



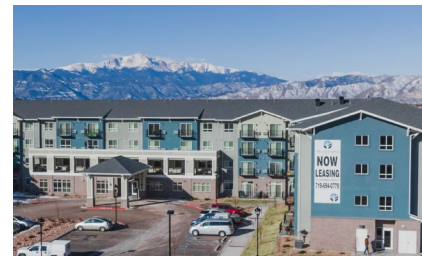
COLORADO SPRINGS

OLYMPIC CITY USA

2023 Annual Action Plan

Amendment 1 Draft for Public Review

Comment Period: October 3 – November 3, 2023



Prepared by the Community Development Division for the use of federal formula block grant funds through the Community Development Block Grant (CDBG) Program, HOME Investment Partnerships (HOME) Program, and the Emergency Solutions Grant (ESG) Program.

All comments sent to communitydevelopment@coloradosprings.gov by 11/3/23 will be considered.

Program year: April 1, 2023 - March 31, 2024

The 2023 Annual Action Plan (AAP) for the City of Colorado Springs provides a summary of the actions, activities, and the specific federal and non-federal resources that will be used to address the priority needs and specific goals for affordable housing and community development identified by the Consolidated Plan.

The Annual Action Plan is required by the U.S. Department of Housing and Urban Development (HUD) of jurisdictions receiving federal entitlement grants. The Annual Action Plan is presented in a format prescribed by HUD. Data and narrative are entered into a federal database system called the Integrated Disbursement and Information System (IDIS) using a template with questions that align with the CDBG, HOME, ESG and Consolidated Plan program regulations. This report is prepared with the template for that data entry process.

If you have any questions about this plan, please do not hesitate to contact the Community Development Division at 719-385-5912 or communitydevelopment@coloradosprings.gov. Thank you for your interest and time spent reviewing this report.

Amendment 1 Summary

The City seeks to substantially amend this year’s action plan in preparation to request the addition of the Section 108 Loan Guarantee Program as a source of funding. This program provides communities with a source of low-cost, long-term financing for economic and community development projects.

Amended language appears in highlights in the following sections:

- AP-05 (pg. 6-9)
- AP-15 (pg. 31-32)
- AP-38 (pg. 46-47)
- AP-85 (pg. 67-68)
- AP-90 (pg. 73)

A public hearing discussing this amendment and the City’s application to the Section 108 Loan Guarantee Program will take place on:
Wed., October 18, 2023, from 6-7:00 p.m.

There are 3 ways to attend:

- 1) in person at Patty Jewett Golf Course Clubhouse, 900 East Espanola St., Colorado Springs, CO 80907,
- 2) virtually via Teams meeting online using the following link: <https://bit.ly/Join-Oct18-AmendSec108>, or
- 3) by telephone by dialing 720-617-3426, then enter Conference ID: 648 343 342#

For more information, go to www.coloradosprings.gov/community-development.

All members of the public are invited to attend and/or submit comments on the amendment by November 3, 2023.

Table of Contents

Cover Page	1
Executive Summary.....	3

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)	3
The Process	10
PR-05 Lead & Responsible Agencies – 91.200(b).....	10
AP-10 Consultation – 91.100, 91.200(b), 91.215(l).....	11
AP-12 Participation – 91.105, 91.200(c)	26
Annual Action Plan.....	31
AP-15 Expected Resources – 91.220(c)(1,2)	31
AP-20 Annual Goals and Objectives.....	37
AP-35 Projects – 91.220(d)	43
AP-38 Project Summary	45
AP-50 Geographic Distribution – 91.220(f).....	54
AP-55 Affordable Housing – 91.220(g)	55
AP-60 Public Housing – 91.220(h).....	57
AP-65 Homeless and Other Special Needs Activities – 91.220(i).....	60
AP-75 Barriers to affordable housing – 91.220(j)	65
AP-85 Other Actions – 91.220(k)	67
AP-90 Program Specific Requirements – 91.220(l)(1,2,4)	73
Appendix	83

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The City of Colorado Springs receives funding on an annual basis allocated by Congress and administered through the US Department of Housing and Urban Development (HUD) to create strong, sustainable, inclusive communities and quality affordable homes for all.

The Annual Action Plan (AAP) provides a summary of the actions, activities, and the specific federal and non-federal resources that will be used during the program year to address the priority needs and specific goals identified by the Consolidated Plan. It is required by statute and helps ensure accountability and transparency for use of these taxpayer funds. This Annual Action Plan covers the fourth year of the 2020-2024 Consolidated Plan, and results are reported annually in the CAPER (Consolidated Annual Performance and Evaluation Report).

The City's Community Development Division (CDD) is the lead agency responsible for preparing the Annual Action Plan and administering these funds, which come through the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) programs. The Annual Action Plan details how the City plans to invest its resources to meet its ongoing affordable housing, community development, and public service needs during the City program year, April 1 through March 31.

In 2023, the City plans to continue its work providing decent and affordable housing, suitable living environments, and vital public services to improve the lives of its citizens – especially low- to moderate-income households and special needs communities such as the elderly, people experiencing homelessness, and persons with a disability.

2. Summarize the objectives and outcomes identified in the Plan

Affordability continues to be the largest housing problem in Colorado Springs. Housing costs are continuing to grow faster than household incomes, with home prices up 13% over last year (following a 24% increase the previous year) and rents spiking to upwards of \$1,500. Thirty-two percent of residents in El Paso County pay more than 30% of their income on housing, with 14% paying more than half. The Needs Assessment for the 2020-2024 Consolidated Plan, which informs the goals of this Annual Action Plan, examined household incomes, housing costs and availability, and housing conditions such as overcrowding, insecurity and homelessness. It found that housing cost burden is an issue for many families and households in the community, especially low- and moderate-income households. Economic impacts of the pandemic as well as dramatic housing cost increases are exacerbating these issues for our most vulnerable residents.

The City of Colorado Springs developed a strategic plan for utilizing HUD funds based on the analysis of the data presented in the 2020-2024 Consolidated Plan as well as the community participation and stakeholder consultation process. Through these efforts, the City identified five (5) priority needs and associated goals to address those needs within the funding guidelines. The priority needs are:

1. Improved Public Infrastructure & Facilities
2. Increased Supply of Affordable Housing
3. Public Services & Quality of Life Improvements
4. Neighborhood Economic Development Opportunities
5. Homeless Housing & Supportive Services

The goals to address those needs are:

- 1A. Expand Public Infrastructure
- 1B. Improve Public Infrastructure Capacity
- 1C. Improve Access to Public Facilities
- 2A. Provide Owner Occupied Housing Rehab
- 2B. Increase Homeownership Opportunities
- 2C. Increase Affordable Rental Housing Options
- 3A. Provide Supportive Services for Special Needs
- 3B. Provide Vital Services for LMI Households
- 4A. Direct Assistance to For-Profit Businesses
- 5A. Provide Homelessness Prevention and Rapid Re-Housing Assistance
- 5B. Provide Assistance for Street Outreach and Homeless Shelters

To meet these goals, the City will partner with multiple public and private agencies to fund targeted activities described in this plan. Some examples include:

1. Offer competitive grants to eligible agencies to improve or expand essential public infrastructure.
2. Provide financial support and development incentives to create and preserve affordable housing, including expanding home ownership assistance.
3. Engage local nonprofit rehabilitation experts to make homes accessible for low income disabled and senior residents.
4. Work with local economic development nonprofits to provide direct assistance for local small businesses providing jobs in low-income communities, and/or to support the Community

Investment Trust and Solid Rock Community Development Corporation to increase investment in the Southeast.

5. Offer competitive grants to fund local eligible nonprofit agencies to keep vulnerable residents housed or place those experiencing homelessness into stable housing. This may include investing in street outreach and improving data reporting and analysis, and distributing the Emergency Rental Assistance Program funds.
6. Continue implementing strategies in the HomeCOS housing plan and meeting or exceeding Mayor Suthers' goal of creating and preserving 1,000 affordable and attainable housing units each year.

2023 Areas of Focus:

- 1) Develop and implement strategies to leverage new funding, including:
 - Transformational Housing grant funds through the Colorado Division of Housing with ARPA funds,
 - Proposition 123 approved by voters that dedicates tax revenue to affordable housing programs, and
 - HOME-ARP funds, utilizing the allocation plan approved by HUD in 2022
 - **Section 108 Loan Program**
- 2) Continue focus on meeting the City's House America goals, including full deployment of 101 Emergency Housing Vouchers, low-income housing tax credit award(s) for 150 new permanent supportive housing units, expand family shelter/housing options by 50 units.
- 3) Fair Housing planning

3. Evaluation of past performance

In 2022 the Community Development Division transitioned some programs created to respond to the urgent needs brought about by the COVID-19 pandemic, while continuing others. Staff continued working with community partners to coordinate resources, maintain needed programs and strategically allocate and monitor pandemic relief funding to help our most vulnerable community members. In addition, the Division made significant progress toward achieving the outcomes for the third year of the 2020-2024 Consolidated Plan. 2022 Public Services funds were awarded in the summer for:

- Housing counseling
- Senior home share operations
- Case management for families at risk of homelessness
- Housing stability services for low-income veterans
- Emergency homeless shelter services for unaccompanied adults, families, and youth

Notable activities from CARES Act ESG and CDBG programs, Emergency Rental and Mortgage Assistance, and other programs include:

- Continued operating the Homeless Isolation Shelter at a new location, which cared for about two dozen shelter guests at a time with a COVID diagnosis or symptoms.
- Supported staffing at youth and adult shelters to manage COVID-safety measures.
- Partnered with a local agency to administer the second round of Emergency Rental Assistance funds.
- Managed and supported outreach for residents to apply for and receive Emergency Rental Assistance Program funds.
- Advertised the Mortgage Assistance Program.
- Funded housing crisis counselors, family shelter, street outreach with health and social workers, rapid re-housing services, and a new a Landlord Engagement program to incentivize landlords to accept assisted clients.
- Provided funding for a new round of grants and training to microenterprises that grew out of a 2021 program that received national recognition for supporting economic development in low-income communities.
- Launched a new development fee offset program and a sales tax rebate program to incentivize development of affordable housing.

4. Summary of Citizen Participation Process and consultation process

Public engagement is essential to effectively meet the needs of our residents and understand what people are experiencing and what our residents care about. To this end, the Division follows the City's Citizen Participation Plan (CPP), which provides for and encourages public participation and consultation. It emphasizes involvement by residents and the organizations and agencies that serve low/moderate income (LMI) persons in the planning and implementation of community development and housing programs. In response to the need for social distancing, isolating/quarantines, and other emergency public health measures, we amended our CPP in 2020 to make necessary updates regarding noticing and digital meeting venues.

In order to create this plan, we held two public hearings that allowed both digital and in person participation, for which we provided public notice through our paper of record and through several digital outlets including social media, City website, targeted email outreach and the Division's email newsletter. In order to seek comment on the plan draft, we provided public notice of the comment period and upcoming public hearing using the same methods above. All site contents on the City's website are available in 104 languages. Email notices were sent in English and Spanish. Free language interpretation and accessibility support are offered for free in all promotional materials for the public hearings, and the video is posted on YouTube, which provides captions in multiple language. The January public hearing included those as well.

In order to hear from peer agencies and organizations, we held a number of other meetings to discuss current conditions and any ongoing effects of the pandemic on operations, client and organizational needs, outreach efforts, and planned projects. We seek mutually supportive ties with partner organizations when goals and target audiences intersect or complement one another.

Citizen Participation Outreach

See AP-15 Citizen Participation for more details about the citizen participation process and engagement efforts undertaken by the Community Development Division.

Amendment 1:

In alignment with the City's Citizen Participation Plan, we followed the public noticing and hearing process triggered by a substantial amendment.

- 15-day notice published in paper of record, The Gazette
- Additional noticing via City newsletter and City website
- 30-day comment period
- Public hearing
- City Council approval (which includes additional public meetings at time of resolution introduction, then resolution approval)

5. Summary of public comments

There were no comments shared during the two public meetings in October 2022. During the January 2023 public hearing on the draft plan, attendees expressed concerns about homeless camp sweeps and disposing of residents' possessions, the lack of resources and emergency planning when it comes to warming shelters and other services during a state of emergency.

Documentation of citizen participation is attached as an appendix to this plan.

Amendment 1:

Summary of public comment, to be completed when public review process concludes.

6. Summary of comments or views not accepted and the reasons for not accepting them

No comments or views were rejected or not accepted.

7. Summary

N/A

The Process

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	COLORADO SPRINGS	Community Development Division (CDD)
HOME Administrator	COLORADO SPRINGS	Community Development Division (CDD)
ESG Administrator	COLORADO SPRINGS	Community Development Division (CDD)

Table 1 – Responsible Agencies

Narrative (optional)

The City of Colorado Springs, through the Community Development Division (CDD), is the lead agency responsible for preparing the Annual Action Plan and for administration of the CDBG, HOME and ESG programs.

Consolidated Plan Public Contact Information

Catherine Duarte, HUD Programs Manager
Community Development Division
City of Colorado Springs, CO
catherine.duarte@coloradosprings.gov
(719) 385-5912

AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The City of Colorado Springs Community Development Division conducted several meetings with peer agencies, service providers, city departments, and neighborhood leaders to maximize input from, and coordination with, a large cross-section of stakeholders. This input was instrumental in developing the planned activities for program year 2023.

Provide a concise summary of the jurisdiction’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

In 2022, the Division continued the increased level of ongoing coordination between the City and the region's public and private health and housing providers that initially arose to help manage the evolving impacts of the COVID-19 pandemic. Though acute impacts of the pandemic have lessened, the continued sharp rise in the cost of rental housing has meant continuing urgent need for housing assistance.

In 2022 new forms of relief funding were finalized and our consultations for the 2023 program year focused on coordinating with community partners to best leverage these resources.

1. Emergency response - the Division continued working with public health, emergency response agencies and service providers to operate City Hope, an isolation shelter for individuals experiencing homelessness who tested positive for COVID-19 or presented at a local emergency room or shelter with symptoms. The shelter provides access to limited care, meals, showers and a laundry. There was considerable consultation with local partners on shelter gaps several times this year to discuss the isolation shelter’s imminent closure, the closure of the city’s only family shelter, the temporary closure of the city’s only youth shelter, the lack of capacity for clients with high medical acuity, and winter warming shelter logistics.
2. Local housing authorities – The Colorado Springs Housing Authority (CSHA) is a member of the Pikes Peak Continuum of Care (PPCoC) governing board. CDD’s division manager meets with CHSA’s Executive Director and key staff regularly to discuss joint priorities and programs. In November 2020, CDD and CSHA consulted on the planned use of HUD funds in the coming program year. Shared priorities and desired outcomes discussed during the consultation are described in AP-60 Public Housing. The El Paso County Housing Authority (EPCHA) is a 5-member governing body appointed by the El Paso County Board of County Commissioners. EPCHA is best described as a

finance agency, not a traditional PHA. CDD's division manager is a member of the EPCHA governing body which meets monthly. EPCHA administers a housing trust fund, oversees issues of private activity bonds (PAB), and provides modest grants for rural human service agencies.

3. Private nonprofit housing providers – The City's homelessness prevention and response coordinator is an ex-officio member of the Pikes Peak Continuum of Care (PPCoC) governing board. The board includes private, governmental, mental health, and human service agencies, and meets monthly. Thanks to the data gathered and shared by this entity, the City prioritizes funding housing assistance programs that pair direct assistance with wraparound services. We recognize the value of housing as a health indicator and of health services as a key to maintain housing stability. As service providers continue to be impacted by COVID-19 including but not limited to staffing shortages, a tight rental market, and landlords fearful of financial loss and less willing to accept housing vouchers and rental assistance, the Division continues intensive coordination with service providers to address these challenges.
4. In April 2022, the City of Colorado Springs joined the House America Challenge. The City's initiative included the joint announcement of a 1st ever collaboration between the City of Colorado Springs, Community Development Division, the Colorado Springs Housing Authority, and the Pikes Peak Continuum of Care to achieve three principal goals: 1) Full utilization of an additional 101 Emergency Housing Vouchers; 2) Award of 150 units of permanent supportive housing through the Low-Income Housing Tax Credit program; 3) Creation of 50 additional shelter/housing opportunities for homeless families. Progress toward meeting the City's House America goals will be reported in the upcoming CAPER for PY 22.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The City's two staff who are ex officio members of the PPCoC governing board act as liaisons for City interests and Community Development collaborative efforts. Homeless Management Information System (HMIS) data helps the City and CoC determine effectiveness of initiatives and strategies and identify gaps in service by population. Community Development takes this information into account when deciding priority populations, facility needs, and project management procedures.

The PPCoC also acts as a convener of regional service providers to help inform the policies, procedures, and funding priorities of public funders such as the Community Development Division.

In 2022, the PPCoC administrator, Community Health Partnership (CHP), kicked off their Housing Provider Network meetings to better address barriers to housing and landlord/tenant/service provider relationships. CHP also rolled out the flexible housing support fund made possible by a private grant. This fund enabled service providers to help level the playing field for their clients in a competitive market. Between June and October 2022, this flexible funding has provided \$126,322.01 for 58 households, comprised of 172 individuals.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

Community Development manages federal ESG funds, while the CoC is the collaborative applicant for federal CoC funds and manages state ESG funds. Both entities award these funds competitively to service providers in the region. CDD collaborates with the CoC administrative staff to determine the awarding of funding.

The strategy for spending ESG funding is generally dictated by the program parameters and the fact that ESG covers activities other sources do not. The City typically makes its funding available for all five components of the ESG program. It directs its full 60% cap of entitlement ESG funds for shelter operations and street outreach, to help local low-barrier shelters because those activities are not eligible for CoC funds. The remaining 40% is divided between rapid rehousing, homelessness prevention, and HMIS.

Rapid rehousing is valued by the members of the PPCoC, as it is a critical tool in diversion and connecting people to stable, permanent housing. Subrecipient control of these funds make it an even more valuable tool to use when Emergency Rental Assistance Program (ERAP) funds can often not be available quickly enough to resolve a housing emergency. Homelessness prevention is a valuable piece of ESG funding as it is not currently funded by CoC grant dollars. However, it remains the hardest program for service providers to run because of the high administrative

barriers that make it hard to serve those who are truly at risk of homelessness. Lastly, support for HMIS remains a regional priority because of the value the community (and HUD) place on data quality and outcome reporting.

CDD took part in reviewing and providing feedback on the CoC Strategic Plan and supports a shared model for collaboration and data informed decisions that will be carried forward into 2023. There remain gaps in permanent supportive housing and services for families with children and households scoring extremely high on the vulnerability index (usually indicating substantial medical, mental health, or other supportive service needs). Family shelter, rapid rehousing, and permanent supportive housing continue to be high-priority projects for 2023, with support for housing navigation a critical need in the tightening housing market.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction’s consultations with housing, social service agencies and other entities

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	El Paso County Economic Development
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	El Paso County Economic Development manages county CDBG funds and a Housing Trust Fund. City CDD staff meets quarterly to share information about program activities, funding priorities, potential cooperative efforts, shared subrecipients, data tools and fair housing planning.

2	Agency/Group/Organization	Colorado Springs Housing Authority (CSHA)
	Agency/Group/Organization Type	PHA Services - Housing Other government - Local
	What section of the Plan was addressed by Consultation?	Public Housing Needs Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CSHA is the local public housing authority (PHA). The City's Community Development Division (CDD) manager meets regularly with the CSHA Executive Director to discuss public housing needs, housing affordability in the region, and alignment of upcoming projects and activities across CDD and CSHA programs. Shared priorities and desired outcomes include housing extremely low-income households, increasing the supply of affordable and accessible rental housing, and effectively leveraging HUD funds with other finance tools such as the Low-Income Housing Tax Credit (LIHTC) program. Five other CDD staff representing affordable housing development and preservation, homelessness response and prevention, planning and policy staff met with CHSA to discuss CSHA's annual budget, property portfolio, types of vouchers and uses, housing navigation, capital needs and expenditures, and affordable housing development. CDD supported an additional housing navigator in 2022 for clients with housing vouchers, who are having a harder time finding units available due to increasing rents in a tightening housing market; staff checked in with the CSHA to talk about outcomes from this additional position. CSHA is invited to apply for 2023 funds to maintain this capacity. CDD will continue to support CSHA in leveraging tax-credit financing as well as HOME and CDBG funds from the City of Colorado Springs, the Section 504 Program, and encouraging CSHA resident participation.
3	Agency/Group/Organization	City of Colorado Springs Homelessness Prevention and Response Coordinator
	Agency/Group/Organization Type	Other government - Local

	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City's Homelessness Prevention and Response Coordinator manages the City's Homelessness Initiative and facilitates connections among all City departments with programs serving people experiencing homelessness. Anticipated outcomes are improved outcomes for City programs, better serving people experiencing homelessness through coordination of information, increased efficiency and more timely data on current conditions and prioritization of community needs, maintain and build on homeless outreach programs, and improve data-driven community education on homelessness between the CDD, homelessness prevention, and the CoC.
4	Agency/Group/Organization	Colorado Legal Services, The Justice Center
	Agency/Group/Organization Type	Regional organization Civic Leaders
	What section of the Plan was addressed by Consultation?	Other: Fair Housing, Housing stability
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Discussed CDBG funding priorities, eviction prevention resources, current eviction trends and projections, and legal agency needs.
5	Agency/Group/Organization	CONO
	Agency/Group/Organization Type	Civic Leaders

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	In 2022 CONO adopted a new mission focused on educating and equipping neighborhood leaders to exercise their voices in the public process, then launched a neighborhood leadership development program throughout the city. CDD staff participates in the program and meets with leadership of CONO to share information about neighborhood support, especially for under-resourced neighborhoods.
6	Agency/Group/Organization	Pikes Peak Continuum of Care
	Agency/Group/Organization Type	Services-homeless Regional organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CDD's new Homelessness and Response Coordinator serves as an ex-officio member of the PPCoC board and CDD staff and PPCoC administrators work closely on using HMIS data to evaluate outcomes of ESG-funded activities.
7	Agency/Group/Organization	Colorado Springs City Council Members
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Other

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CDD staff met with members of City Council prior to drafting the plan in order to capture constituent concerns and familiarize our local leaders with the public process. We shared feedback collected so far and heard Council members' thoughts and issues brought up in their districts. Issues and suggestions raised: need for collaboration with landlords to accept more vulnerable tenants, resources needed to prevent displacement of low-income seniors, request to better describe how HUD funding fits into overall community resources and support for affordable housing.
8	Agency/Group/Organization	Philanthropy Collective
	Agency/Group/Organization Type	Civic Leaders
	What section of the Plan was addressed by Consultation?	Other
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CDD staff met with 15 representatives of private foundation funders to describe the Annual Action Plan development process, what we fund, impact numbers, and the gaps that we've seen in needed services. The goal is to share funding strategies to coordinate among various funders wherever possible to better meet community needs, for services, infrastructure and housing.
9	Agency/Group/Organization	Coalition for Homelessness Advocates & Providers (CHAP)
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homelessness Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CDD staff periodically attend meetings of the Coalition for Homelessness Advocates & Providers, including one to hear from local school districts' Title 1 and McKinney-Vento staff about activities to serve students experiencing homelessness. Anticipated outcomes include better connecting students and families in need with HMIS and service providers. Their experiences reinforced the high need and lack of housing options for families experiencing homelessness.
10	Agency/Group/Organization	Innovations in Aging Collaborative
	Agency/Group/Organization Type	Civic Leaders
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CDD staff attended and presented at Innovations in Aging Collaborative's Age Friendly Summit. The Innovations in Aging Collaborative (IIAC) is currently leading a project to make El Paso County more age friendly. CDD staff works with the collaborative to address the growing problem of senior housing displacement resulting from rapidly increasing rents.
11	Agency/Group/Organization	Community Housing Affordability Task Force (CHAT)
	Agency/Group/Organization Type	Civic Leaders
	What section of the Plan was addressed by Consultation?	Housing Needs Assessment, Homeless Needs, Families with Children,
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Community Development Division Manager attends monthly meetings with the Housing Affordability Task Force, a group including leaders of nonprofit and for-profit housing developers and economic development groups. Anticipated outcomes are increased support for development of affordable housing through advocacy, incentive programs, public private partnerships.

12	Agency/Group/Organization	The Justice Center, PPLD, Brothers Redevelopment, Colorado Legal Services
	Agency/Group/Organization Type	Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Other
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CDD staff meets with these partner agencies who collaborate on eviction prevention efforts through tenant legal education to discuss continuing need and impact of the collaboration. These educational programs will continue into 2023.
13	Agency/Group/Organization	Public Works and Parks Departments
	Agency/Group/Organization Type	Other government - Local,
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless, Other,
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	CDD staff participate in ad hoc meetings about major initiatives and public projects that affect homelessness and low-income neighborhoods such as railroad realignment project, trail usage and park usage. Meetings keep CDD staff up to date on community needs and options for leveraging HUD funds for greater impact.

14	Agency/Group/Organization	Comprehensive Planning
	Agency/Group/Organization Type	Other government - Local,
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless, Other,
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development Division staff attended meetings kicking off the neighborhood planning process for the Greater Westside, which includes several LMI neighborhoods. Staff will participate in the process in 2023 to help address needs of those neighborhoods.
15	Agency/Group/Organization	Senior Service Agencies
	Agency/Group/Organization Type	Services-Elderly Persons, Civic Leaders,
	What section of the Plan was addressed by Consultation?	Non-Homeless Special Needs,
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Community Development staff met with Silver Key, Colorado Legal Services, D2 School Board member, AARP, Urbanites Leading, League of Women Voters, Pikes Peak Area Agency on Aging, UCCS Aging Center, UCCS Aging Center to share AAP planning process and solicit input on goals and priorities. Outcomes are greater recognition of the acute needs facing low-income seniors, especially food security, housing and health needs.

Identify any Agency Types not consulted and provide rationale for not consulting

CDD staff did not engage with any Community Development Financial Institutions in preparation for the Annual Action Plan. While there are no Colorado Springs-based or El Paso County-based CDFIs, there are CDFIs elsewhere in the state and in other Mountain West states which staff intends to consult on specific programs to be developed under the CDBG Economic Development activity throughout the program year. CDD staff also did not consult with major private employers directly, but CDD listens to and considers their feedback indirectly through close collaborations with the economic development division.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
2021 PPCoC 3-Year Strategic Plan	Community Health Partnership	Outlines regional strategy to prevent and end homelessness.
PlanCOS	City of Colorado Springs	This strategic plan and the City Strategic Plan are designed to complement each other and contain the same goals and strategies, specifically around arresting decline in targeted neighborhoods and supporting affordable housing with access to transit.
HomeCOS: Colorado Springs 2020 Affordable and Attainable Housing Plan	City of Colorado Springs	Ongoing planning effort targets strategies to ease housing development for the low- and very low-income groups
City of Colorado Springs HOME-ARP Allocation Plan	City of Colorado Springs	This plan directly addresses our affordable housing and homelessness response by identifying how we will spend our additional HOME funds allocated from the American Rescue Plan.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
2019 Homelessness Initiative	City of Colorado Springs	The Initiative goals were developed by City homelessness prevention and response coordinator and vetted by public. Outreach expansion goal aligns with CDD funding eligibility.
Mill Street Neighborhood Plan	City of Colorado Springs	2019 plan to strengthen historic downtown neighborhood by increasing economic, cultural, and physical resilience. CDBG and HOME-friendly strategies to prevent displacement and improve neighborhood conditions.
2020 CAPER and 2021 Annual Plan	City of Colorado Springs	These federal documents were considered in order to assess progress, long-term strategic planning, and future goals in light of past efforts
Colorado Springs School District Facilities Master Plan	Colorado Springs School District 11	This document identifies school campuses in the city in need of major repairs. The Division is using this document and guidance from D11 leaders as a focal point to initiate neighborhood-scale improvements in LMI areas.
2022 Fair Housing Trends Report	NFHA	Colorado Springs housing trends often follow national trends. This report will help the Community Development team provide relevant education and resources to groups disproportionately affected by fair housing barriers on a local level.
Southeast Strong (in process) + Health Equity Assessment	City of Colorado Springs Comprehensive Planning	This neighborhood plan is currently in the works under the leadership of the Comprehensive Planning Division. It covers southeast Colorado Springs and identifies key infrastructure and community development recommendations that Community Development can support in implementation.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Out of Reach Report	National Low Income Housing Coalition	This report provides timely data by state on housing costs, housing barriers, tenant experiences, policy trends and ideas from the nation’s leading housing advocacy group. These annual reports help staff prioritize housing program types, communicate goals and outcomes, and learn about federal policy advocacy.
Platte Ave. Corridor Study	City of Colorado Springs Public Works	This study of one of Colorado Springs’ most vital street corridors, which runs through consecutive low-moderate census tracts, aims to improve mobility options, economic opportunities, and sustainable development for area residents.
2023-2024 Qualified Allocation Plan	Colorado Housing Finance Authority	The Qualified Allocation Plan lays out the priorities and requirements for projects seeking tax credits. This document helps CDD staff guide local developers in preparing high quality, competitive projects for consideration and helps us set similar goals for our own underwriting processes to eliminate redundant requests.

Table 3 – Other local / regional / federal planning efforts

Narrative (optional)

This year consultations were conducted through a mix of in person, virtual and hybrid formats. Whenever possible and safe, in person conversations allow for more substantive interaction, while virtual formats can provide greater access to some residents and partner organizations. The Division will continue to utilize hybrid formats to the extent possible to gain the greatest participation.

AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The Citizen Participation Plan (CPP) provides for and encourages public participation and consultation, emphasizing involvement by residents and the organizations and agencies that serve low and moderate income (LMI) persons in the planning and implementation of community development and housing programs. The CPP establishes the policies and procedures by which citizens of the City of Colorado Springs, public agencies, and other interested parties can actively participate in the development of the Consolidated Plan, Annual Action Plan (AAP), Substantial Amendments, and the Consolidated Annual Performance and Evaluation Report (CAPER). The City's Office of Accessibility recently updated policies and CDD is in the process of incorporating those updates into our plan.

Staff reviews non-English language demographic trends annually to ensure accuracy of the CPP. The CPP is available on the CDD website at www.coloradosprings.gov/community-development and at the Community Development Division office located at 30 S. Nevada Avenue, Suite 702, 80903.

Before drafting the Annual Action Plan, the Community Development Division (CDD) conducted two hybrid (virtual and in person) public hearings to obtain feedback and solicit input into the needs of the community and this Annual Action Plan (AAP). The meetings provided an introduction and explanation of the 2023 AAP purpose, the process and the schedule for its completion. The presentations provided an opportunity for questions and comments, and a recording was made available on the Division's website. Public notice was published in the paper of record The Gazette October 10, 2022 for meetings held October 26 & 27. Meeting notices were sent out in English and Spanish to 470+ community partners and residents through Community Development's email list and shared on the City's website. The notices included offering language interpretation without charge upon request, the meeting videos were posted to the City's website and shared via email, and the posted video provided the option for participants to view captions in several languages. Citizens were also invited to send in comments by email via the website and by phone.

The draft 2023 Annual Action Plan was made available for public review and comment from December 12, 2022 to January 11, 2023 and presented for comment and input at a hybrid (virtual and in person) public hearing on January 4, 2023. Notice of the availability of the draft plan and the opportunity to comment on it were advertised in the paper of record The Gazette on November 25, 2022, by email and on the City’s website. The draft was made available on the City’s website at <https://coloradosprings.gov/community-development> and physical copies were available at the following locations Monday through Friday during normal business hours: Community Development Division Office (Suite 701) and Office of the City Clerk (Suite 101), 30 S. Nevada Ave.; City Hall, 107 N. Nevada Ave.; Penrose Library, 20 N. Cascade; 21st Century Library, 1175 Chapel Hills Dr.; Hillside Community Center, 925 S. Institute St.; Westside Community Center, 1628 W. Bijou St.; Meadows Park Community Center, 1943 S. El Paso Ave.; and Deerfield Hills Community Center, 4290 Deerfield Hills Rd.

Any individual, group, or agency was allowed to submit written comments on the draft 2023 Annual Action Plan to the City of Colorado Springs Community Development Division, or by phone, or email. All comments received on or before January 11, 2023 were considered by the City of Colorado Springs Community Development Division.

The following table summarizes comments received during and after public notice of the first public hearings, during the 30-day comment period, and during the second public hearing.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Hearings	Non-targeted/broad community	The Community Development Division held two hybrid (virtual and in person) hearings on Wednesday 10/26, 6-7 p.m. at Ruth Holley Library and Thursday 10/27, 10-11 a.m.	No members of the public attended in person and a few joined online. There were no	All comments from the public were welcome. The Division removes personally identifying	https://coloradosprings.gov/project/community-development-2023-annual-action-plan

			at the City Administration Building, with both also accessible online, to inform the public about community development efforts in the plan and to gather input on the plan. The meetings were recorded and a video and the slides were posted on the Division's website.	comments or questions during the meeting.	information for comments received.	
2	Public Comment Period	Non-targeted/broad community	The draft 2023 Annual Action Plan was made available for public review and comment from December 12, 2022 to January 11, 2023 on the City website at https://coloradosprings.gov/community-development and copies were made available at the following locations Monday through Friday during normal business hours: Community Development Division Office (Suite 701) and Office of the City Clerk (Suite 101), 30 S. Nevada Ave.; City Hall, 107 N. Nevada Ave.; Penrose	All members of the public are welcome. Any comments received during the public comment period will be added here at the end of the comment period	All comments from the public were accepted.	https://coloradosprings.gov/community-development

			Library, 20 N. Cascade; 21st Century Library, 1175 Chapel Hills Dr.; Hillside Community Center, 925 S. Institute St.; Westside Community Center, 1628 W. Bijou St.; Meadows Park Community Center, 1943 S. El Paso Ave.; and Deerfield Hills Community Center, 4290 Deerfield Hills Rd.			
3	Public Hearings	Non-targeted/broad community	The Community Development Division held a virtual hearing on Wednesday January 4, 2023 from 6:00PM to 7:00PM at the City Administration Building and accessible virtually on the internet to inform the public about community development efforts in the plan and gather feedback on the draft plan.	Approximately 25 people attended (10 in person and 15 online). Attendees expressed concerns about homeless camp sweeps and disposing of residents' possessions, the lack of resources and emergency	All comments from the public were accepted	https://www.youtube.com/watch?v=7xxDnopOZpc

				planning when it comes to warming shelters and other services during a state of emergency.		
--	--	--	--	---	--	--

Table 4 – Citizen Participation Outreach

Annual Action Plan

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

Federal resources: The City of Colorado Springs receives funding through the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) programs. At the time of publication of the draft 2023 Annual Action Plan for public comment, the City of Colorado Springs had not been notified by HUD of the amount of funding to be allocated to the City for the 2023 program year.

Allocations were announced in February 2023 and were lower than the estimated amount in our initial draft plan. The City now anticipates receiving \$3,082,164 in Community Development Block Grant (CDBG) entitlement funding, \$1,775,470 in HOME Investment Partnership Program funding, and \$266,548 in Emergency Solutions Grant (ESG) funding in Program Year 2023. The Division also anticipates Program Income (PI): \$200,000 from CDBG projects, \$800,000 from HOME projects, and none from ESG. Project budgets have been adjusted on a pro rata basis to match the allocation.

Please note: CARES Act (CDBG-CV and ESG-CV) funding is tracked through our 2020 Annual Action Plan per HUD guidance and does not appear in this plan. Also, per HUD guidance, HOME funds through the American Rescue Plan Act (referred to as HOME-ARP) will be tracked through our 2021 Annual Action Plan. Those plans are available on the City’s website at <https://coloradosprings.gov/community-development> under “What We Do” and “Plans and Reports.” Please contact staff at communitydevelopment@coloradosprings.gov with any questions about the status of projects funded by these special funds.

While the AR-15 and AR-20 only address 2023 resources, there are other sections of this year’s action plan that describe all related program activity regardless of funding source.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 4 of the ConPlan				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	\$3,082,164	\$200,000	0	\$3,282,164	\$3,282,164	Remainder of ConPlan is for program year 2024. Prior year PI will go toward all eligible CDBG projects.
Section 108	public - federal	Public Improvements	\$6,000,000	0	0	\$6,000,000	-	Once approved, this amount will be authorized as a line of credit to be drawn as needed in PY 2023.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 4 of the ConPlan				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	\$1,775,470	\$800,000	0	\$2,575,470	\$2,575,470	Remainder of ConPlan is for program year 2024.
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	\$266,548	0	0	\$266,548	\$266,548	Remainder of ConPlan is for program year 2024.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

The City will use federal block grant funding, program income, City general funds, private activity bonds, and other incentive programs to address the objectives identified in this plan. High-impact projects with the potential for public-private partnerships will be prioritized to leverage additional resources, such as state and federal tax credits for local development.

All grant applicants across all programs who use our new platform, Neighborly, must show the full project breakdown, including those costs not included in the grant request. Nonprofit housing and service providers rely on many sources of revenue for their operations. Most projects are made possible with some mix of federal grants, other public grants, private donations, and regular operating funds.

The City's Private Activity Bond capacity is set aside for affordable housing development each year – revenue generated from issuer fees will be utilized within the Affordable and Attainable Rental Multi-Family Rebate Program to rebate qualified development review fees.

Colorado Springs complies with federal matching requirements for both HOME and ESG funds. HOME match is satisfied on an annual basis, while ESG match is required at the time of each individual award. Colorado Springs currently carries over a balance of \$2,852,667.23 as HOME match credit from previous years to apply towards PY2023 HOME match liability. Each HOME dollar we spend is matched 25% for projects within the program year, including new construction of multifamily projects, acquisition and rehab projects, and homeownership programs.

ESG funds are matched by subrecipient funds. Nonprofits are asked to show how they will meet the 1:1 match requirement during the application phase. The Division monitors match expenditures throughout the life of the project and will withhold final reimbursements until the full match has been spent and documented. The Division will award projects with the assistance of the Pikes Peak CoC administrators to ensure ESG funds are leveraged most effectively with funds the CoC receives from HUD.

Federal Low-Income Housing Tax Credits (LIHTC), which are allocated at the state level by the Colorado Housing Finance Authority (CHFA), have proven to be a highly effective method of increasing the supply of affordable housing. The City's strategy for coordinating LIHTC development

into its affordable housing supply for low and moderate-income families is to provide technical assistance on an as-needed basis through the Community Development Division. The requirements for HOME financing mirror many of the Colorado Housing Finance Authority's requirements, creating a natural additional source of support for successful LIHTC applicants with projects in Colorado Springs.

Lastly, the Division launched the Affordable and Attainable Multi-Family Rental Fee Rebate program in partnership with Colorado Springs Utilities (CSU) to incentivize affordable housing development. The fee rebate program is funded with sustainable revenue from private activity bond issuer fees, Colorado Springs Utilities contributions, State grants, and philanthropic contributions.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The majority of publicly owned land within the jurisdiction is dedicated to specific purposes such as parks, stormwater facilities, transportation rights-of-way, and other municipal needs. City departments overseeing those lands are made aware of and invited to apply for these funds to address accessibility and availability for special needs populations or residents of low-income neighborhoods.

Discussion

N/A

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	1A. Expand Public Infrastructure	2020	2024	Non-Housing Community Development	Citywide	Expand/Improve Public Infrastructure & Facilities	CDBG: \$363,956.45	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2500 Persons Assisted
2	1B. Improve Public Infrastructure Capacity	2020	2024	Non-Housing Community Development	Citywide	Expand/Improve Public Infrastructure & Facilities	CDBG: \$363,956.45	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2500 Persons Assisted
3	1C. Improve Access to Public Facilities	2020	2024	Non-Housing Community Development	Citywide	Expand/Improve Public Infrastructure & Facilities	CDBG: \$363,956.45	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 2500 Persons Assisted
4	2A. Provide for Owner Occupied Housing Rehab	2020	2024	Affordable Housing	Citywide	Preserve & Develop Affordable Housing	CDBG: \$612,533.51	Homeowner Housing Rehabilitated: 60 Household Housing Unit

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	2B. Increase Homeownership Opportunities	2020	2024	Affordable Housing	Citywide	Preserve & Develop Affordable Housing	HOME: \$1,348,961.50	Homeowner Housing Added: 5 Household Housing Unit Direct Financial Assistance to Homebuyers: 14 Households Assisted
6	2C. Increase Affordable Rental Housing Options	2020	2024	Affordable Housing	Citywide	Preserve & Develop Affordable Housing	CDBG: \$600,000.00 HOME: \$1,226,508.50	Rental units constructed: 127 Household Housing Unit Rental units rehabilitated: 78 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 21 Households Assisted
7	3A. Provide Supportive Services for Special Needs	2020	2024	Homeless Non-Homeless Special Needs	Citywide	Public Services & Quality of Life Improvements	CDBG: \$344,938.41	Public service activities other than Low/Moderate Income Housing Benefit: 2500 Persons Assisted
8	3B. Provide Vital Services for LMI Households	2020	2024	Non-Housing Community Development	Citywide	Public Services & Quality of Life Improvements	CDBG: \$344,938.41	Public service activities other than Low/Moderate Income Housing Benefit: 2500 Persons Assisted
9	4A. Direct Assistance to For-Profit Businesses	2020	2024	Non-Housing Community Development	Citywide	Economic Development Opportunities	CDBG: \$287,884.31	Businesses assisted: 10 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
10	5A. Provide Homeless Rapid Re-Housing Assistance	2020	2024	Homeless	Citywide	Homeless Housing & Supportive Services	ESG: \$46,645.90	Tenant-based rental assistance / Rapid Rehousing: 40 Households Assisted Homelessness Prevention: 20 Persons Assisted
11	5B. Provide Assistance to Homeless Shelters	2020	2024	Homeless	Citywide	Homeless Housing & Supportive Services	ESG: \$219,902.10	Homeless Person Overnight Shelter: 3500 Persons Assisted

Table 6 – Goals Summary

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.215(b)

Using 2023 HOME and CDBG funds and program income, the City expects to support projects that will produce the following outcomes:

Homeowner Housing Rehabilitated: 60 Household Housing Units
Homeowner Housing Added: 5 Household Housing Units
Direct Financial Assistance to Homebuyers: 14 Households Assisted

Rental units constructed: 127 Household Housing Units
Rental units rehabilitated: 78 Household Housing Units
Tenant-based rental assistance / Rapid Rehousing: 21 Households Assisted

Goal Descriptions

1	Goal Name	1A. Expand Public Infrastructure
	Goal Description	The City will expand public infrastructure capacity in low-to-moderate income neighborhoods throughout the City. We will accomplish this by inviting our city departments and local nonprofits to bring forward projects that align with our priorities of public health and neighborhood stability. Given the number of imminent projects coming out of the City slated to serve LMI neighborhoods and special needs populations, it is unlikely these infrastructure funds will be awarded via NOFA.
2	Goal Name	1B. Improve Public Infrastructure Capacity
	Goal Description	The City will allocate funding to improve existing infrastructure capacity by making needed repairs to existing infrastructure. We will accomplish this by inviting our city departments and local profits to bring forward projects that align with our priorities. Given the number of imminent projects coming out of the City slated to serve LMI neighborhoods and special needs populations, it is unlikely these infrastructure funds will be awarded via NOFA.
3	Goal Name	1C. Improve Access to Public Facilities
	Goal Description	The City will allocate funding to improve access to facilities such as community centers, senior centers, parks, libraries, as well as public facilities owned by partner nonprofit organizations.
4	Goal Name	2A. Provide for Owner Occupied Housing Rehab
	Goal Description	The City will allocate funding to provide for much needed repairs to the City's aging housing stock. This shall include but is not limited to owner-occupied housing rehabilitation to address emergency repairs, weatherization, or accessibility improvements.
5	Goal Name	2B. Increase Homeownership Opportunities
	Goal Description	The City will allocate funding for down payment assistance via three different housing organizations serving first time homebuyers to increase affordable housing opportunities for low- to moderate-income homebuyers.

6	Goal Name	2C. Increase Affordable Rental Housing Options
	Goal Description	The City will allocate funding to provide for acquisition, rehabilitation or new construction of affordable housing units. Additionally, the City will allocate funding for rental assistance for low-income and special needs populations, such as people exiting homelessness, providing match funding for projects awarded tax credits, state grant funding, and/or HOME-ARP funding. For more details on housing activities, see AP-38.
7	Goal Name	3A. Provide Supportive Services for Special Needs
	Goal Description	The City will allocate funding for supportive services directed towards special needs population, specifically for seniors and persons or families experiencing homelessness, through its annual competitive application process in first quarter of 2023. We anticipate awarding funds to organizations to carry out housing-related services for many special needs households in 2023. However, we listed '0' households under the "Low/Moderate Income Housing Benefit" indicator because these beneficiaries will qualify under LMC standards.
8	Goal Name	3B. Provide Vital Services for LMI Households
	Goal Description	The City will provide funding through a mix of direct awards and a competitive application process for services and programs that primarily benefit low-income individuals or families. Funding priorities will remain closely tied to housing and family stability, and services that help households affected by the pandemic with essential needs. We estimate a minimum of 2,500 LMI beneficiaries of these 2023 funds. We also anticipate awarding funds to organizations to carry out housing-related services to help many LMI households in 2023. However, we listed '0' households under the "Low/Moderate Income Housing Benefit" indicator because these beneficiaries will qualify under LMC standards.
9	Goal Name	4A. Direct Assistance to For-Profit Businesses
	Goal Description	Further assistance will be provided to Solid Rock Community Development Corporation for the planning and development of the Southeast Community Hub. Additionally, the re-launch of the Commercial Façade and Frontage Improvement Grant (CFFIG) program will revive a prior year effort to improve the appearance of a commercial property serving a low- to-moderate income area.

10	Goal Name	5A. Provide Homeless Rapid Re-Housing Assistance
	Goal Description	The City will provide funding for homelessness prevention and rapid re-housing programs to minimize the time individuals or families experience homelessness as well as to reduce the number of persons experiencing homelessness in Colorado Springs.
11	Goal Name	5B. Provide Assistance to Homeless Shelters
	Goal Description	The City will provide funding to support homeless shelter operations and facility improvements for eligible organizations as needed. The Division will directly award funds to shelter providers in 2023.

3B. AP-35 Projects – 91.220(d)

Introduction

The following projects have been identified for funding during the 2023 program year. At the time of publication of the draft 2023 Annual Action Plan for public comment, the City of Colorado Springs had not been notified by HUD of the amount of funding to be allocated to the City for the 2023 program year. The Division budgeted for a 10% increase over 2022 allocations for each entitlement grant. The following projects have been allocated a percentage of each grant funding source (CDBG, HOME or ESG). The actual funding amounts were updated on a pro rata basis with the final allocation numbers.

Projects

#	Project Name
1	CDBG: Administration (20%)
2	CDBG: Housing Programs (35%)
3	CDBG: Public Facilities & Infrastructure (25%)
4	CDBG: Public Services (15%)
5	CDBG: Economic Development (5%)
6	HOME: Administration (10%)
7	HOME: CHDO Reserves (15%)
8	HOME: Non-CHDO Development Activities (45%)
9	HOME: Homebuyer Assistance Program (10%)
10	HOME: TBRA (20%)
11	ESG: Homeless Housing and Services

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The priorities here are largely the result of the community needs that emerged through the data analysis, community participation, and stakeholder consultations of the 2020-2024 Consolidated Plan process. Through these efforts, the City identified five (5) priority needs and associated goals to address those needs. All activities selected for funding must address the identified goals and priority needs.

The activities CDD would like to prioritize center around several key initiatives:

- Leveraging entitlement funds to complement historic state investments in transformative

affordable housing and homeless services

- Meeting the City's commitment to its House America goals
- Addressing gaps in emergency shelter services
- Remodeling the City's only Senior Center
- Supporting innovative economic development efforts in the Southeast
- Continue implementing neighborhood and area plans

AP-38 Project Summary

Project Summary Information

1	Project Name	CDBG: Administration (20%)
	Target Area	
	Goals Supported	1A. Expand Public Infrastructure 1B. Improve Public Infrastructure Capacity 1C. Improve Access to Public Facilities 2A. Provide for Owner Occupied Housing Rehab 3A. Provide Supportive Services for Special Needs 3B. Provide Vital Services for LMI Households 4A. Direct Assistance to For-Profit Businesses
	Needs Addressed	Expand/Improve Public Infrastructure & Facilities Preserve & Develop Affordable Housing Public Services & Quality of Life Improvements Economic Development Opportunities
	Funding	CDBG: \$616,433, Program Income: \$40,000
	Description	Administration of the CDBG Program for the City of Colorado Springs throughout the 2023 program year. This will include staff salaries, consulting and other technical assistance services as well as program planning efforts. These administrative efforts support the successful completion of all other CDBG funded projects and activities. Administrative funding is capped, by HUD regulations, at no more than 20% of the annual CDBG allocation. CDBG Program Income is an estimate, is allocated evenly among CDBG projects, and will not be committed until income is realized.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Admin efforts affect all beneficiaries of the program: all will be low-to-moderate income and the majority will fall into special needs category during the 2023 program year.
	Location Description	Citywide administration of the CDBG program.
	Planned Activities	Staff salaries, planning, general admin
2	Project Name	CDBG: Housing Programs (35%)
	Target Area	

	Goals Supported	2A. Provide for Owner Occupied Housing Rehab 2C. Increase Affordable Rental Housing Options
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	CDBG: \$1,078,757; Program Income: \$40,000
	Description	The City will utilize 35% of its annual CDBG allocation plus its program income to support a variety of housing rehabilitation programs to support low-income homeowners and renters throughout the City. CDBG Program Income is an estimate, is allocated evenly among CDBG projects, and will not be committed until income is realized.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	138 LMI households, the majority of which will be very low income and have special needs, will benefit from these programs during the 2023 program year.
	Location Description	Citywide CDBG housing programs.
	Planned Activities	Owner occupied housing rehab, single and multifamily rehabilitation of rental properties.
3	Project Name	CDBG: Public Facilities & Infrastructure (25%)
	Target Area	
	Goals Supported	1A. Expand Public Infrastructure 1B. Improve Public Infrastructure Capacity 1C. Improve Access to Public Facilities
	Needs Addressed	Expand/Improve Public Infrastructure & Facilities
	Funding	CDBG: \$770,541; Program Income: \$40,000 Section 108: \$6,000,000
	Description	The City will utilize 25% of its annual CDBG allocation for expansion and improvements to public facilities and infrastructure investments. CDBG Program Income is an estimate, is allocated evenly among CDBG projects, and will not be committed until income is realized.
	Target Date	3/31/2024

	Estimate the number and type of families that will benefit from the proposed activities	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 7,500 Persons Assisted
	Location Description	Low to moderate income neighborhoods throughout the City.
	Planned Activities	Identified projects include redevelopment of the City-owned Senior Center, to be supported by 2023 CDBG funds and Section 108 loans. Staff will review eligible projects arising from City Neighborhood Planning Programs for the Southeast and Westside neighborhoods as well as the Platte Avenue Corridor Study area. Implementation needs for the Mill Street Neighborhood plan, a historic LMI neighborhood will also be considered for support.
4	Project Name	CDBG: Public Services (15%)
	Target Area	
	Goals Supported	3A. Provide Supportive Services for Special Needs 3B. Provide Vital Services for LMI Households
	Needs Addressed	Public Services & Quality of Life Improvements
	Funding	CDBG: \$462,325; Program Income: \$40,000
	Description	The City of Colorado Springs will continue to provide support for local service providers with a focus on services for special needs populations including homeless services and services for seniors. Public services are typically offered by nonprofit partners of the City. The City is limited, by CDBG regulations, to utilizing up to 15% of the annual allocation and program income for Public Services activities. CDBG Program Income is an estimate, is allocated evenly among CDBG projects, and will not be committed until income is realized.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Public service activities other than Low/Moderate Income Housing Benefit: 2,500 Persons Assisted

	Location Description	Citywide public services for those in need of household stabilization services (food insecurity, housing insecurity, health needs, counseling, etc.), experiencing homelessness, or at risk of becoming homeless, as well as seniors.
	Planned Activities	At this time the Division has identified homeless services as a top priority in order to address critical gaps identified in our HOME-ARP plan (2021 AAP Amendment). A portion of the Public Services budget will be awarded directly (noncompetitively) to two emergency shelters. The Division will publish a Notice of Funding Availability (NOFA) in March 2023 to award the smaller portion of Public Services funds on catalytic or pilot projects that serve vulnerable populations.
5	Project Name	CDBG: Economic Development (5%)
	Target Area	Citywide
	Goals Supported	4A. Direct Assistance to For-Profit Businesses
	Needs Addressed	Economic Development Opportunities
	Funding	CDBG: \$154,108, Program Income: \$40,000
	Description	The City will allocate 5% of the annual CDBG allocation to support for-profit and nonprofit businesses throughout the community. Funds will be directed towards a combination of eligible economic development activities. For-profit activities may include façade improvements or microenterprise business assistance. Nonprofit activities may include support for nonprofit development activities related to renovation and construction. CDBG Program Income is an estimate, is allocated evenly among CDBG projects, and will not be committed until income is realized.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Provided the level of funding for this project, the outcome would most likely entail 5-10 microbusinesses supported (for-profit) or 1 nonprofit business supported.
	Location Description	Citywide based on participant eligibility, however, priority will be given to for-profit and nonprofit businesses located in SE Colorado Springs.
	Planned Activities	The City is considering options that may include a business accelerator to assist for-profit businesses to provide training, coaching and consulting for business sustainability or renovations of a commercial hub being developed by a Community Development Corporation.

6	Project Name	HOME: Administration (10%)
	Target Area	
	Goals Supported	2B. Increase Homeownership Opportunities 2C. Increase Affordable Rental Housing Options
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	HOME: \$177,547
	Description	The City will utilize 10% of the annual HOME allocation for administrative expenses including staff salaries, planning efforts as well as consulting and technical assistance efforts.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	N/A
	Location Description	Citywide administration of the HOME program.
	Planned Activities	General administrative expenses including staff salaries, planning efforts as well as consulting and technical assistance efforts
7	Project Name	HOME: CHDO Reserves (15%)
	Target Area	
	Goals Supported	2B. Increase Homeownership Opportunities 2C. Increase Affordable Rental Housing Options
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	HOME: \$266,321
	Description	CDD is budgeting 15% of the annual HOME allocation for eligible Community Housing Development Organizations (CHDOs). Funds will increase capacity within CHDO development organizations and assist in developing affordable housing throughout the City.
	Target Date	3/31/2024

	Estimate the number and type of families that will benefit from the proposed activities	Homeowner Housing Added: 5 Single Family Residences Families to benefit include consideration for underserved groups including minority and single head of household populations.
	Location Description	Citywide
	Planned Activities	The City intends on partnering with Pikes Peak Habitat for Humanity (PPHFH) to provide down payment assistance to first-time homebuyers as a 2023 Program Year CHDO project. PPHFH will construct these residences in 2023 and CDD will provide a portion of the down payment assistance. The remainder of the funding in this category will support affordable housing opportunities for low-to-moderate income families throughout the City and support capacity building for other local CHDO organizations. This could include homeownership, rental development opportunities, or operating expenses.
8	Project Name	HOME: Non-CHDO Development Activities (45%)
	Target Area	
	Goals Supported	2B. Increase Homeownership Opportunities 2C. Increase Affordable Rental Housing Options
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	HOME: \$798,962 Program Income: \$500,000
	Description	The City will allocate 45% of the annual HOME allocation for affordable housing development projects to be completed by non-CHDO developers. This may include the acquisition, rehabilitation, or new construction of affordable housing for homeownership or rental opportunities. Program Income is as estimate and will not be committed until the income is realized.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Rental units constructed: 127 Household Housing Units These developments will offer a combination of 1, 2, and 3 bedroom units, with a focus on working households and families who earn between 0%-70% Area Median Income (AMI).

	Location Description	Citywide
	Planned Activities	CDD is anticipating two new multifamily properties in different areas of the city to complete construction and lease up by the end of PY 2023, providing safe, stable, and affordable housing to 127 households. There are more projects in various phases of development that will receive support this program year but will not lease up until the following year.
9	Project Name	HOME: Homebuyer Assistance Program (10%)
	Target Area	
	Goals Supported	2B. Increase Homeownership Opportunities
	Needs Addressed	Preserve & Develop Affordable Housing
	Funding	HOME: \$177,547; Program Income: \$300,000
	Description	The City will assign 10% of the annual HOME allocation for direct financial assistance to first-time homebuyers through down payment assistance. Program income is held for Rocky Mountain Community Land Trust for reinvestment into the activity.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	Ten (10) low to-moderate income families will benefit from this program during the 2023 Program Year. Families to benefit include consideration for underserved groups including minority and single head of household populations.
	Location Description	Citywide based on participant eligibility.
	Planned Activities	CDD will partner with the Rocky Mountain Community Land Trust (RMLCT), Pikes Peak Habitat for Humanity, and Elevation Land Trust to administer homebuyer programs. The program includes funding for minor rehabilitation of residences in order to meet health and safety property standards, where applicable. Eligible homebuyers are required to complete HUD-approved Housing Counseling.
10	Project Name	HOME: TBRA (20%)
	Target Area	
	Goals Supported	2C. Increase Affordable Rental Housing Options
	Needs Addressed	Preserve & Develop Affordable Housing

	Funding	HOME: \$355,094
	Description	The City will allocate 20% of the annual HOME allocation for Tenant Based Rental Assistance (TBRA). The program will be administered by subrecipients, including the Colorado Springs Housing Authority and Silver Key Senior Services. Eligible program participants will receive direct rental assistance which will allow them to identify a home of their choosing anywhere in the City.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 21 extremely low-income individuals or families will benefit from this program during the 2023 program year.
	Location Description	Citywide based on participant eligibility.
	Planned Activities	Tenant Based Rental Assistance in partnership with subrecipients.
11	Project Name	ESG: Homeless Housing and Services
	Target Area	Citywide
	Goals Supported	5A. Provide Homeless Rapid Re-Housing Assistance 5B. Provide Assistance to Homeless Shelters
	Needs Addressed	Homeless Housing & Supportive Services
	Funding	ESG: \$266,548
	Description	The City will allocate the annual ESG allocation as follows: 7.5% for general administrative expenses, 60% for homeless shelter operational support and street outreach, 15% for supporting the Homeless Management Information System (HMIS) if requested - a database system required for all ESG funded agencies, and the balance of 17.5% will be utilized for rapid re-housing and homelessness prevention programs.
	Target Date	3/31/2024
	Estimate the number and type of families that will benefit from the proposed activities	An estimated 3,000 extremely low-income individuals or families experiencing homelessness, or at risk of becoming homeless, shall benefit from the shelter programs during the 2023 program year.

	Location Description	Citywide
	Planned Activities	<p>The Division will publish a Notice of Funding Availability (NOFA) in March 2023 to solicit applications for ESG projects that serve populations at risk of and experiencing homelessness. We plan on using all 5 program components and splitting up activities as follows:</p> <p>General Program Administration = 7.5% maximum;</p> <p>Shelter Operations and Street Outreach = 60% maximum;</p> <p>Homeless Management Information System =15%;</p> <p>Rapid Re-housing & Homelessness Prevention Programs =17.5%</p>

AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

According to 2019 ACS data, the most up to date table for this indicator available, 118 census tracts (44% of all tracts) in the City are CDBG eligible, meaning over half of the residents in each of those tracts make 80% or below area median income (AMI). These tracts exist in all areas of the city, but dominate the central, eastern, and southern areas. There are 52 tracts in which over 20% of the population lives in poverty. One Census tract is designated a Racial/Ethnic Concentration of Poverty (R/ECAP) by HUD, meaning that its non-white population is over 50% and its poverty rate is either 1) higher than 40% or 2) more than three times the average poverty rate of tracts in the metropolitan area (it meets the 2nd). While there are not many R/ECAPs, the data in our Consolidated Plan shows that minority groups in Colorado Springs do experience disproportionately higher rates of housing instability and poverty.

Because eligible neighborhoods and vulnerable populations are geographically dispersed in Colorado Springs, the City allocates funds based on other factors that include analysis of neighborhood/populations needs, level of existing coordination and investment, affordable housing needs, and the strengths and merits of applications for competitively awarded funds. The City's overall budget and strategic initiatives are also factored into funding decisions to leverage other resources for shared priorities. Whenever beneficial, the City seeks to combine block grant funds with City General Funds, capital improvement funds, or other financing of affordable housing projects.

Community Development staff partners with their colleagues in all City departments and with local leaders, such as City Council members, Council boards and commissions, faith leaders, service providers, student groups, and neighborhood advocates to identify areas with urgent needs and to make immediate investments to increase accessibility, improve health and housing outcomes, and, especially urgent in the context of the pandemic, maintain housing stability for those at risk of losing their homes.

When awarding funds, Division staff does not make neighborhood location a required criterion for service providers serving income-eligible clients. However, it is a consideration dependent on neighborhood conditions and needs and the applicant organization's ability to demonstrate inclusivity and anti-discriminatory practices in marketing, staffing, programming, and outcomes for Colorado

Springs’ most vulnerable populations.

Geographic Distribution

Target Area	Percentage of Funds

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

In accordance with the 2020-2024 Consolidated Plan, the Division does not have geographic target areas.

In 2023, the Division will continue to rely on a competitive, citywide process for grant funds, prioritizing those that serve the most vulnerable populations, demonstrate project readiness, and promise high-impact outcomes. Our policies and procedures in receiving applications for funds, such as the underwriting process for housing projects, the external application review committees for CDBG and ESG projects, the citizen participation opportunities, et cetera, all work together to make sure we do not inequitably favor one neighborhood or part of the city over others. We also work extensively – and continue to build more institutional relationships – with the City’s Planning Department, Colorado Springs Utilities, and other entities to ensure that our projects complement other public and private initiatives in high-needs areas, maximizing neighborhood benefits.

Discussion

N/A

AP-55 Affordable Housing – 91.220(g)

Introduction

The following one-year goals have been established based on the indicators and scope of the City of Colorado Springs' projects this year.

One Year Goals for the Number of Households to be Supported	
Homeless	64
Non-Homeless	202
Special-Needs	39
Total	305

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	21
The Production of New Units	135
Rehab of Existing Units	138
Acquisition of Existing Units	1
Total	305

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

The goals outlined in the above tables are specific to HUD-defined programs and are meant to guide the allocation of HUD funds to support community-wide efforts to address homelessness, promote housing stability for low-income households, increase the supply of affordable and accessible housing for disabled populations, and support first-time low-income homebuyers.

CDD’s programs support an overall City-wide goal established by Mayor John Suthers to build, preserve, or make available for purchase an average of 1,000 units of affordable housing each year. This goal is met by many community partners, not all utilizing HUD funding.

In the coming year, the Division expects two highly anticipated HUD-supported projects to begin leasing up.

- The Village at Solid Rock is a 77-unit affordable housing project for families located on a parcel of land bifurcated from the adjacent Church. This project serves as a precedent for the Colorado Springs faith community on the success religious institutions can have donating excess land owned by the organization to provide housing for the community.
- Additionally, The Commons, a 50-unit permanent supportive housing project for families will serve as the first of its kind within the City. There is a continued need for additional affordable units as local average rents top \$1,500 a month.

AP-60 Public Housing – 91.220(h)

Introduction

The Colorado Springs Housing Authority (CSHA) is funded by HUD's Office of Public and Indian Housing. CSHA receives an annual budget from HUD of approximately \$25M. CSHA funds are separate from the grant funds received from HUD each year by the City of Colorado Springs though many of the projects and activities are similar. CSHA funds are used for rental assistance, CSHA operating expenses, and capital improvements to CSHA's portfolio of public housing. CSHA owns 706 units of public and senior housing and manages an additional 813 units of affordable rental housing through partnerships with private landlords. CSHA administers an annual allocation of rental assistance vouchers provided through the Section 8 Housing Choice Voucher Program. The vouchers help 2,290 low-income households keep up with rising rents across the community. CSHA's rental assistance voucher program is consistently over-subscribed, an indication of persistent rental housing un-affordability across the region. Since the Low-Income Housing Tax Credit (LIHTC) program was founded, CSHA has participated as a special limited partner in the development of approximately 1,863 affordable rental units. CSHA also administers a Tenant-Based Rental Assistance (TBRA) Program with funds from the HOME Investment Partnership Program managed by the City of Colorado Springs' Community Development Division.

In 2023, CSHA plans to carry out a broad range of affordable housing activities utilizing its annual formula grant from HUD to leverage tax-credit financing as well as HOME and CDBG funds from the City of Colorado Springs.

CSHA is unique in its mission to provide housing for extremely low-income households in the region. Approximately 80% of CSHA's voucher recipients, and 79% of residents of CSHA's conventional public housing are extremely low-income (making 30% or less of the area median income). In addition, approximately 48% of CSHA's voucher recipients, and 52% of CSHA's conventional public housing residents are disabled. Approximately 1/3 of CSHA's voucher recipients and conventional public housing residents are low-income seniors. In addition, the needs assessment conducted for the Division's 2020-2024 Consolidated Plan showed working families make up another significant percentage of households served by CSHA. Even with rental assistance, many of these families struggle to secure safe, decent housing in the current market.

Actions planned during the next year to address the needs to public housing

Federal funding for much-needed capital improvements to the public housing inventory continues to decline. Year over year, funds for capital improvements represent a diminishing percentage of HUD's budget even as HUD continues to issue directives to improve public housing, most notably by increasing

the number of affordable and accessible units in the public housing inventory. In 2019, the Community Development Division (CDD) entered into a multi-year agreement with CSHA to address the accessibility of its aging housing stock. 2023 is the final year of the multi-year contract between CSHA and CDD. The organizations will continue working together to modify existing units to increase accessibility according to the timetable established in CSHA's Section 504 Transition Plan approved by HUD. Community Development will provide \$500,000 of CDBG affordable housing funds in 2023 to accomplish this effort.

In 2023, CDD will provide ongoing funding for a Tenant-Based Rental Assistance (TBRA) program administered by CSHA. The program prioritizes housing for extremely low-income individuals exiting homelessness. CSHA is an active participant in the community's Coordinated Entry System, in which local service agencies gather to prioritize clients with the greatest needs, making the TBRA program a vital bridge between homelessness and housing. In 2023, CDD will discuss a new agreement with CSHA for up to two years of additional HOME funding.

CDD recognizes the unique role CSHA plays in addressing housing affordability in the region. CSHA's long-time presence and standing in the community provide stability in a volatile housing market. CSHA's consistent focus on, and prioritization of, the housing needs of extremely low-income households represents an ongoing commitment to housing the most vulnerable. In 2023, CDD will maintain an active collaboration with CSHA to increase development of affordable rental units serving very low- and extremely low-income households. CDD will continue providing letters of support for CSHA-driven low-income housing tax credit projects and actively facilitate approval of necessary land entitlements by acting as a liaison between CSHA and the City's Planning Department. Additionally, should tax credits be awarded, the division will prioritize the use of the City's HUD funds to support the construction of new affordable housing. These actions are consistent with HomeCOS, the City's affordable and attainable housing plan released in Spring 2020.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

In prior years, CSHA administered a home buyer program designed to promote home ownership in low- to moderate-income households. The program provided homebuyer education and counseling with down payment assistance consisting of subsidies from the Colorado Division of Housing and the Federal Home Loan Bank of Topeka, an FHA lender. Due to reduced funding for program administration, CSHA decided several years ago to no longer offer a homebuyer program. Currently, CDD partners with the Rocky Mountain Community Land Trust (RMCLT) and Pikes Peak Habitat for Humanity (PPHH) to administer similar programs. CDD encourages RMCLT and PPHH to include public housing residents in its outreach and marketing efforts.

CSHA encourages its residents to become more involved in management of the public housing portfolio through the Resident Advisory Board (RAB). RAB is open to all CSHA residents. It is currently made up of six to seven residents who set the agenda and convene other tenants to discuss housing and neighborhood issues. CSHA Board meetings are publicly noticed and open to tenants and members of

the general public, providing opportunities to raise resident concerns for discussion and to share management decisions with the community at large.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The CSHA is not designated as troubled.

Discussion

N/A

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The Division will continue to support the City’s Homelessness Prevention and Response Coordinator in maintaining programs established through the City’s 2019 Homelessness Initiative and in addressing critical gaps in the local homeless service landscape.

Though not a direct service provider, the City of Colorado Springs engages with the Pikes Peak Continuum of Care (PPCoC), business leaders, policymakers, and service providers in our shared goal of making homelessness in the Pikes Peak region brief, rare, and non-recurring. The Community Development Division and the PPCoC Governing Board collaborate on project awards to ensure the highest priorities are funded first and that the projects and programs complement each other, and do not leave out any critical eligible services.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

- Utilize remaining funds from 2022 ESG award to bolster 2023 efforts to do coordination and outreach to people experiencing homelessness and providers.
- Continue to support and to build on the successful Homeless Outreach Program (HOP) in collaboration with the Colorado Springs Fire Department. City Council voted to financially support the HOP with \$200,000 from the City’s General Fund. This will ensure that this program continues to thrive.
- Improve support for families experiencing homelessness by working with key organizations in siting and planning for a low-barrier family shelter using HOME-ARP funds and, if awarded, state Transformational Homeless Services grant.
- Centering the voices of those experiencing homelessness and program outcome data to create a broader understanding among the public and local officials of the scope and character of the homelessness, in coordination with the PPCoC and utilizing the HelpCOS web portal.
- Continue to support and expand the successful Homeless Outreach Court program through collaboration with Colorado Springs Fire Department’s Homeless Outreach Program, Colorado Springs Police Department’s Homeless Outreach Team, City Probation, City Prosecution, and City Judges.
- Expand the WorkCOS homeless work program from 8 to 12 participants, which provides paid employment in the City’s Public Works department for individuals experiencing homelessness. Three people have obtained permanent employment with the City of Colorado Springs.
- Explore the creation of a volunteer program which would allow qualified volunteers to work

with formerly homeless participants of WorkCOS.

- Maintain HomeCOS goals to prioritize funds for housing projects serving very low- and extremely low-income households, incentivize more landlords to accept housing vouchers and to reduce unjust evictions.
- Continue to provide support through Veterans Housing Incentive Fund in partnership with Rocky Mountain Health Services' Homes for All Veterans.
- Use HOME funds to support the development of a second permanent supportive housing project in the city expected to lease up in 2023.
- Work with local outreach and shelter providers to establish common definitions and capacity to serve (e.g. activities of daily living and corresponding support)

The City's Homelessness Prevention and Response Coordinator met all five goals of the 2019 Colorado Springs Homeless Initiative. In 2023, they will work to establish new goals while continuing to build on the success of the goals from 2019.

The City's Homelessness Prevention and Response Coordinator will also continue working with local first responders on street outreach and connecting unsheltered residents to shelter, health services, food, and other critical services, including housing.

City staff and PPCoC members also rely on the work of the local Coalition of Homelessness Advocates and Providers (CHAP), made up of service providers and interested community members who meet monthly to discuss homeless issues, and to communicate current needs and conditions of this population. Members of this group work firsthand in reaching out to those experiencing homelessness or who are at risk of homelessness in Colorado Springs.

The City's Homelessness Prevention and Response Coordinator will attend a variety of community meetings such as Faith Table of Colorado Springs, Family Services Collaboration, and Housing Navigation to listen to community members to continue to create a more responsive and proactive approach to the needs and concerns all communities, both housed and unhoused.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City and its partners will build on the significant progress made in addressing the shelter needs for Colorado Springs since the last Consolidated Plan.

Springs Rescue Mission, the City's first low-barrier shelter, offers up to 450 beds year-round for adult men and women. Salvation Army is undergoing renovations to create non-congregate (individual) units for families so they can shelter together as a family and to remodel the kitchen facilities. Additionally, they will have a safe place to stay during daytime hours, these changes will increase families' willingness to obtain shelter and engage in services. Even with these changes at Salvation Army, there remains a lack of low barrier adequate family shelter space for families with children and a lack of transitional housing for placement out of shelter. The City is committed to supporting a new family shelter facility to

serve Colorado Springs from the planning period through construction and operation.

In 2023 and through the remainder of this current Consolidated Plan, the City's federal funds will continue to support programs to provide decent and safe living environments for people experiencing homelessness and those at risk of becoming homeless, through funding such activities as:

- Using ESG funds for low barrier emergency shelter operations, shelter expansion and rehabilitation
- Using CDBG funds for transitional housing rehabilitation and homeless supportive services
- Using HOME funds to support development of permanent supportive housing, rental assistance, and relocation assistance for people exiting homelessness through tenant based rental assistance.
- Using ESG funds for rapid re-housing programs, complete with case management, for up to two years.
- Using ESG funds for homelessness prevention programs.
- Using Treasury Emergency Rental Assistance Program funds to assist people experiencing homelessness and at risk of homelessness to obtain or maintain stable housing.
- Using HOME-ARP funds to begin RFQ process to solicit development plans for non-congregant shelter, supportive housing and other rental housing.
- Identify and address medical acuity gaps across shelter landscape.
- Encourage partners to apply for State Transformational Homelessness grants.

The City will also continue to fund nonprofits that provide eligible critical wrap-around services for people in shelters and transitional housing.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City only supports organizations that offer supportive services such as counseling and case management to help individuals experience homelessness make the transition from shelter to safe and stable housing via ESG and CDBG funds. These are available annually through a competitive grant application process. The City will work to establish relationships with the local school districts' McKinney-Vento liaisons to explore effective ways of reaching students experiencing homelessness and their families and extending services often concentrated downtown directly to the school communities.

The City provides administrative assistance to the PPCoC through collaboration efforts to maintain a reliable data system (HMIS) and robust coordinated entry process. This involves surveying all clients

experiencing homelessness on their needs and sharing this information system-wide to provide seamless care and best identify and coordinate housing and supportive services. Competitive CoC and ESG funds will be awarded only to agencies that participate in HMIS and the coordinated entry process. Performance, via various metrics like successful exits to housing and housing stability, will be evaluated annually as part of the application process.

The City will continue to prioritize the creation of affordable housing for the most vulnerable, including those experiencing homelessness and extremely low-income households. We will accomplish this by:

- Facilitating collaboration between service providers and developers to apply for Low Income Housing Tax Credits (LIHTC) funding for permanent supportive housing for residents with chronic conditions that would otherwise be homeless.
- Assisting our local nonprofits and affordable housing developers with incentives, match funds, and strategic support in their applications to the State of Colorado's HB 1377 and 1304 Transformational Grant programs designed to create housing for those experiencing homelessness.
- Implementing the City's commitment to the House America: An All-Hands-on-Deck Effort to Address the Nation's Homelessness Crisis; the City has committed to assisting the Colorado Springs Housing Authority with achieving the full utilization of 101 Emergency Housing Vouchers by September 2023, awarding 150 new units of permanent supportive housing by mid-2024, and creating additional shelter/housing opportunities for 50 families by the end of 2025.
- Rewarding projects serving very low-income populations through our Utility Fee Rebate Program scoring rubric.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

Eviction and displacement prevention is more urgent than ever now the eviction moratoria have expired, and rents keep rising. Stable housing is not only key to slowing the spread of infectious disease during a pandemic, but also a key indicator of long-term health. The Division devoted much of its CDBG-CV and ESG-CV funding to housing stability activities like rental assistance and case management. Even with unprecedented funding from the CARES Act and the U.S. Treasury, it is increasingly harder to get and keep very low-income people, especially those exiting institutional care, housed. The following are some barriers that many CDD subrecipients and beneficiaries experience:

- Even with source of income discrimination laws in place, rental applications now require other financial documentation that screen out LMI households, such as:
 - Cash on hand requirements, e.g., evidence of over 3 months' rent on hand
 - Credit score minimums
- Renter's insurance requirements
- Refusal to accept applicants with prior evictions
- Refusal to cooperate with rental assistance programs
- Lack of affordable ADA accessible units
- Lack of permanent supportive housing for people with chronic conditions
- Service provider staff turnover

Community Health Partnership, administrator of the Pikes Peak Continuum of Care, was a critical player in identifying the full scale of barriers like these. In 2022 they launched their flex fund, funded by Kaiser Permanente, to great success and are currently looking for ways to sustain this fund. These funds cover all the things that the City's ESG and CDBG funds cannot fund with entitlement funds.

The Division will continue to serve this population by prioritizing housing stability activities with 2023 CDBG funds. We will also continue to fund Homelessness Prevention and Rapid Rehousing activities with 2023 ESG funds. The applications for these funds opened in March 2023.

Division staff spent the majority of 2022 trying to create a local program and portal for our second allocation of Emergency Rental Assistance Program (ERAP) fund from the U.S. Treasury. After collaborating with the State of Colorado on the first round in 2021, the Division is now partnering with the Colorado Springs office of Catholic Charities to continue this program for low-income tenants living in the city limits.

Even in the face of this unprecedented year of supplemental housing assistance, the need outpaces the resources in many ways that this funding cannot address. We chose Catholic Charities as a partner for their approach to their work with clients. We hope that these funds and the case management Catholic Charities staff provides create a longer lasting impact than the months of rent covered.

Discussion

N/A

AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

The City has seen the growth of affordable housing advocacy groups convening, gathering data, providing research and information, and engaging residents in dialogue and direct action. These groups are targeting the housing issue from a variety of angles, such as local ordinances, board and commission representation, development incentive tools, and anti-NIMBY (Not In My Backyard) sentiment. These groups, while operating outside of local government, generally complement the work Community Development can undertake and create positive momentum for more local tools to make *both* more affordable housing and housing more affordable.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

2023 will be the fourth year implementing the City's affordable and attainable housing plan (HomeCOS) and with further progress planned. The Division plans to carry out the following actions in 2023 to increase access to affordable housing:

- Track the landlord incentive fund established by Community Health Partnership, our Continuum of Care administrator, to help house individuals and families at the most risk of being denied housing from private landlords.
- Leverage funding to incentivize coordination and cross-training of housing navigators.
- Collaborate with Housing Navigators Network to create a resource guide for landlords to address their concerns with renting to households with emergency housing vouchers, Section 8, and other assistance.
- Continue to advocate for affordable housing-friendly land use policies and monitor the success of reduced barriers included within the City's new land use code RetoolCOS.
- Continue to partner with the Economic Development Division on the implementation of the Rapid Response designation for new multi-family affordable housing. Rapid Response prioritizes projects during the land use and building code review process, ensuring that much-needed housing can be brought into the development pipeline quickly.
- Continue to administer the Multi-Family Affordable and Attainable Rental Housing Fee Rebate program established in 2022, rebating development and utility infrastructure fees for affordable and attainable multi-family housing developments. Allocation of private activity bond issuance fees and contributions from Colorado Springs Utilities will continue to provide viability for this program year over year.
- Continue to partner with the City of Colorado Springs Sales Tax office, who administer refunds

of city sales and use taxes paid towards the construction of affordable housing projects.

- Continue to advocate for affordable housing through public forums.
- Continue collaborations with state and local nonprofits to educate residents through events and multimedia tenant guides to housing quality standards, Fair Housing, reasonable accommodations, and renter rights.
 - Create new opportunities for Fair Housing programming by collaborating with local realtors, LGBTQIA leaders, educators, and faith groups
- Maintain and improve the redesigned Community Development Division website to improve accessibility of information for affordable housing developers, service providers, policy makers and residents seeking housing resources.
- Provide continuously updated Renter Rights Guide as a free download on the City's website.
- Work with TBRA recipients and multi-family developers on affirmative marketing strategies.
- Prevent unjust evictions by supporting access to free legal counsel for low-income tenants by supporting Colorado Legal Services. Wrongful evictions disproportionately affect minorities, families with children, the elderly, and people with disabilities. By supporting this program for low-income residents with a wrongful eviction, we are affirmatively furthering fair housing goals and protecting vulnerable communities from barriers to fair housing.
- Collaborate with local higher education institutions to research recent housing and tenant campaign wins to inform local housing policy advocacy efforts.
- Work with local housing providers, residents, and funders to create an anti-displacement fund for use in neighborhoods experiencing rapid development pressures.

Discussion:

N/A

AP-85 Other Actions – 91.220(k)

Introduction:

In accordance with the goals and objectives outlined in the 2020-2024 Consolidated Plan, CDD will undertake the other actions described below.

Actions planned to address obstacles to meeting underserved needs

1. **Technology** - The Community Development Division will continue utilizing the digital tools for outreach and engagement we learned during the pandemic shutdown that have increased accessibility and convenience for resident engagement, including for those needing closed captioning, language interpretation, and accessibility by cell phone. In 2022 we implemented hybrid meetings (with in person and virtual participation options) that proved to both regain the deepen engagement of face-to-face interaction while retaining digital accessibility. We will continue this in 2023, as allowed by public health orders. CDD staff will continue to work with our City Communications Department and Office of Accessibility on inclusive participatory practices, including creating accessible documents.

2. **Relationships** - This year, the Division will continue and maintain collaborative relationships with other departments/organizations that were established in the last few years, such as:
 - Colorado Springs School District 11, the City's largest district serving majority low-income, minority students and families;
 - City's Comprehensive Planning Division, by providing staff support on the two ongoing area plans for multiple low-income neighborhoods in Southeast and Westside Colorado Springs.
 - Family Services Collaboration, a group of local nonprofit organizations working together to improve services, coordinate engagement and advocate for vulnerable families with children.
 - Colorado Office of Financial Empowerment, a new state office under the Department of Justice which was established to lower the number of unbanked households and improve financial health outcomes for all Coloradans.
 - Colorado Housing Finance Authority's Business Development office, to assist in promoting their Rent Reporting for Credit pilot program.
 - University of Colorado Denver and University of Colorado at Colorado Springs for increased collaboration on housing, homelessness, and community development research.
 - Colorado Department of Public Health and Environment, for public health initiatives and updates to promote health equity among vulnerable populations.
 - Kaiser Permanente, health provider and funder of catalytic programs in the service of affordable housing policy change
 - City of Colorado Springs Community Diversity and Outreach Programs Manager, in creating

advisory bodies for the city and marketing CDD and partners' programs

3. Senior Facilities – The City is rebuilding the area's only senior center and will break ground in 2023. By leveraging CDBG funds to access Section 108 financing, we will be able to provide the gap in funding for this critical resource for seniors, our fastest-growing population.

Actions planned to foster and maintain affordable housing

Developing and maintaining an adequate supply of affordable housing is a high priority need in the community. Addressing substandard conditions in the existing affordable housing stock is critical to achieving this goal. Since launching HomeCOS, the city's comprehensive affordable and attainable housing plan, CDD has worked extensively with local partners to implement it.

In 2023, CDD plans to take the following actions:

- Continue to administer housing rehabilitation programs for very low- and extremely low-income households that address the service life of key building components such as sewer and water lines, hot water heaters, furnaces, and electrical systems. Failure of these building systems is often costly and can lead to housing instability.
- Continue its local Emergency Rental Assistance Program in collaboration with Catholic Charities with ERA2 funding to keep low-income renters at risk of eviction or displacement stably housed.
- Monitor the successes of the new land use policies in RetoolCOS, slated for adoption in 2023, that allow for multiple housing types in as many areas of the city as possible.
- Monitor multifamily buildings whose affordability periods expire soon and pursue strategies to extend affordability and prevent displacement.
- Explore opportunities to introduce additional homeownership programs and opportunities to the community.
- Enter final year of the agreement with the Colorado Springs Housing Authority to further its Section 504 Transition Plan. The plan requires CSHA to carry out ADA modifications to units in its inventory, however, federal funding for this effort has been reduced each year.
- Continue issuance of Private Activity Bonds (PABs) for affordable housing financing.
- Continue to collaborate with the City Planning Department to provide private developers with information intended to minimize involuntary displacement of low- to moderate-income households.
- Provide funding for acquisition/rehabilitation projects to increase the number of affordable rental units.
- Provide gap funding for new construction projects to increase the number of affordable rental units.
- Explore innovative building solutions to expedite the delivery and quantity of affordable housing

units within the community.

- Reduce the overall cost of building multifamily affordable housing by continuing the new development fee offset program and launching a new sales tax rebate on affordable housing construction materials. Through the fee offset program, launched in 2022 in partnership with Colorado Springs Utilities, developers can apply for funding to offset the costs of various development fee charges. The size of the offset is based on competitive scoring that rewards meeting community needs such as more units accessible to people with disabilities, more units serving the lowest income renters, and units with greater energy efficiency. With the sales tax rebate program, developers can receive significant rebates in construction costs by qualifying as an affordable housing project through CDD's underwriting process.
- Provide strategic guidance for and encourage local nonprofits and affordable housing developers to apply for the state's Transformational Affordable Housing and Homelessness grant funds.
- Deploy our HOME-ARP funds, specially allocated from the 2021 American Rescue Plan, to plan and build non-congregate family shelter and affordable rental housing.

Actions planned to reduce lead-based paint hazards

The elimination of lead-based paint hazards in existing housing is an important part of CDD's strategy for addressing potential health conditions faced by at-risk low- to moderate-income families, particularly those with young children in target housing. All housing rehabilitation and affordable housing preservation projects include testing for lead-based paint and related hazard elimination activities when needed. To ensure compliance with HUD's Lead Safe Housing Rule, a senior staff person with extensive construction experience and HUD/EPA training in the identification and elimination of lead-based paint hazards oversees this effort. The Division's goal is to increase the number of hazard-free, affordable housing units available in the community.

Actions planned to reduce the number of poverty-level families

Our CDBG, ESG, and HOME funds will continue to target our most vulnerable households – seniors, disabled, and very low-income households – via the following programs in 2023:

- CDBG Public Services – Successful applicants for these funds will prioritize wraparound services and case management to help clients increase income and/or achieve housing stability.
- CDBG Affordable Housing – rehabilitate homes of low-income homeowners to improve health outcomes and prevent displacement; assist in rehabilitating public housing units for accessibility, increasing the number of public housing apartments for people with disabilities.
- ESG – Successful applicants for Homelessness Prevention and Rapid Rehousing funds will

prioritize wraparound services and case management to help clients increase income to create housing stability.

- The Mill Street Neighborhood, a historic low-income area, will receive strategic support through the Mill Street Neighborhood Plan, which applies the concepts from the City's larger comprehensive plan, PlanCOS, in a practical and more neighborhood-specific manner to address transportation planning, economic development, public safety, housing, and homelessness as appropriate.
- HOME Affordable Housing – gap financing for development of multi-family rental projects serving very low- and extremely low-income households, and down-payment assistance for low-income households seeking opportunities for homeownership.
- The WorkCOS program employs individuals who are living in shelters or transitional housing. Currently, the City employs two teams of four individuals and will expand to having three teams in 2023 for a total of 12 individuals. The WorkCOS team performs median maintenance clean ups. This program provides the opportunity to become permanently employed by the City of Colorado Springs with a living wage and benefits. Thus far 3 individuals have been hired for permanent positions, many others have found sustainable work thanks to this program.
- Council of Neighbors and Organizations' (CONO) Neighborhood University – CDD contributes to training and information sharing for this program that develops leadership and empowerment among residents to advocate for neighborhood solutions.
- CDBG Economic Development – these funds will continue to focus on job creation in the city's Southeast neighborhoods through investment in the Community Investment Trust, a commercial project modeled on shared equity and placemaking principles.
- HOME TBRA – the City will continue its pilot senior displacement program with Silver Key, which uses TBRA funds to help senior renters keep or obtain affordable rental housing.
- Encourage local housing providers to participate in CHFA's Rent Reporting for Credit pilot program.

Actions planned to develop institutional structure

CDD is continually building institutional structure by improving collaboration between City Departments, monitoring the capacity of community agencies to address community needs, building relationships to learn how the City's resources can help, providing annual training opportunities for staff, and developing and offering technical assistance to its partner agencies in the community. In 2023, CDD plans to take the following actions:

- Actively participate in the land use review process and act as a liaison between affordable housing development team and land use review staff to resolve issues in a timely manner.
- Continue meeting and collaborating with the state's other ESG grantees to share best practices and problem solve.
- Develop impact studies to relate the economic and social impact of the projects CDD funds.
- Participate in internal City committees charged with budgeting for capital improvements and

ADA compliance.

- Offer at least one HUD approved training opportunity for each CDD staff member.
- Offer more application workshops and technical assistance for subrecipient staff on compliance with HUD regulations and reporting requirements.
- Use monitoring to engage subrecipients on improvements to program delivery, policy documents, and best practices.
- Provide subrecipient resources on the City's website.
- Continue cooperation between the Economic Development, Public Works, and Parks, Recreation, and Cultural Services Departments.
- Participate in fair housing coordination.
- Assist Colorado Springs' only community development corporation (CDC), Solid Rock CDC, in the design, planning, and development of the Southeast Community HUB in Colorado Springs.
- Create fact sheets on local accomplishments for state and federal representatives.
- Collaborate with local agencies including the local hospital systems to address the need for high medical need shelter beds.
- Apply for Technical Assistance Grant from Harvard's Government Lab to guide the CDD in the best ways to address rapid rehousing and homelessness prevention system gaps and improve our policies.
- Work with local agencies to create a safe parking program to assist individuals and families living in their vehicles to obtain housing while increasing public safety by removing them from parking in streets or in encampments.
- Work closely with the City Attorney's Office to update and modify all subrecipient and developer agreements to meet any new federal, state, and/or local requirements.
- Update our policies and procedures.
- Create new executive advisory committee to provide input on HUD-related plans and programs. Establishing ordinance to be approved in the first quarter of 2023.

Actions planned to enhance coordination between public and private housing and social service agencies

Community Development staff is very connected to the community it serves. The Homeless Prevention and Response Coordinator serves as ex officio board member of the Pikes Peak Continuum of Care. This representation promotes efficient use of resources to address high priority needs related to homelessness identified in the Consolidated Plan, while also educating CDD staff on the frontline needs of service providers.

The Community Development Manager is finishing his term on the Colorado Housing Finance Authority's Tax Advisory Group, but will remain active on key local boards, such as the El Paso County Housing Authority and the Pikes Peak Housing Network.

CDD staff will remain connected to the Housing Navigator Network, run by Community Health

Partnership, which convenes local landlords with local social workers to increase dialogue and reduce barriers to housing.

CDD and the El Paso County Community Development Department will continue their quarterly meetings to review and coordinate the use of federal funds in the region and continue to check in monthly on private activity bond allocation and issuances.

The newly formed housing team and management in the Community Development Division serve as the main points of contact for affordable housing developers seeking public financing using local resources such as private activity bonds and HOME Investment Partnership funds. Typically, the funds are paired with low-income housing tax credits administered by the Colorado Housing Finance Authority (CHFA) to develop new multi-family affordable housing. The housing team, soon to be three full-time staff members continue to be dedicated to the lifecycle management of affordable housing development, through both private and nonprofit partnerships.

CDD staff also remains active and participates in forums, panels, committees, and neighborhood meetings throughout the year to discuss grant funding, affordable housing, neighborhood needs, homelessness, infrastructure, etc. Examples of organizations we have collaborated with on such projects or events:

- Community Housing Affordability Task Force (CHAT)
- Pikes Peak Housing Network
- Colorado Springs Health Foundation
- Council of Neighbors and Organizations (CONO)
- RISE (Resilient, Inspired, Strong and Engaged) Coalition
- Solid Rock Community Development Corporation
- Colorado Springs Pro-Housing Partnership
- Colorado Springs Utilities
- Pikes Peak United Way
- Colorado Springs Urbanites
- Innovations in Aging
- The Independence Center
- Mill Street Neighborhood Association
- Poor People's Campaign (Colorado Chapter)
- Colorado Housing Finance Authority
- Pikes Peak Library District
- The Justice Center
- Brothers Redevelopment
- Colorado Legal Services
- Leadership Pikes Peak
- Downtown Colorado Inc.

- Mill Street Community Benefits All
- Front Range CDBG Users Group
- Pikes Peak Philanthropy Collective

Discussion:

N/A

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

This section describes CDBG, HOME and ESG program specific requirements. The Division anticipates Program Income (PI) of \$200,000 from CDBG projects.

**Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(I)(1)**

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	200,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	\$6,000,000
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	200,000

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

**HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Not applicable.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Introduction

The Colorado Springs single-family home market has remained relatively level over the past 12 months, following rapid increases throughout 2020 and 2021. The increase of three percentage points over the past six months by the Federal Reserve, in attempts to tame inflation within the housing market and other sectors of the economy is slowly taking effect. Between November 2021 and October 2022, the median sales price for a single-family home has increased 3.33% from \$450,000 to \$465,000 according to Pikes Peak Association of Realtors. These prices indicate stability in the local housing market for 2023.

Provided the historical price trends in Colorado Springs, the Community Development Division (CDD) is opting to include resale provisions in each homebuyer transaction carried out by its Subrecipients to preserve affordability. In Program Year 2023, CDD is funding three homebuyer programs with HOME. These partners (HUD subrecipients) include, Rocky Mountain Community Land Trust (RMCLT), Pikes Peak Habitat for Humanity (PPHFH), and Elevation Land Trust (ELT). Per the terms of the funding agreements executed with each subrecipient, resale provisions are included in each transaction to ensure that if the property is sold voluntarily or involuntarily prior to the end of the period of affordability it will remain affordable to a subsequent low- to moderate-income homebuyer. All homebuyer programs that CDD administers are eligible only to single-family residences that are owner-occupied by low to-moderate income households. All homebuyers attend homebuyer counseling through RMCLT, the only HUD-approved homebuyer counselor in the region.

Program Eligibility, Solicitation, and Homebuyer Funding

All homebuyer programs supported by the Community Development Division provide a wide range of outreach through affirmative marketing plans to encourage eligible households to participate. Similarities and differences among the programs are as follows:

Rocky Mountain Community Land Trust (RMCLT)

- Households ranging from 30-80% AMI can apply on a first-come, first-served basis for homebuyers who meet all of the RMLCT criteria.
- Application packets are available on-line and at the RMLCT office.

- The RMCLT website <https://rmclt.org/become-a-homeowner/> provides an outline of the steps involved in the application review, RMCLT orientation, FAQ's, and housing counseling requirements.
- Under a land trust model, the applicant seeks a conventional mortgage for the value of the improvement (the home), while RMCLT purchases/retains title of the land in order to offset the total purchase price and enable affordable homeownership.

Pikes Peak Habitat for Humanity (PPHFH)

- Households ranging from 35-80% AMI can apply based on their need for affordable housing (unsafe, overcrowded, unhealthy, or unaffordable) during specified open application cycles. PPHFH does not retain a waiting list.
- Application packets are available online, at their office, and at the PPHFH Re-store.
- The PPHFH website <https://pikespeakhabitat.org/our-programs/homeownership/> has general program information, program qualification, and FAQ's.
- PPHFH is in a unique position as primary lender to control the principal and interest payments of the mortgage, enabling homeownership to households at lower income ranges.

Elevation Land Trust (ELT)

- Initiated by \$25M in philanthropic funding, ELT is a newly formed land trust in Colorado that works with several municipal governments to address affordable homeownership.
- This program year the Community Development Division will partner with ELT for the first time in Colorado Springs.
- ELT provides the applicant 60 days to complete and submit an application for a \$25 fee, the application is available at <https://www.elevationclt.org/buy-a-home/>
- ELT operates under a land trust model similarly described for RMCLT.

Resale Provision Summary

The following is a summary of key aspects of the resale provision as it applies to activities carried out in Program Year 2023:

- The homeowner must notify the subrecipient of their intent to sell the property;
- The homeowner must allow the subrecipient the choice of exercising a right of first refusal;
- The homeowner must provide the subrecipient with records substantiating eligible improvements made to the property during the owner's tenure;
- The homeowner must cooperate with the subrecipient to establish a maximum sales price for the property that is affordable to a prospective homebuyer making no more than 80% of the area median income;
- The homeowner must agree to sell the property to another low- to moderate-income homebuyer.

Modest Housing

In order to ensure that housing purchased with HOME funds is modest and non-luxury, the Community Development Division (CDD) is electing to use residential real estate data, available to

the public by the El Paso County Assessor (<https://assessor.elpasoco.com/assessordata/>) to determine a maximum purchase price following HUD housing market survey guidelines for the HOME program. CDD calculated the median for 563 residential sales within City of Colorado Springs city limits for October 2022, representing all residential single-family sales. HUD requires a sample size of over 500 transactions for any 1-month period to establish a locally derived maximum value. The median sales price recorded for all records is \$448,000, where 95% of the median sales price is \$425,600. CDD will elect \$425,000 as an overall maximum purchase price for new and existing single-family residences in PY2023. At these higher maximum purchase prices, homebuyer programs will be required to dedicate additional subsidy to ensure sustainability and long-term affordability of ownership. Data substantiating the calculation of the maximum purchase price is available on request.

In order to determine that a property does not exceed the maximum purchase price, the Community Development Division directs its subrecipients to use one of two methods:

- Reference the El Paso County Assessor's website where an estimated market value of the home can be found; or
- Reference an appraisal required by the primary lender for the transaction.

Applicable only to a land trust homebuyer model such as administered by the Rocky Mountain Community Land Trust or Elevation Land Trust, maximum purchase price will be determined by the value of the improvement only, exclusive of the land value. The value of the land is provided on the El Paso County Assessor's website. This approach is consistent with the legal instruments the homebuyer executes at closing, formalizing their ownership of the improvement and not the land.

Fair Return on Investment

In order to ensure that the original HOME-assisted homebuyer receives a fair return on their investment at the time of the sale, subrecipients must follow Community Development Division guidelines required by HUD, for calculating the value of eligible improvements made to the property during the owner's tenure.

Examples of eligible home improvements include additions, new structures such as detached garages or wood decks, remodeled kitchens or bathrooms, flooring upgrades such as the replacement of carpet with wood flooring or tile, replacement of driveways and exterior walkways, installation of energy-efficient windows and doors, installation of wall, floor, or attic insulation, and replacement of permanently installed equipment such as furnaces or electrical panels.

Maintenance items are not considered eligible home improvements. Maintenance items include roof replacement, minor interior or exterior repairs, painting, yard work, or gutter replacement. Items completed as the result of an insurance claim are not considered eligible home improvements.

The Community Development Division provides subrecipients with an annual index derived from Pikes Peak Area Association of Realtors' data to calculate the value of eligible home improvements based on the percentage increase or decrease in the local housing market each year. For program year 2023, the index is calculated as follows:

Take the October 2022 median home sales price of \$465,000 and subtract the October 2020 median home sales price of \$383,447 for a total appreciation of \$81,553. Divide the total appreciation by the median home sales price in October 2020 to arrive at a 21.27% appreciation

rate from October 2020 to October 2022.

A table illustrating the calculation of the index stated above is provided below. Based on the number of years of ownership, the sum of the indices provides an overall appreciation rate.

An example of the use of the annual index to calculate the homeowner’s fair return on investment is included in the following table:

Fair Return Index - Pikes Peak Association of Realtors			
Year	Month	Median Sales Prices	Appreciation
2020	October	\$ 383,447	
2022	October	\$ 465,000	\$ 81,553
		% Change 2020-22	21.27%
		(Appreciation divided by Oct 2020 Median Sales)	
Source: https://ppar.com/Documents/stats/MarketTrends/Prices.jpg			

Homebuyer's Fair Return on Investment		
Homebuyer's Down Payment	\$ 5,000.00	
Added Value of Work	\$ 10,000.00	Bathroom remodel
Total Homeowner Investment	\$ 15,000.00	
Fair Return on Investment (\$15,000 * 21.27%)	\$ 3,190.50	

Current Single-Family Market Trends for First Time Homebuyers

Over the past twelve months, unprecedented inflation following the Covid pandemic has caused the Federal Reserve to implement interest rate hikes eight times and they have indicated two additional quarter-point rate hikes in mid-2023. As of February 2023, experts predict that a 30-year, fixed rate mortgage will continue in the 6.5% range and that they are near their peak. The forecast towards the end of 2023 indicates that if a decrease in inflation keeps pace, rates could remain stable, with the possibility of slight increases or decreases. This interest rate environment challenges low- to-moderate first-time homebuyers who typically have an average credit rating and are likely to be approved for rates above those buyers who have an excellent credit rating.

Where local demand for housing above the \$500k price point has tapered, single family housing stock under \$400k is increasingly in lower supply and may not be move-in ready, requiring rehabilitation. For attached single family homes, such as townhomes or condominiums, price ranges from \$250,000 to \$325,000 are likely for PY2023, where residences at the lower range are becoming increasingly less common. One consideration in relation to attached single family housing is that the household size served is typically limited to 1-3 persons. For detached single family housing, a price from \$300,000 to \$400,000 is a reasonable range based on current housing stock, although purchases for first-time homebuyers are difficult at the higher ranges. Compared to previous years, these higher price ranges for

homes are accompanied by higher homeowners insurance and property taxes.

Provided the context of current and future interest rates and the demand for entry-level homes, the income range for eligible households has shifted to 70%-80% AMI, who are required to be approved for a mortgage by a conventional lender. Additionally, for a household earning 80% AMI, it will prove difficult to hold a monthly payment to 30% of their gross income. These AMI ranges are contrary to the past five years, where local data for homebuyers indicated that some households earning 50-70% AMI may have the ability to become homeowners through one of the aforementioned partnering organizations.

Homebuyer transactions during Program Year 2023 will require deeper subsidies overall and may include participation from new programs available to first-time purchasers. For example, the PATH Grant from First Bank provides assistance up to \$15,000 to qualifying Black and African American households. Typically, subsidies come from a variety of sources, such as the City of Colorado Springs, State of Colorado, Federal Home Loan Bank, and the partnering organization. Across these funding sources, higher subsidies per homebuyer will be required to keep the payment affordable. From an underwriting standpoint, monthly payments may approach the higher 30% range of a household's income. The City approves a monthly payment ratio range from 31-40% on a case-by case basis. In a conversation with one of our partnering organizations, they stated that a typical figure that local lenders approve is 38% of monthly income for housing. Where this is not optimal based on the definition of affordable housing capped at 30% of gross income, it is preferable to higher ranges of cost burdened individuals at the 50% range. Additionally, these homeownership programs create wealth building opportunity and avoid being subject to the turbulence of escalating rents in Colorado Springs.

For a 2-person household at 80% AMI, 31% of their monthly income is \$1,524. If this household were to purchase a home for \$275,000, with \$80,000 total subsidy, their payment could range from \$1,650 to \$1,750 depending on their credit rating, representing approximately 33-35% of their monthly income. For a 3- or 4-person household approaching 80% AMI, it is realistic to allocate anywhere from \$1,800 to \$2,000 a month, representing the same proportion (33-35%) of income dedicated to housing. Overall, these scenarios indicate sustainable homeownership under shared equity models is a reasonable assumption for Program Year 2023. In comparison to renting as of December 2022 CoStar (a real estate database) shows that the average 2-Bedroom apartment in Colorado Springs rents for \$1,500/month and is expected to increase 4-6% next year to \$1,570/month.

Continued Affordability

As stated above in the introduction, per the terms of the funding agreements executed with each subrecipient, resale provisions are included in each transaction to ensure that if the property is sold voluntarily or involuntarily prior to the end of the period of affordability it will remain affordable to a subsequent low- to moderate-income homebuyer. For example, the Land Use Restriction Agreement (LURA) is a restrictive covenant and recorded legal instrument that ensures that the property will be made available to a reasonable range of low- to moderate-income homebuyers. CDD requires that this agreement is included in every homebuyer transaction. Subrecipients explain these conditions to homebuyers prior to executing the LURA.

The land trust model programs that the City will administer in Program Year 2023 represent a type of shared equity model, where the original subsidies of City and partnering organization can be recouped if the homeowner decides to sell the residence. [Investopedia](#) defines a shared equity mortgage *as an*

arrangement under which a lender and a borrower share ownership of a property. The borrower must occupy the property. When the property sells, the allocation of equity goes to each part, according to their equity contribution. A shared equity models means that the City and the partnering organization can re-invest the appreciation earned, back into the home for subsequent homebuyers ensuring continued affordability.

Overall, the flexibility of CDD’s homebuyer programs are based on the ability to:

- Allocate a variable subsidy through underwriting, to be right-sized for an original sale or resale, and to ensure an affordable mortgage payment
- The ability to target various income/AMI tiers within the 70%-80% range
- Utilizing a local market survey to set a maximum HOME purchase value to consider a range of single-family properties

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

The Community Development Division (CDD) ensures that the partnering homebuyer organization and the individual homebuyers are required to comply with a designated period of affordability. Within the HOME Agreement that CDD executes with the homebuyer organization, an Affordability Requirement stipulation dictates the period of time that the housing units must remain affordable. The table below specifies the number of years based on the assistance received, either five, ten, or fifteen years. In the case of newly constructed housing, the default requirement is twenty years.

The HOME affordability period is similarly enforced through the homebuyer organization by a Land Use Restriction Agreement (LURA), a restrictive covenant that is recorded with the Deed of Trust at the County Recorder’s Office. The LURA maintains its position as a restrictive covenant when the partnering homebuyer organization qualifies an eligible homebuyer household for the residence.

Homeownership assistance HOME amount per-unit	Minimum period of affordability in years
Under \$15,000	5
\$15,000 to \$40,000	10
Over \$40,000	15
New construction or acquisition of newly constructed housing	20

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Not applicable.

**Emergency Solutions Grant (ESG)
Reference 91.220(l)(4)**

1. Include written standards for providing ESG assistance (may include as attachment)

See attached ESG Written Standards in the appendix or on the [Division's website](#).

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The CoC established a centralized coordinated assessment system that meets HUD requirements. Currently, they operate a Coordinated Entry System for clients who meet the definition of literally homeless. The process is as follows:

- Client entry begins with the subrecipient service provider
- Providers administer the housing survey (VI-SPDAT is the common assessment tool)
- Survey data is entered into HMIS and vulnerability score is generated
- Case conferencing (coordinated entry) is scheduled weekly (if a housing resource is available)
- Client lists pulled from HMIS based upon available housing resources (Different vulnerability scores are tied to different levels of housing resources. Housing resources are submitted by providers with the resource along with the eligibility for the specific resource.)
- Client is matched with appropriate available resource
- Client is located and further eligibility for available resource is verified by the subrecipient agency
- If client remains eligible for resource, client is referred to the housing resource

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The Community Development Division consults with the PPCoC, local nonprofit agencies whose services address homelessness, and the community to determine priorities for ESG funding. In 2023, ESG grant funds will be allocated as follows:

- A Notice of Funding Availability (NOFA) will be made available in March notifying agencies of the opening of the competitive grant application for ESG funds. Application materials and open office hours will accompany the application for agency applicants.
 - After applications are received the next steps will be undertaken to determine award:
 - Internal CDD application review: This will include eligibility review, base compliance, and risk assessment scoring.
 - External application review (composed of members of the community, PPCoC Staff, and CDD staff): This will include online application scoring through Neighborly software platform, committee discussion and ranking, and final recommendations.
 - Final assessment of internal and external scores and comments to determine ESG grant awards. In addition to the above application review, respondents will be evaluated (both internally and externally) on their ability to adhere to the Written Standards for ESG assistance and the PPCoC Strategic Plan, past performance, and planned outcomes.
 - Once final assessment and determinations are complete, all applicants will be notified of their approval or denial of their ESG grant application.
 - Emergency Shelter Operations and Street Outreach: No more than 60% of the entitlement award will be allocated for emergency shelter operations and street outreach combined.
 - Homeless Management Information Systems (HMIS): If requested, HMIS funds will be made available to Community Health Partnership, the HMIS administrator and sole source manager of the PPCoC HMIS, as designated by the PPCoC Governing Board.
 - Rapid Rehousing/Homelessness Prevention: The balance of funds will be allocated for Rapid Rehousing and/or Homelessness Prevention activities.
4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

CDD consults with the Pikes Peak Continuum of Care when considering policies and funding decisions regarding facilities and services funded under ESG or other funding sources targeting people experiencing homelessness.

The City's Homelessness Prevention and Response team is experienced with providing direct services for shelter, homeless prevention and rapid rehousing, and domestic violence in Colorado Springs. Through collaboration with other agencies, they work to create and improve programs that serve sheltered and unsheltered people experiencing homelessness. On a regular basis they ride with the CSFD HOP and CSPD HOT teams meeting unsheltered people where they are at, making referrals, and providing

information and resources. This relationship makes the perspective of lived experience always present in ESG administrative decisions at all levels.

Staff from the PPCoC administrator organization will serve on the ESG application review committee. Division staff will also make efforts to find individuals with lived experience to serve on the external review committee.

5. Describe performance standards for evaluating ESG.

The Written Standards were adopted by the City and CoC in early 2017. The PPCoC has adopted their own Written Standards to include elements funded with CoC funds from HUD. The Division's priority has been to work with the CoC to monitor performance metrics and evaluate outcomes across all funding sources/agencies. The performance measures identified for all ESG subrecipients are:

1. Housing stability: How many households obtain and maintain permanent housing?
2. Income, both total and earned: How many households see a rise in income due to access to benefits and employment?
3. Shelter only: Number of clients in case management
4. Outreach only: Number of contacts between staff and unsheltered people
5. Outreach only: Number of shelter referrals

Appendix

All public input and documentation of citizen participation will be included in the appendix when the draft is submitted to HUD.