

state affordable housing tax credit



2019 annual report



*financing the places where
people live and work*



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December 31, 2019

Dear Members of the Colorado General Assembly,

The enclosed summary highlights CHFA's administration of the Colorado Affordable Housing Tax Credit program (state AHTC or state credit) in 2019. This report is intended to fulfill the reporting requirements as detailed in C.R.S. 39-22-2108.

In 2019, CHFA awarded state AHTC to 12 developments that combined will construct or preserve 1,344 affordable apartments in the Denver metro area, northern and southern Front Range, and Western Slope. The private-sector equity investment generated from the sale of both state and federal tax credits allocated to these developments is estimated to be \$184.4 million. Additionally, CHFA estimates that more than \$652.9 million in economic impact will result from the development of the 1,344 units supported.

Innovation was clear among the twelve developments awarded state credit this year. Two awardees will construct new units through the adaptive re-use of existing, vacant structures; and six proposed to use the new income-averaging allowance approved by Congress in 2018. Collaboration and outreach was also a recurring theme, with several developments establishing strong community partnerships to facilitate engagement, resident and supportive services, infrastructure development, funding and land donations.

During the 2019 legislative session, the Colorado General Assembly passed, and Gov. Jared Polis signed into law HB19-1228, increasing the amount of state AHTC available for allocation in 2020-2024 from \$5 million to \$10 million. CHFA's 2019 awards forward-reserve 2020 state tax credits. As a result of HB19-1228, CHFA was able to support five more developments than otherwise would have been possible, increasing the number of units supported from approximately 903 units to 1,344 units. We wish to recognize and thank the bill sponsors of HB19-1228 – State Representatives Shannon Bird and Brianna Titone and State Senators Rachel Zenzinger and Jack Tate.

CHFA continues to be pleased to serve as the state's AHTC administrator. This resource has proven critical to helping local communities provide more housing options for their seniors, veterans, and workforce. Additional program information is provided in the following pages for your review.

Sincerely,

A handwritten signature in black ink that reads "Cris A. White".

Cris A. White
Executive Director and CEO

2019 program results

1,344 housing units directly supported

- In 2019, the state Affordable Housing Tax Credit (state AHTC) program directly supported 1,344 affordable rental units, and will enable CHFA to support the development or preservation of more than 3,962 units overall.*
- Historically, the median household income of residents living in state or federal tax credit-supported units is \$24,192 or approximately 35 percent AMI statewide.
- As an example, in 2019, 35 percent AMI equals \$26,005 for a two-person household in Denver County, or \$22,190 for a two-person household in Weld County.

\$184.4 million in new private sector investment raised to support colorado housing

- The sale of the state and federal tax credits allocated to the 1,344 units directly supported will generate over \$184.4 million in private-sector equity investment in Colorado.

\$14.8 million in federal 4 percent lihtc leveraged

- CHFA leverages the state AHTC with the federal 4 percent Low Income Housing Tax Credits (LIHTC), which historically has been under-utilized in Colorado due to a lack of other gap resources required to make these types of deals financially feasible.
- The pairing of the state AHTC and federal 4 percent LIHTC enabled Colorado to leverage \$14.8 million in federal credits in 2019.

\$652.9 million in economic impact

- The development of the 1,344 units directly supported with state AHTC is estimated to generate over \$652.9 million in economic impact and support 3,981 jobs.

2015 to 2019 program results

6,140	\$50.8M	\$718.6M	\$2.6B	15,901
housing units directly supported	federal 4 percent lihtc leveraged	new private-sector investment raised to support colorado housing	economic impact	jobs supported

state affordable housing tax credit

about state affordable housing tax credit

- Colorado's state AHTC raises private-sector equity for affordable rental housing development.
- The program is modeled after the nationally recognized federal LIHTC program created in 1986 under President Reagan's administration, which has helped create or preserve more than 3 million affordable rental units in the United States.
- Colorado's program was originally established in 2001 and later renewed in 2014, 2016, and 2018. In 2019, the program was expanded, authorizing CHFA to allocate \$10 million in state AHTC annually in 2020–2024.

state ahtc supports key affordable housing needs

As of 2019, 39 of the developments supported with state AHTC have placed in service, adding 4,126 new affordable rental housing units to Colorado's housing stock. While market-rate rent for all apartment types in Colorado was at \$1,414 as of second quarter 2019, the median rent paid by residents living in state AHTC-supported properties was \$870, or 38 percent below-market averages.

In November 2019, CHFA reviewed state AHTC resident demographics for the units placed in service at that time. This analysis showed the following.

resident demographics

Median Income	\$24,192
Median AMI	35%

household size and demographics

1 Person	53%
2 People	20%
3 People	14.5%
4+ People	12.5%
Female Head of Household	68%
# of Children in Units	2,294
# of Retirees	1,223



most common occupations of nonretired residents

Occupation	% of Residents	Median AMI	Median Income
Service Workers	43%	44%	\$34,490
Professionals	18%	45%	\$35,061
Production/Construction Workers	9%	48%	\$40,560
Sales	8%	45%	\$39,241
Clerical or Administrative Staff	8%	49%	\$38,420

state affordable housing tax credit

workforce housing

- The most common occupation of nonretired residents living in state AHTC-supported developments include: service industry (43%); professional (18%); production/construction workers (9%); clerical/administrative (8%); and sales (8%).
- In Colorado, full-time employees paid minimum wage earn \$23,088 in gross income annually or 38 percent of Area Median Income (AMI) (based on one-person household).

colorado job types and median wages

Occupation	Median Annual Wage	AMI (one person hh)	2019 Total Employment
Waiters and Waitresses	\$21,230	35%	50,390
Cashiers	\$23,840	40%	56,710
Personal Care Aides	\$24,290	40%	27,310
Maids and Housekeeping Cleaners	\$25,060	42%	18,440
Retail Salespersons	\$25,120	42%	86,610
Home Health Aides	\$25,260	42%	9,510
Childcare Workers	\$26,880	45%	8,620
Cooks, Restaurant	\$28,460	47%	32,910
Teacher Assistants	\$28,550	48%	20,240
Stock Clerks and Order Fillers	\$28,820	48%	36,530
Security Guards	\$30,210	50%	16,790
Laborers and Freight, Stock, and Material Movers, Hand	\$30,250	50%	29,280
Preschool Teachers, Except Special Education	\$30,440	51%	8,700
Receptionists and Information Clerks	\$31,380	52%	18,240
Nursing Assistants	\$32,000	53%	21,070
Landscaping and Groundskeeping Workers	\$32,260	54%	22,170
Customer Service Representatives	\$34,260	57%	48,120
Social and Human Service Assistants	\$35,080	58%	3,170
Veterinary Technologists and Technicians	\$36,060	60%	4,000

senior housing

- Twenty-seven percent (1,644) of the units directly supported with state AHTC between 2015 and 2019 will provide affordable rental housing for seniors.

permanent supportive housing

- Five of the developments supported with state AHTC between 2015 and 2019 will include Permanent Supportive Housing for homeless families and individuals.

state affordable housing tax credit

across colorado

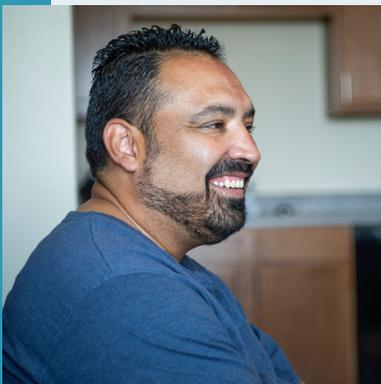
Since being created in 2015, the state AHTC has helped facilitate more affordable housing development outside the seven-county Denver metro area.

Sixty-nine of the 208 total developments supported with either state or federal tax credits between 2015 and November 2019 are located outside of the seven-county Denver Metro region.

- 25 on the Western Slope
- 22 in northern and northeast Colorado
- 22 in southern and southeast Colorado



Arroyo Village in Denver



"I am comfortable here, I don't hear any noise. I like the view at night. Before, my two boys and I all shared a room and now we have our own. They like it here a lot and I'm enjoying teaching them how to cook."

–Lou, Resident

2019 supported developments

The following list details all projects supported with either state AHTC and/or federal LIHTC in 2019.

project name	city	county	total units
9 Percent LIHTC			
2814	Grand Junction	Mesa	60
Academy Place	Broomfield	Broomfield	50
Calkins Commons	Cortez	Montezuma	42
Espero Apartments	Durango	La Plata	40
Flats at Ford Street	Golden	Jefferson	44
Hot Springs Townhomes	Pagosa Springs	Archuleta	34
Legacy Senior Residences	Arvada	Jefferson	72
Maxfield Heights	Rifle	Garfield	50
Oakwood Senior II	Castle Rock	Douglas	53
Old Town Apartments	Fraser	Grand	60
Red Hill Lofts	Carbondale	Garfield	30
Right Place, The	Pueblo	Pueblo	35
Shooks Run Apartments	Colorado Springs	El Paso	40
Shoshone	Denver	Denver	53
Villas at Mesa Ridge	Fountain	El Paso	60

4 Percent LIHTC

730 Simms	Lakewood	Jefferson	221
Aurora Homes	Aurora	Adams	54
Canyon Pointe	Boulder	Boulder	82
Casa Del Sol	Pueblo	Pueblo	154
Denver Metro Village	Denver	Denver	210
Eiber Village at Garrison Station	Lakewood	Jefferson	50
Glen Willow	Boulder	Boulder	34
Laradon Homes Phase II	Denver	Denver	132
Legends of Centennial	Centennial	Arapahoe	209
Longmont Family Apartments	Longmont	Boulder	88
Lyons Valley Townhomes	Lyons	Boulder	40
Pancratia Hall	Denver	Denver	68
Park Avenue West	Denver	Denver	122
Range View Apartments	Aurora	Adams	223
Sheridan Gardens	Englewood	Arapahoe	48
Winfield Apartments	Colorado Springs	El Paso	160

State AHTC and 4 Percent LIHTC

30Pearl Apartments	Boulder	Boulder	120
48th and Race	Denver	Denver	150
7401 Broadway	Denver	Adams	116
Atruim at Auston Bluffs	Colorado Springs	El Paso	54
Capitol Square Apartments	Denver	Denver	103
Coffman	Longmont	Boulder	73
DHA 655 Broadway/Studebaker	Denver	Denver	143
Edge Phase II	Loveland	Larimer	69
Legends of Church Ranch	Westminster	Jefferson	205
Morrison Road	Denver	Denver	80
Park at Colorado Outdoors	Montrose	Montrose	72
Thistle Scattered Sites	Longmont, Boulder	Boulder	159

state ahtc–supported development descriptions

The following affordable housing developments were awarded federal 4% LIHTC and state AHTC in 2019. Summaries include information about the communities and populations to be served by each development.

30Pearl Apartments, Boulder

Developer | Boulder Housing Partners (BHP)

30Pearl will include 120 new affordable apartments in the Boulder Junction neighborhood. Twenty of the units will be set aside for residents with special needs, and ten will provide Permanent Supportive Housing for formerly homeless residents. On-site services will include after-school health and wellness programs, financial stability classes, parenting, exercise, and early childhood programming. In addition, BHP will partner with local nonprofits, Boulder Shelter for the Homeless and Ramble on Pearl, to provide case management services and resident support. The land and additional funding for 30Pearl is being provided by the City of Boulder.

- 120 Units: 17 Studios; 48 One-bedroom; 44 Two-bedroom; 11 Three-bedroom
- 30 @ 30% AMI; 8 @ 40% AMI; 27 @ 50% AMI; 55 @ 60% AMI
- 4% LIHTC Awarded: \$1,891,472; State AHTC Awarded: \$838,020

48th and Race, Denver

Developer | Columbia Ventures, LLC

48th and Race will provide 150 new apartments in Denver's Elyria-Swansea neighborhood. The site is part of the Urban Land Conservancy's six-acre master planned development which features a 99-year ground lease to help maintain long-term affordability for residents. In addition to studio, one-, two-, and three-bedroom apartments, the development will include 30,000 square feet for Clínica Tepeyac, a federally qualified health clinic, and 7,000 square feet for a fresh food retail grocery store. The development is located within two-blocks of RTD's N line and is adjacent to a community park and recreation center. Twenty-five percent of the units will be set aside to serve individuals with disabilities. The developer is partnering with the City and County of Denver to establish a neighborhood preference policy to help create stability in the Elyria-Swansea neighborhood, which has been identified by the City as high-risk for gentrification and displacement.

- 150 Units: 8 Studio; 67 One-bedroom; 46 Two-bedroom; 29 Three-bedroom
- 45 @ 30% AMI; 30 @ 50% AMI; 75 @ 80% AMI;
- 4% LIHTC Awarded: \$1,426,865; State AHTC Awarded: \$912,776

7401 Broadway, Denver

Developer | Unison Housing Partners

Developed by Unison Housing Partners, this site will provide 116 new affordable apartments through the construction of three new buildings and the adaptive re-use of the former Adams County Human Services headquarters, which has been vacant since 2017. Twelve of the apartments will be set aside for youth aging out of foster care, ages 18 to 25. The property for 7401 Broadway has been donated to Unison Housing Partners by Adams County. The site is located near bus service, Mapleton School District's newly renovated Global Campus, and a park, library, recreation center, and medical clinic. Case management and support services for residents who are aging out of foster care will be coordinated in partnership with the county's Children and Family Services department.

- 116 Units: 64 One-bedroom; 36 Two-bedroom; 16 Three-bedroom
- 8 @ 30% AMI; 4 @ 40% AMI; 46 @ 50% AMI; 58 @ 70% AMI;
- 4% LIHTC Awarded: \$1,527,916; State AHTC Awarded: \$927,779

The Atrium at Austin Bluffs, Colorado Springs

Developer | Greccio Housing

Atrium at Austin Bluffs will provide 54 affordable, independent-living apartments for seniors, ages 62+, in Colorado Springs. The development is located within a quiet residential community and in proximity to a grocery store, health care facilities, and retail options. Residents will have access to an on site wellness center. On site resident services will be coordinated with local nonprofit organizations, including transportation and Meals on Wheels delivery provided by Silver Key Senior Services. The land for Atrium at Austin Bluffs has been donated by the City of Colorado Springs.

- 54 Units: 42 One-bedroom; 12 Two-bedroom
- 6 @ 30% AMI; 6 @ 40% AMI; 21 @ 50% AMI; 21 @ 60% AMI;
- 4% LIHTC Awarded: \$550,582; State AHTC Awarded: \$834,215

Capitol Square Apartments, Denver

Developer | 1275 Sherman (Mile High Development)

Capitol Square will provide 103 new affordable apartments for families and individuals, while raising funds for Colorado's K-12 BEST program through an innovative partnership with the Colorado State Land Board. The development includes the demolition of two vacant warehouses and the new construction of a six-story building over structured parking. When complete, the development will feature a green roof and provide affordable housing adjacent to schools, medical services, grocery stores, transit, and cultural and recreational facilities. The Colorado State Land Board is the current owner of the land where the site is located. They will enter into a 50-year ground lease with the developer, with lease proceeds supporting the Land Board's mission to raise funds for education and the K-12 BEST program through sound stewardship of the state's real estate assets.

- 103 Units: 73 One-bedroom; 30 Two-bedroom
- 7 @ 30% AMI; 7 @ 40% AMI; 22 @ 50% AMI; 34 @ 60% AMI; 20 @ 70% AMI; 13 @ 80% AMI
- 4% LIHTC Awarded: \$1,213,140; State AHTC Awarded: \$1,000,000

Coffman Street, Longmont

Developer | Boulder County Housing Authority

Boulder County Housing Authority will construct 73 new affordable apartments, commercial space, and a parking garage in the heart of downtown Longmont. The apartments will include one-, two-, and three- bedroom units for families and individuals. The County is providing 12 project-based housing vouchers to support housing for those at risk of homelessness. Resident services will be available at the Boulder County St. Vrain Hub building, located across the street from the property. The Hub is a one-stop shop for human care assistance, case management, and employment assistance. This development is the result of more than two years of collaboration between Longmont Downtown Development Authority, RLET Properties, a private business owner, and Boulder County, with the intent to advance the City's goal for housing more residences at a diversity of price points in the downtown area.

- 73 Units: 59 One-bedroom; 10 Two-bedroom; 4 Three-bedroom
- 12 @ 30% AMI; 3 @ 40% AMI; 8 @ 50% AMI; 50 @ 60% AMI;
- 4% LIHTC Awarded: 779,274; State AHTC Awarded: \$930,000

state ahtc–supported development descriptions

The following affordable housing developments were awarded federal 4% LIHTC and state AHTC in 2019. Summaries include information about the communities and populations to be served by each development.

The Edge Phase II, Loveland

Developer | Loveland Housing Authority

The Edge Phase II will add 69 new affordable apartments to the Loveland Housing Authority's existing 70-unit Phase One development, which currently has a waitlist of more than 3,000 households. The site is adjacent to key employment centers and the Centerra Master Planned Community restaurants, retail, lakes, and open space. The Loveland Housing Authority has been selected as one of the City of Loveland's "preferred affordable housing partners" due to their long-term success providing affordable housing in the community. As a result of this local preference, the development will receive fee waivers, an expedited approval process, and sales and use tax exemption from the City.

- 69 Units: 12 Studios; 21 One-bedroom; 30 Two-bedroom; 6 Three-bedroom
- 15 @ 30% AMI; 10 @ 40% AMI; 27 @ 50% AMI; 17 @ 60% AMI
- 4% LIHTC Awarded: \$651,340; State AHTC Awarded: \$995,933

Legends of Church Ranch, Westminster

Developer | Westminster Leased Housing Associates (Dominium)

Legends of Church Ranch will provide 205 affordable apartments for seniors, ages 55+, on the historic Church family farm in Westminster. The property is located a half-mile of several established medical facilities, grocery stores, and retail facilities. Bus service and a bus stop is available within one-half mile from the property. Residents will have access to onsite services and amenities including a library, exercise room, and business center. The development will include preservation and renovation of the existing 1910 barn and silos located on the property in recognition of the Church family farm's history, serving as a stage stop for travelers making the two-day trip from Boulder to Denver in the late 1800s.

- 205 Units: 140 One-bedroom; 65 Two-bedroom
- 20 @ 30% AMI; 25 @ 40% AMI; 25 @ 50% AMI; 45 @ 60% AMI; 45 @ 70% AMI; 45 @ 80% AMI
- 4% LIHTC Awarded: \$2,260,807; State AHTC Awarded: \$499,999

Morrison Road, Denver

Developer | Gorman and Company, LLC

Morrison Road will provide 80 new affordable apartments anchored with ground floor commercial space in Denver's Westwood neighborhood. The development is adjacent to several commercial buildings, small industrial facilities, and a grocery store, family clinic, and a children's educational facility. With support from the West Denver Renaissance Collaborative and BC West, Morrison Road is seeking a local business or community resource partner to occupy the property's ground floor retail, to help advance the neighborhood's efforts to minimize industrial gentrification in the Westwood community.

- 80 Units: 24 One-bedroom; 32 Two-bedroom; 24 Three-bedroom
- 4 @ 30% AMI; 18 @ 40% AMI; 37 @ 60% AMI; 20 80% AMI; One Employee Unit
- 4% LIHTC Awarded: \$943,721; State AHTC Awarded: \$800,000

The Park at Colorado Outdoors, Montrose

Developer | Colorado Outdoors, LLC

The Park at Colorado Outdoors will provide 72 new affordable

apartments in Montrose. The site is part of a 150-acre multi-phase residential, business, and manufacturing master-planned community located along the Uncompahgre River. Nearby amenities include a city bus stop, a grocery store, schools, and new concrete river trail that will connect the northern and southern portions of Montrose and provide access to the community recreation center. The Park at Colorado Outdoors is the second affordable apartment community recently supported with tax credits. The first, Woodgate Trails Senior Apartments, is scheduled to open in the fall of 2019, and currently has a waitlist of nearly 100 households.

- 72 Units: 18 One-bedroom; 42 Two-bedroom; 12 Three-bedroom
- 13 @ 30% AMI; 6 @ 50% AMI; 33 @ 60% AMI; 10 @ 70% AMI; 10 @ 80% AMI
- 4% LIHTC Awarded: \$628,161; State AHTC Awarded: \$738,840

Studebaker and 665 Broadway, Denver

Developer | Denver Housing Authority

This scattered site project will preserve 33 existing affordable rental housing units located at Studebaker Apartments on 15th and Blake Street in downtown Denver; and the development of 110 new units through the adaptive re-use of a vacant ten-story office building located near the Denver Health Medical Campus. Studebaker Apartments was originally constructed in 1889 and later renovated in 1993. The site's affordability provision is set to expire in 2023. The tax credit award will assist Denver Housing Authority (DHA) in raising capital needed to acquire ownership of the building, preserve its affordability, and complete minor renovations to the units and common space areas, as well as integrate energy efficiency improvements. In addition, DHA will purchase 655 Broadway, a vacant office building that was formerly used as administrative offices for Denver Health. DHA will renovate the building to provide 110 new affordable apartments. Ninety-six of the new apartments will be set-aside to serve seniors ages 62+. The remaining 14 units will be used as Single Room Occupancy (SRO) units for patients with special-needs referred from Denver Health, who are in need of transitional housing. The SRO units will provide Denver Health with a supportive housing option for patients who are medically stable for discharge from the hospital, but who are homeless or precariously housed and unsafe for discharge to self-care on the streets.

- 143 Units: 18 Studios; 115 One-bedroom; 10 Two-bedroom
- 42 @ 30% AMI; 8 @ 40% AMI; 25 @ 50% AMI; 68 @ 60% AMI
- 4% LIHTC Awarded: \$1,490,047; State AHTC Awarded: \$815,000

Thistle Scattered Site Redevelopment, Boulder and Longmont

Developer | Thistle Communities

Thistle Communities will renovate 159 affordable homes located across five apartment communities in Longmont and Boulder. Nineteen of the units are set aside to serve residents with special needs. Building renovations will include health, safety, and energy efficiency improvements that will extend the functionality of the buildings and provide better quality of life for the residents. The renovations will also extend the affordable requirements on each of the properties in perpetuity under the City of Boulder and City of Longmont programs.

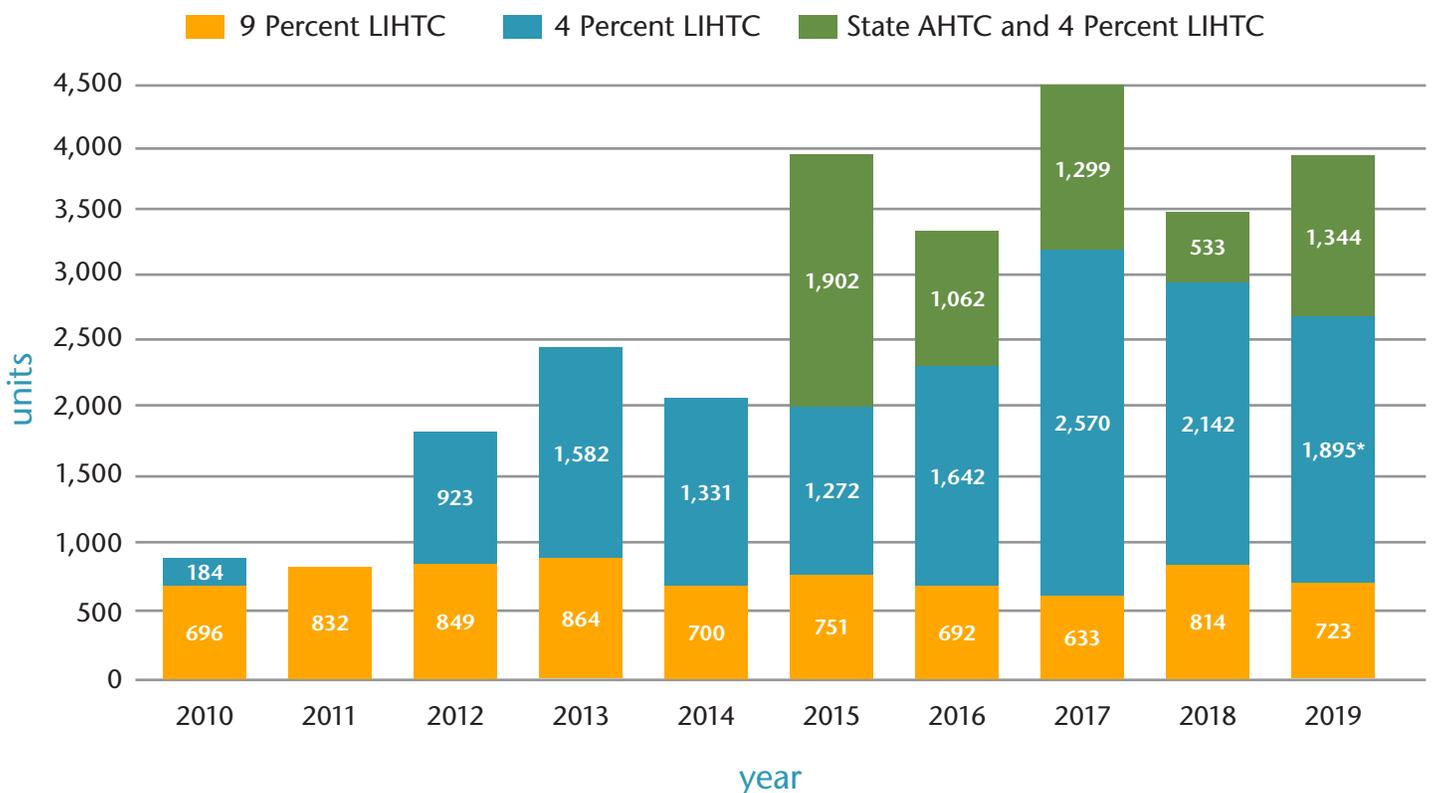
- 159 Units: 1 Studio; 70 One-bedroom; 88 Two-bedroom
- 4 @ 30% AMI; 4 @ 40% AMI; 85 @ 50% AMI; 66 @ 60% AMI
- 4% LIHTC Awarded: \$1,393,960; State AHTC Awarded: \$850,000

historic investment 2010 to 2019 units

The following table illustrates the number of units supported by state AHTC and/or federal LIHTC annually between 2010 and 2019.

units supported 2010 to 2019

Year	9 Percent LIHTC	4 Percent LIHTC	State AHTC and 4 Percent	Total Tax Credit Units
2010	696	184	0	880
2011	832	0	0	832
2012	849	923	0	1,772
2013	864	1,582	0	2,446
2014	700	1,331	0	2,031
2015	751	1,272	1,902	3,925
2016	692	1,642	1,062	3,396
2017	633	2,570	1,299	3,495
2018	814	2,142	533	3,489
2019	723	1,895*	1,344	3,962



*Data as of December 1, 2019.

affordable housing need

In 2019's second quarter, the median rent in Colorado was \$1,414, which is a 39 percent increase over the median rent the last five years. To afford the median rent in Colorado, a two-person household must earn 82 percent of the Area Median Income (AMI), which is \$56,556.

A lack of inventory and increased demand have been key contributors to rising rent costs, causing rent to become unaffordable in various regions across the state. In fact, almost half (49 percent) of all Colorado renters are cost-burdened, paying 30 percent or more of their household income towards rent. Nearly one in four households (24 percent) is extremely cost-burdened, paying 50 percent or more of their income towards rent.

Colorado's rental vacancy rate was at 4.9 percent in 2019's second quarter. Certain regions throughout Colorado had even lower rates, including southwest Fort Collins/Loveland at 2.6 percent, Pueblo at 3.7 percent, Greeley at 2.1 percent, and Grand Junction at 1.1 percent.

colorado rent and vacancy

Region	2019 Median Rent Q2/Q3	2018 Median Rent Q2/Q3	Percent Increase	2019 Household Income Needed To Afford	AMI Needed To Afford	Median Income	2019 Vacancy Q2/Q3
Boulder/Broomfield	\$1,673*	\$1,516	10%	\$66,920	74%	\$90,900	3.8%
Colorado Springs	\$1,223	\$1,140	12%	\$48,920	75%	\$65,200	5.4%
Denver Metro	\$1,457	\$1,418	5%	\$58,280	78%	\$74,300	5.2%
Fort Collins/Loveland	\$1,391	\$1,329	9%	\$55,640	80%	\$69,800	2.6%
Grand Junction	\$596	\$635	-5%	\$23,840	43%	\$55,800	1.1%
Greeley	\$1,196	\$1,190	1%	\$47,840	75%	\$63,400	2.1%
Pueblo	\$710	\$720	-1%	\$28,400	52%	\$54,500	3.7%
Statewide	\$1,414	\$1,381	2%	\$56,556	82%	\$68,600	4.9%

Sources

- Second Quarter 2019 Colorado Multifamily Housing Vacancy & Rental Survey
- Denver Metro Apartment Vacancy & Rent Third Quarter 2019 Report
- Two-person HH AMI is used

*This is an average and all others are median

affordable housing need

Reports on future market activity indicate thousands of new units are planned to come online over the next several years to help meet current and future demand.

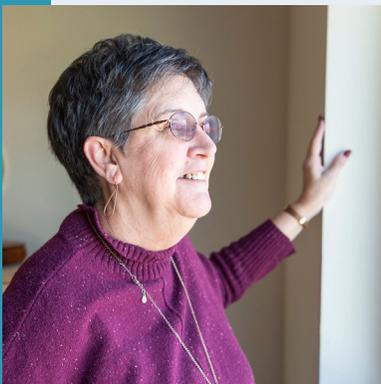
The effects of Colorado's tight rental market are not limited to low-income households that earn 30 to 60 percent AMI. Unaffordability has become more widespread, affecting many moderate-income households as well, who now find it difficult to afford market-rate rent. This phenomenon is referred to as the "missing middle" crisis.

Currently, in many communities, these households cannot afford the median market-rate rent for this unit type, and do not qualify for low-income housing, which further exacerbates the need for affordable rental housing.

shelby



Traditions at Colorado Springs



"The first thing I did when I took possession was I took a really deep breath—a sigh of relief. Just knowing that it was finally happening and I'm going to be back home again. It's a really good feeling. It's kind of a new lease on life for me."

—Shelby, Resident

affordable housing need

influencing factors

population growth and wages

Other factors influencing the rental and single-family housing affordability gap include Colorado's growing population, projected to rise by nearly one million more households by 2045. From 2014 through Q2 2019, the median home price increased 11.9 percent annually, while wage growth statewide increased 3.5 percent annually in the same time period.

seniors and aging baby boomers

Ensuring affordable housing options are available for Colorado's senior population, which continues to grow as Baby Boomers age, is critical and has a visible effect on the market. According to the Colorado State Demographer, 23 percent of Colorado's households are 65 years of age or older. It is projected that by 2045, the number of Colorado households aged 65 and older will increase by 77 percent.

loss of inventory and preservation efforts

Because a lack of inventory is an influencing factor in the affordability gap, preservation of low-income housing is vital. Properties serving low-income households are most commonly required to remain affordable for 30 to 40 years, but in the past may have been restricted for only 10 to 30 years. Affordability restrictions on approximately 22,000 affordable rental housing units are set to expire in the next decade across Colorado. In addition, many of these aging developments require rehabilitation to sustain current and long-term inhabitability.

conclusion

Demand for the state AHTC remains strong. CHFA received 15 applications for credit, seeking a combined amount of \$12.4 million in state AHTC and \$18.2 million in 4 percent LIHTC. Likewise, 2019 requests for the 9 percent LIHTC out-paced availability by 2.3 to 1. Availability of the state AHTC has proven instrumental to helping CHFA better meet the needs of communities seeking affordable housing for their residents.

what is chfa?

CHFA's mission is to strengthen Colorado by investing in affordable housing and community development. We offer loan programs and homebuyer education to support responsible homeownership. We provide loans and tax credits to developers of affordable rental housing, so all Coloradans may have access to a place to call home; and we help business owners access the capital they need to grow and support jobs.

CHFA is self-funded. We are not a state agency. CHFA's operating revenues come from loan and investment income, program administration fees, loan servicing, and gains on sales of loans. CHFA receives no direct tax appropriations, and its net revenues are reinvested in its programs and used to support bond ratings. This document was designed and printed in house without the use of state general fund dollars.

CHFA's work revitalizes neighborhoods and creates jobs. We are proud to invest in Colorado's success. Visit www.chfainfo.com for more information.

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