuals and families earning 60 percent AMI. The property is adjacent to open spaces and bike paths. Within one mile are an outdoor lifestyle mall, movie theater, YMCA, a variety of supermarkets, and the proposed Transit Village light rail station.

29th Street

Developer: Koelbel and Company

This central Boulder community is comprised of four buildings of 61 one- and two-bedroom apartments for individuals and families earning 60 percent AMI. The site sits in the middle of an area surrounded by amenities including recreation centers (Rally Sports across the street), grocery stores, banks, restaurants, and retail. The site is within proximity to the city open space linking to the city's extensive off-road bike path system. To the east of the site is the Steelyards redevelopment, a thriving community mixing residential, retail, office, and light-industrial uses in 22 buildings.

Mountain View/Eliot Redevelopment

Developer: Denver Housing Authority

This southwest Denver project is comprised of two adjacent sites, Mountain View and Eliot Cottages, both of which are affordable senior housing. Since the properties were originally built in the 1970s, the rehabilitation will include replacing aging and obsolete components and utilizing more green materials. The finished project will consist of 254 units for seniors earning 60 percent or less AMI.

South Lowell Redevelopment

Developer: Denver Housing Authority

This project will add 30 additional units to the existing 66 units in southwest Denver. The community is 100 percent public housing and will serve tenants at or below 60 percent AMI. A prime focus of the renovation is to improve energy efficiency. The community will have high efficiency boilers, high efficiency lighting, low flow fixtures, variable speed fan drives, heat recovery ventilators, and solar thermal heating for domestic hot water.

Westminster Commons

Developer: Volunteers of America

Westminster Commons Apartments is an existing 130-unit Section 8 rental property for seniors that was originally constructed in 1980 by the City of Westminster Housing Authority. The Westminster City Council voted to sell the property and enter into a contract for the sale of the project to a newly created LLP owned jointly by Volunteers of America National Service (Volunteers of America). The units will be updated with new energy-efficient appliances, new fixtures, flooring, and paint. A bus stop is located one block west along Irving Street and a future light rail station will be 0.6 mile to the south. The closest major grocery store and pharmacy is one block south and the closest health care facility is St. Anthony North Hospital, located 1.2 miles to the northeast along 84th Avenue.

University Hills Senior Residences

Developer: Burgwyn Company

University Hills Senior Residences is a new construction mixed-income project that will consist of 101 units. Twenty-two will be restricted to seniors at 50 percent AMI, 55 units will be restricted at 100 percent AMI, and 24 will be market rate units. The property is located within walking distance to a shopping center, a YMCA, and a library.

High Mar Redevelopment

Developer: Boulder Housing Partners

High Mar is Boulder Housing Partners' (BHP) newest affordable apartment community designed and built specifically for those aged 62 and over. The project is comprised of 59 one- and two-bedroom apartments for households earning up to 60 percent AMI, with the majority of units available to residents earning no more than 50 percent and 40 percent AMI. Various services are within walking distance, including a post office and a coffee shop. Two adjacent bus stops and the nearby Table Mesa Park-N-Ride make bus travel extremely convenient in town and throughout the Denver metro area.

Garden Park Villa Senior Housing

Developer: National Church Residences

This Cañon City community has provided affordable housing for the city's most vulnerable seniors and disabled residents for over 22 years, requiring residents to only pay 30 percent of their income towards rent. With the allocation of tax credits, National Church Residences will rehab the existing structures to be compliant with American Disabilities Act (ADA) standards and will replace unit appliances, bath fixtures, and lighting to increase energy efficiency. Though Garden Park is age-restricted to households 62 and older, up to five units can be rented to disabled adults of any age.

WestView Apartments

Developer: Boulder Housing Partners

This community is located in north Boulder and offers 34 one-, two-, and three-bedroom units for individuals or families earning at or below 50 percent AMI. Five units are adaptable to be converted to full ADA accessibility with only minor modifications. The property is very close to retail and restaurants and is within walking and bus distance to grocery stores, recreation centers, trails, and downtown Boulder. The property is within one mile of four primary schools and within busing distance of the University of Colorado. The property has excellent access to public transit via three RTD bus lines that stop regularly at bus stops immediately adjacent to the property.

Powers Circle

Developer: Littleton Housing Authority

Powers Circle, which was originally a conventional rental project, was purchased by the Littleton Housing Authority in order to convert it to a permanently affordable project. The rehabilitation will include new energy efficient appliances; new kitchen and bath fixtures; new flooring, lighting, and paint throughout the 69 units; new energy efficient heating and cooling systems; new roofs; and upgrades to the building facades and landscaping.

multifamily housing support

chfareach

Chfareach stands for Resources, Education, & Assistance for Colorado Housing. This membership and training program is a statewide cost effective educational tool that stabilizes and enriches affordable housing communities. Owners, managers, and site staff from member properties can attend as many trainings throughout the year as they like to stay abreast of industry issues and grow their skills. In recent years, chfareach has started offering onsite resident education and tenant programs for member properties.

In 2012, chfareach set goals to increase their market reach by offering a variety of topics and educational mediums. Working in conjunction with CHFA's tax credit team, chfareach absorbed their Low Income Housing Tax Credit (LIHTC) compliance classes to expand their offerings to LIHTC-funded properties, including the Novogradac LIHTC Property Compliance Certification Workshop. They also introduced 21 new class topics and expanded access to members in rural areas by offering webinar classes and increasing classes outside of metro Denver. In addition, they added a Quadel Assisted Housing Manager (AHM) Workshop on the Western Slope so more people could attend the nationally recognized certification program. All of these changes were a great success, with the program receiving an average three-and-a-half out of four stars on their 2012 member survey.

chfa's 2012 multifamily support

multifamily housing portfolio (as of December 31, 2012)

total developments	832
total units	59,208
vacancy rate	3.61%
median income of residents	\$14,233

chfareach support

chfareach trainings held in 2012	128
chfareach attendance in 2012	2,701



Pictured above: Residents from a chfareach member property participating in an American Sign Language class



rental acquisition program (rap) property sale

In 1987, CHFA created the Rental Acquisition Program (RAP). RAP was an innovative way for CHFA to further our mission by acquiring, owning, and managing affordable rental housing properties. At its peak, the program included 30 properties. RAP allowed CHFA to preserve and create new affordable housing stock by making affordable units available through the properties acquired and then reinvesting the proceeds generated from the operation and sales of these properties back into CHFA's mission. Over time, CHFA has sold the RAP properties, with the remaining four sold in March 2012. Of the four properties, one was sold to a local housing authority, and three included affordability provisions in the sale terms, ensuring that they would be kept as affordable housing communities for Coloradans.

coloradohousingsearch.com

ColoradoHousingSearch.com, a free one-stop source for affordable housing owners to list available for-rent or for-sale properties and for prospective renters/buyers to find affordable housing, was reintroduced with a new look and more features for visitors in 2012. The impetus for this change was the State of Colorado's decision to use the site as Colorado's official Disaster Housing Site. CHFA staff redesigned the site, incorporating new colors to give it a friendly feel and implementing new navigation to offer more resources to site visitors, such as a list of housing program definitions; rent and mortgage calculators; a rental checklist; links to homeownership programs and homebuyer education; and an expansive list of resources for fair housing and elderly, disabled, and homeless individuals. CHFA, Colorado Department of Local Affairs, the City and County of Denver, and U.S. Department of Agriculture (USDA) Rural Development originally launched the website in 2005. The new site is designed to be easier for both property listing agents and housing seekers to use.

performance-based contract administration (pbca)

CHFA is the contract administrator for the U.S. Department of Housing and Urban Development's (HUD) Performance-Based Section 8 program in Colorado. In this capacity, CHFA manages the contracts between HUD and owners of Project-Based Section 8 properties, including processing payment vouchers and managing compliance. Our work is audited by HUD on a regular basis, and historically CHFA has earned high marks for its performance. Last year was no exception as the CHFA's PBCA team earned its ninth consecutive "Outstanding" rating for its performance.

HUD stated in its 2012 report, "CHFA takes great pride in the work they carry out on the Department's behalf. They have a very talented and professional staff that is willing and eager to assist the Department, as well as property owners and managers, with any issues that arise."

community engagement

Understanding Colorado's diverse affordable housing and economic development environment is crucial to CHFA's development of timely and relevant finance products and services. As part of fulfilling our mission, CHFA conducts regular outreach and trainings for industry partners and provides ongoing community investment through memberships in community organizations, volunteerism, and participation on mission-related boards and commissions.



Pictured above: Cris White, CHFA Executive Director and CEO, presents representatives from HomeAid Colorado, the 2012 J. David Barba Golf Tournament beneficiary, with a check for \$76,000

“HomeAid was honored to be selected as the recipient of CHFA’s annual golf tournament. It was exciting to be recognized for the difference HomeAid is making in homeless housing in Colorado by an organization of CHFA’s caliber and influence. Thanks to the generous contribution from CHFA, HomeAid was able to complete three transitional units for up to 15 veteran women and their children who are coming out of homelessness, and begin our next transitional housing project for homeless families. We’re proud of the projects we have been able to complete with CHFA’s help.”

~ Laura Brayman,
Executive Director of HomeAid Colorado



How did CHFA open doors for you?

chfa’s 2012 community engagement

• 10

Number of regional stakeholder events

• 69

Number of organizations supported by CHFA donations and staff volunteer efforts

• \$5,501

Staff “Jeans Day” proceeds raised and donated to local nonprofits

• 33

Number of boards and committees with CHFA staff support representation

• \$76,000

Golf tournament proceeds raised and donated to HomeAid Colorado

In 2012, we introduced new and enhanced outreach efforts with statewide community events to gain a better understanding of the needs of our customers and partners, including:

community roundtables

CHFA held four Community Roundtables this year in Durango, Grand Junction, Pueblo, and Loveland. These stakeholder events offered us an opportunity to share information about our housing and business finance programs, as well as gather input from participants about their capital access needs and desires for training and future outreach by CHFA. Representatives from banks, housing authorities, real estate brokers, lenders, builders, community service providers, and local elected official offices attended these events, providing much needed insight that will assist CHFA going forward.

housing forum colorado

Housing Forum Colorado was a set of community outreach events sponsored by CHFA, Federal Housing Administration (FHA), U.S. Department of Agriculture (USDA)/Rural Development, and local nonprofit organizations designed to provide Colorado's real estate and mortgage professionals with the latest information about new and flagship offerings available through those sponsors. Events were held in Glenwood Springs, Grand Junction, Brighton, Durango, Cañon City, and Sterling. Topics included 30-year fixed rate mortgage products, down payment assistance, financing for home improvements at time of purchase, CHFA Statewide Mortgage Credit Certificatessm (CHFA MCC), and more. The events also provided an update on foreclosure prevention resources available to assist real estate professionals in addressing their clients' questions and concerns. In total, 153 attendees participated in these six events.

2012 supported organizations

The culture of CHFA is one that supports giving of oneself to better the community. In that regard, CHFA's work includes supporting other nonprofit organizations whose efforts are aligned with our mission of affordable housing and economic development. In 2012, CHFA donated over \$166,000 in event sponsorships, memberships, and contributions to numerous mission-related organizations. Additionally, CHFA contributes eight hours of Community Involvement Leave for every staff member to use as a "volunteer day" to give back to Colorado's nonprofit community each year. We also have an active, staff-led volunteer committee, which schedules regular volunteer events. The committee selects a quarterly organization to receive "Jeans Day" donations. Jeans Days are Wednesdays on which all CHFA staff members are allowed to wear jeans in exchange for a \$5 or \$10 contribution to the selected nonprofit. This year, CHFA's staff raised \$5,501 through Jeans Day donations.

2012 golf tournament

Each year, CHFA hosts the J. David Barba Golf Tournament fundraiser, created and named in memory of CHFA board member and former State Auditor J. David Barba, who passed away in 2002.

The fundraiser serves as a reminder of Barba's passion for the game and for helping others. The tournament's beneficiary organization changes every year, and its work must coincide with CHFA's mission of affordable housing and economic development.

This year's recipient was HomeAid Colorado, a nonprofit organization that builds and donates housing to nonprofit care providers that serve the homeless. More than 125 golfers raised \$76,000 to support HomeAid Colorado.

The following organizations were supported by CHFA's corporate contributions and staff volunteer efforts in 2012.

Action 22
Affordable Housing Tax Credit Coalition
American Institute of Architects of Denver
American Planners Association
American Red Cross
Bridges Out Of Poverty
Club 20
Colorado Association of Hispanic Real Estate Professionals
Colorado Association of Realtors
Colorado Bankers Association
Colorado Black Chamber of Commerce
Colorado Economic and Management Associates
Colorado Mortgage Lenders Association
Colorado Municipal League
Colorado National Association of Housing and Redevelopment Officials (NAHRO)
Colorado Rural Development Council
Colorado Women's Chamber of Commerce
Council of Development Finance Agencies
Craig Association of Realtors
Denver Association of Business Economists (DABE)
Denver Inner City Parish Food Bank
Denver Metro Chamber of Commerce
Downtown Colorado, Inc.
Durango Area Association of Realtors
Economic Development Council of Colorado (EDCC)
First American State Bank (FASB) Fitness Festival
Grand Junction Realtor Association
Habitat for Humanity Metro Denver
Habitat for Humanity of Colorado
Homeownership Education and Resource Opportunities (HERO) Alliance
Hispanic Chamber of Commerce
HomeAid Colorado
Housing Authority of the City of Loveland
Housing Colorado
Independent Bankers of Colorado Education Foundation (IBCEF)
Latino Community Foundation
Mercy Housing
Mortgage Bankers Association
Mt. Saint Vincent Home
National Council of State Housing Agencies (NCSHA)
NeighborWorks of Pueblo
NEWSED Community Development Corporation
Normandy Elementary School
North East Business Resource Center
Northern Colorado Economic Development Corporation
Project Management Institute
Progressive 15
Project Angel Heart
Project Linus
Rocky Mountain Communities
Rocky Mountain Home Association
Rocky Mountain Indian Chamber of Commerce
Rocky Mountain Lab Rescue
Senior Housing Options
Senior Support Services
Small Business Development Center
Southeast Colorado Business Retention, Expansion and Attraction (SEBREA)
Stride
The Crossing
The Gathering Place
Tri-County Housing & Community Development Council
Trips for Kids Denver/Boulder
University Neighbors
Urban Land Institute
Veterans Administration (VA) Hospital
Warren Village
Wild Bird Information and Rehabilitation

By representing CHFA on industry boards and committees, our staff is able to leverage their professional expertise to benefit Colorado even beyond their day-to-day efforts as a member of CHFA's team.

We thank our staff for their dedication to CHFA and our shared community.

Cris White,
Executive Director and CEO

Jaime Gomez,
COO

Chuck Borgman,
General Counsel

Cindy Bradley,
Home Finance Operations Manager

Margaret Danuser,
Corporate Debt and Investment Director

Alex Dempster,
Commercial Loan Officer

Timothy Dolan,
Senior Commercial Loan Officer

Gary Dominguez,
Construction Specialist

Steve Johnson,
Commercial Lending Director

Wyatt Jones,
Senior Commercial Loan Officer

Lori Karl,
Compliance Manager

Mark MacNicholas,
Finance/Controller Director

Kim Martin,
Program Compliance Officer

Mariam Masid,
Legal Services Director

Dan McMahon,
Home Finance Director

Brian Miller,
Asset Management Director

Masouda Omar,
Business Finance Loan Production Manager

Dana Pearce,
Internal Audit Director

John Plakorus,
Research and Development Analyst

Robert Sandridge,
Real Estate Services Administrator

Christopher Solheim,
Home Finance Loan Analyst

William Spencer,
BI Solutions Architect/Developer

Nicole Stone,
Quality Assurance Analyst

Housing Colorado Board of Directors
Mayor Michael Hancock's Housing Task Force
National Council of State Housing Finance Agencies Board of Directors
Regis University Executive Advisory Board

Downtown Denver Partnership Board of Directors
Habitat for Humanity Metro Denver Board of Directors
Office of Economic Development and International Trade (OEDIT) Governor's Financial Review Committee
Pathways Colorado Advisory Committee

Warren Village Board of Directors
The Gathering Place Board of Directors

Habitat for Humanity of Colorado Board of Directors
STRIDE Board of Directors

City of Denver Investment Advisory Board

Colorado Lending Source Loan Committee
Denver Small Business Development Center Advisory Board
Denver Workforce Investment Board

Rocky Mountain Communities Board of Directors

Colorado Enterprise Fund Board of Directors
Council of Development Finance Agencies (CDFA) Board of Directors
Economic Development Council of Colorado Board of Directors

Mothers' Global Village Board of Directors

Colorado Resource Housing Development Corporation Board of Directors

Aurora Citizen Advisory Committee on Housing and Community Development

Colorado Community Land Trust Board of Directors

Colorado Housing Assistance Corporation (CHAC) Board of Directors

Colorado National Association of Housing and Redevelopment Officials Board of Directors
Mile High Community Loan Fund Board of Directors

Community College of Denver Accounting Advisory Board

Downtown Colorado Inc. Board of Directors

Metro West Housing Solutions Board of Directors

Colorado Mortgage Lenders Association (CMLA) Board of Directors

Data Warehousing Institute Colorado Board of Directors

Community Service Block Grant Board for the City and County of Denver



Pictured above: CHFA staff participating in a volunteer day with Habitat for Humanity of Metro Denver

diversity & inclusion

why we do it

At CHFA, we are committed to ensuring that we are inclusive and diverse in all aspects of our business. We define diversity as the similarities and differences among all of us. Inclusion is incorporating and leveraging those differences to help CHFA meet its mission. Giving voice to various perspectives enriches the dialogue and helps us arrive at better decisions.

Since adopting inclusion as a way of business, CHFA has strengthened current partnerships and founded new relationships. Each partner's perspective is invaluable to improving a service, expanding a resource, providing housing, or financing a small business expansion. Through inclusion, we are able to meet our mission, connect better with our customers and partners, and give structure to thousands of Coloradans' dreams.

training for employees

In 2012, two full-day trainings were held for CHFA staff and leadership that focused on how we can foster an environment and culture that encourages team members to appreciate the similarities and differences each brings to the table. We also offered monthly one-hour educational sessions to deepen our perspectives concerning how CHFA embraces diversity and inclusion. This included the development of a CHFA book club and a review of CHFA's vendor diversity strategy to ensure we are inclusive in our outreach and vendor selection.

what's ahead

As we recognize the accomplishments of 2012, we also look forward to the work ahead of us that will further CHFA's efforts to support Colorado. Among the projects identified for 2013 are:

- Introducing new and expanded affordable multifamily finance programs;
- Continuing efforts to increase our community engagement and outreach efforts;
- Redesigning CHFA's website, www.chfainfo.com; and
- Monitoring the progress of Federal Tax Reform efforts to ensure that resources critical to supporting affordable housing and small business finance, such as Low Income Housing Tax Credits (LIHTC) and tax exempt bonds, remain available.



in memoriam – David W. Herlinger



In 2012, Dave Herlinger, CHFA’s executive director from 1977 to 2000, passed away. On behalf of the CHFA family, we extend our sincere condolences to Lynn Herlinger and the entire Herlinger family, and pay special tribute to Dave for the immeasurable impact he had on CHFA and the legacy he left on the affordable housing industry.

When Dave began his reign as CHFA’s executive director, the organization had less than 10 employees and functioned with a small operating budget. Despite a modest financing infrastructure, Dave led CHFA’s efforts that year to make \$100 million in funding available for first time homebuyers and led CHFA’s first multifamily bond issue for the lowest income renters.

The leadership Dave exhibited throughout his CHFA career was significant and the values he instilled from his earliest days still hold true today—commitment to mission, fiscal stewardship, collaboration, and innovation. And while Dave will be long remembered for shaping CHFA from its earliest days into the strong enterprise that continues, his impact and influence reaches farther than CHFA itself. He personally recruited members of CHFA staff that are in leadership positions within the organization today, and many more who have moved on to other organizations and continue to play a significant role in Colorado’s affordable housing arena.

Dave inspired state and national leaders to understand and value affordable housing and small business finance. He was active in advancing policy that strengthened existing resources and created new resources that CHFA and HFAs across the nation still utilize in their day-to-day work. Through relationships and outreach, Dave learned about the needs facing low income Coloradans, seniors, the disabled, and underserved populations across the state, and then through tireless effort, he built the partnerships necessary to meet those needs.

We salute our friend and mentor Dave Herlinger, and thank him for the significant accomplishments he made in the affordable housing industry. His leadership, commitment, and vision improved the quality of life for Coloradans, and his contributions will last for decades beyond his passing.

With respect to its programs, services, activities, and employment practices, Colorado Housing and Finance Authority does not discriminate on the basis of race, color, religion, sex, age, national origin, disability, or any other protected classification under federal, state, or local law. Requests for reasonable accommodation, the provision of auxiliary aids, or any complaints alleging violation of this nondiscrimination policy should be directed to the Nondiscrimination Coordinator, 1.800.877.2432, TDD/TTY 303.297.7305, CHFA 1981 Blake Street, Denver CO 80202-1272, available weekdays 8:00am to 5:00pm.

Economic impact assessments made by CHFA using IMPLAN. Methodology and definitions available at www.chfainfo.com/documents/methodology_econ_impact.pdf. CHFA is an independent, self-sustaining financial entity. It is not a state agency, and utilizes no direct tax dollars to administer its programs. As an Authority created and empowered by the state of Colorado, CHFA sells bonds in the capital markets and uses the proceeds to fund and administer its programs.

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