



REGIONAL
HOUSING
ALLIANCE

RESOLUTION NO. 2024-03

(Pursuant to 29-1-108, C.R.S.)

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE REGIONAL HOUSING ALLIANCE OF LA PLATA COUNTY TO ADOPT A STRATEGIC PLAN IN 2024

WHEREAS, the Board of Directors (Board) of the Regional Housing Alliance of La Plata County (RHA) held a retreat in October 2023 to discuss strategic initiatives and lay the foundation for a strategic plan; and,

WHEREAS, The Board has relied on consultants from Community Builders and Project Moxie, as well as La Plata Economic Development Alliance staff, to prepare a Strategic Plan for said governing body; and,

WHEREAS, the proposed Strategic Plan was presented to the Board for its consideration on November 6, 2023, and has since been developed, with input from the Board, into its final form; and,

WHEREAS, the final Strategic Plan indicates current priorities and areas of focus for the RHA and is now prepared for final adoption; and

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Regional Housing Alliance of La Plata County, Colorado:

SECTION 1. That the Regional Housing Alliance of La Plata County hereby approves and adopts as its Strategic Plan the document affixed in Exhibit A, effective immediately.

SECTION 2. That the Regional Housing Alliance of La Plata County hereby adopts as its official Strategic Priorities, Strategies, and Goals those defined in Exhibit A.

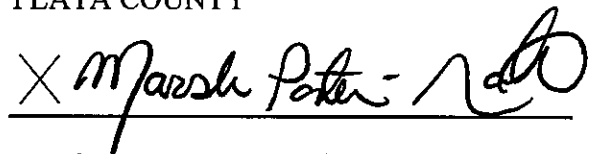
ADOPTED IN IGNACIO, LA PLATA COUNTY, COLORADO, this 8th day of February 2024.

ATTEST:

BOARD OF DIRECTORS
REGIONAL HOUSING ALLIANCE OF LA
PLATA COUNTY

X 

Representative of La Plata Economic
Development Alliance, Secretary

X 

Marsha Porter-Norton, Vice-President

EXHIBIT A



REGIONAL HOUSING ALLIANCE OF LA PLATA COUNTY

2024 STRATEGIC PLAN





ACKNOWLEDGMENTS

This strategic plan was created through technical assistance provided to the Regional Housing Alliance of La Plata County through the Colorado Division of Housing (DOH) Affordable Housing Toolkit for Local Officials program. It was developed through strategic worksessions with the RHA Board in October 2023.



THE MARKET AND POLICY LANDSCAPE

Several external factors shape the market conditions and strategic context for our work. The RHA board assessed several of the most significant, as outlined below.

Challenging to Navigate State and Federal Funding. ARPA funds, which provided a needed boost in capacity for housing work - including funded local positions - end in mid-2024. Similar federal sources are unlikely in the current environment, creating a hole that is difficult to fill. While Prop 123 Funding is coming online - and all local jurisdictions are eligible, the processes and roll out of Prop 123 funds have been confusing and sources are oversubscribed. State and federal funding remain important, but have challenges.

Interest Rates Reduce Investment and Increase Costs. Rising interest rates - from 4.5% to more than 8% - are impacting homebuyers with higher mortgage payments. Higher rates for construction and financing are increasing costs and slowing down market production. RHA Board Members note that this environment suggests a patient approach that works on current opportunities, while also positioning for the future when conditions are more favorable.

Challenging Regional Market Dynamics. High costs of labor and materials, and the lack of production builders, are regional challenges that contribute to higher costs and reduced production. Greater numbers of vacation rentals and second homes increase pricing and push market production towards high-end products.

Infrastructure Needs and Limitations. Infrastructure remains a significant barrier to new development as well as repurposing of existing buildings or properties. Federal funding for infrastructure presents an opportunity to address these needs, but in many cases, work is needed to connect these funds with capital projects that also align with housing goals.

Lack of Choices, Inventory, and Affordability. Our market dynamics reflect an unbalanced market lacking sufficient supply and diversity overall, leading to a severe lack of homes that are affordable to middle- and lower-income households.

Growing Need for Gap Finance. These conditions require commitment to creating: (a) conditions that support a more balanced market, and (b) resources and capacity to increase the availability of below-market housing. The latter need is best met with flexible funding that can increase the feasibility of delivering below-market homes (rental and ownership). In light of state and federal funding dynamics, local funding is increasingly the key to success.

RHA POSITIONING: RESPONDING TO SHARED CHALLENGES AND OPPORTUNITIES

While the external factors above are largely out of our control, there are several regional needs the RHA is positioned to influence and respond to. While all represent opportunities, some have headwinds and will require more effort to gain traction, while others benefit from tailwinds of existing progress and momentum. Together, they shape our strategic priorities for 2024 and beyond.

TAILWINDS: OPPORTUNITIES TO BUILD ON CURRENT PROGRESS AND MOMENTUM.

Build on Effective Collaboration. The RHA provides a key hub for productive collaboration on local and regional housing issues. Current support and momentum for working together on regional approaches should be leveraged and stewarded by the RHA. Since reconvening, the RHA has coordinated technical assistance, grant writing, program development, and training opportunities for its local government entities. This work has improved collaboration and built shared capacity, creating immediate value. It should continue.

Current Momentum and Political Will. Currently, there is momentum as well as community and political support for the RHA and housing work more broadly. Demonstrated action as well as effective communication and outreach are needed to sustain and build on current support.

Communication, Education and Outreach. A lack of understanding and awareness makes current community and political support for housing tenuous. Additional work is needed to build support for local funding and minimize opposition to future below market projects.

Leveraging Existing Housing Strategies and Organizational Infrastructure. Existing plans, including the 3-Year Workforce Housing Investment Strategy (LINK), provide valuable tools and direction to guide our efforts. Relatedly, we have a robust

network of housing entities that is positioned to respond to many of our current needs.

Opportunity to Provide Tax Exemption for Future Low-Income Housing Tax Credit (LIHTC) Developments in the region. The RHA is uniquely positioned as a housing authority to provide limited partnership and property tax exemption to future low income housing tax credit projects. This creates modest fees and significant leverage over future projects. This also lends itself to coordinating regional LIHTC applications and minimizing more than one application being submitted per round.

HEADWINDS: OPPORTUNITIES TO OVERCOME KEY CHALLENGES AND BARRIERS TO PROGRESS

Address the Need for Dedicated Local Funding. Currently, our communities lack dedicated funding streams to invest in below market housing, which increasingly relies on local funds for matching state and federal funds, gap financing, and delivery of local programs and services.

Local Development Policies and Procedures. Plans, policies and procedures that shape local development are increasingly important moving forward. Improvements and baseline best practices are required for Prop 123 and Strong Communities funds. As a regional body composed of local jurisdictions, the RHA is in position to help guide a coordinated effort.

RHA's Primary Value

Convener & Hub for Regional Collaboration Address Funding Needs
Capacity for Regional Housing Work
Pursue/Coordinate Opportunities (TA, grants, etc)
Elevate Awareness & Support for Housing
Enable Public Private Partnerships

Current Priorities & Areas of Focus

Build on Current Collaboration
Funding + Resources
• *State and Federal Grants*
• *Dedicated Local Funding*
• *Other sources / programs / support*
Enable Improvements to local policies
Tax exemption authority

STRATEGIC PRIORITY 1

PROVIDE LEADERSHIP IN ATTAINING FUNDING

The RHA plays a key role in pursuing grant funds (and other resources) to address regional housing needs. In addition, creating a dedicated source (or sources) of local funding is a priority for the RHA. Given its role, jurisdictional make-up, and regional orientation, the RHA is well positioned to play a central and/or coordinating role in both of these areas.

Goal 1: Create dedicated funding for affordable housing projects and programs

Strategy 1. Complete due diligence work in a way that addresses key questions, builds engagement and support, and provides a clear path forward.

1. Pass Resolution. Pass a resolution to articulate RHA's commitment to creating dedicated local funding.

LEAD: RHA Staff and Board. TIMING: Dec 2023

2. Clarify and communicate regional housing needs. Update understanding of needs to be able to clearly articulate the problem and need for local funding.

- Number of units needed for rental and ownership
- Scale of funding needed to address local needs
- Range of needs across AMI levels
- Build on Alliance's Updated Workforce Housing Investment Strategy

LEAD: RHA. TIMING: Nov 2023 - Feb 2024

3. Create a STEER Committee (Stakeholder Taskforce for Evaluation and Endorsement of Revenue-streams). Engage regional leaders in an STEER Committee empowered to address key questions and advise on how to move forward, such as:

- *Source and level of funding.* Evaluate options and identify recommendations.
- *Uses of funding.* Identify how dedicated funds could be used.
- *Structure and decision making.* How are funds received and allocated? Who makes decisions about what is funded?

While participants should support affordable housing, the group should reflect diverse viewpoints and backgrounds in the community. This will likely require basic steps to increase access and agency of all involved, including: facilitation, learning sessions, and translation.

LEAD: RHA. TIMING: Feb/Mar 2024

4. Conduct updated polling. Use polling to gauge community sentiment on the support for creating local funding, as well as for potential uses, sources, structure, and decision making.

LEAD: RHA. TIMING: April 2024

5. Consistent engagement of jurisdictions and partners. Ensure ongoing communication and collaboration with partners, particularly local governments, to ensure a coordinated approach that ultimately brings key partners together around a path forward.

- Use resolution to inform and encourage coordinated engagement
- Provide updates to jurisdictions/partners on progress of working group
- Engage jurisdictions in determination of if and how to move forward

LEAD: RHA. TIMING: Ongoing

Strategy 2. Build Community Awareness and Support for Dedicated Funding

1. Stakeholder Convening. Engage key partners and stakeholders in a meeting about needs, as well as findings and recommendations of the STEER Committee (Stakeholder Taskforce for Evaluation and Endorsement of Revenue-streams).

LEAD: RHA. TIMING: Jan - April 2024

2. Regional Housing Summit. Organize and deliver a regional housing summit that engages the broader community in learning and dialogue about the need and role of local funding and steps being taken to create it.

LEAD: RHA. TIMING April 2024

3. Targeted Engagement. Use focus groups, open houses, or other types of outreach to engage a broader segment of the community, including those who are unable or unlikely to attend a larger workshop or event.

LEAD: RHA. TIMING Ongoing

4. Create Communication Tools and Strategy. Invest in creating basic communication tools to increase awareness and build a strong case for the need for dedicated funding.

LEAD: RHA. TIMING Nov 2023 - Feb 2024

5. Build a Broad Coalition of Support. Work with partners to build a broad-based coalition of support. This coalition is best suited to guide subsequent efforts, including leading a successful campaign, which RHA member jurisdictions are not able to engage in. This activity requires attention to key roles and activities, including:

- Group coordination and, if needed, facilitation.
- Ongoing and effective communication
- Development of timelines and activities for grassroots community engagement
- Basic tools/approaches to increase access and agency of partners (e.g. translation)

LEAD: RHA + partners. TIMING Ongoing

Goal 2: Attain outside funding to support local housing projects and programs.

The RHA, through its partnership with the La Plata Economic Development Alliance, should continue to lead and support local and regional efforts to attain funding, technical assistance, and other resources in support of local and regional housing needs. The opportunities listed below are only some of those that the RHA and its partners can pursue.

Proposition 123 Funds. All jurisdictions in La Plata County opted into Prop 123, opening doors to receive newly created state housing funds. Our region will be more successful with a coordinated approach to pursuing these funds, which the RHA can support.

Low Income Housing Tax Credit projects. The Low Income Housing Tax Credit (LIHTC) program is the largest affordable housing program in the nation. In Colorado, the program is administered by the Colorado Housing and Finance Authority (CHFA). The 9% program provides greater equity for projects, but is competitive. Regions that coordinate LIHTC project opportunities are generally more effective and successful. Here again, the RHA can help coordinate these efforts and add capacity if needed.

Technical assistance and capacity building opportunities. The RHA will continue to coordinate and/or lead efforts to attain technical assistance and capacity building resources. In 2024, one priority will be opportunities that create resources to align local land use policies with affordable housing needs and goals, which is also an important step for Prop 123 Funding.

STRATEGIC PRIORITY 2

POSITION TO LEVERAGE RESOURCES

Goal 1. Develop Program Policies and Procedures for Limited Partnership Activities for Tax Exemption and LIHTC projects.

Strategy 1. Hold a work session on property tax exemption and limited partnership activities. Confirm whether RHA would like to take on this role.

1. Work Session. Coordinate with RHA consultant Jenn Lopez to provide training and guide the board through a conversation on this potential strategy. If the board decided to pursue the strategy, work with consultants to develop policies and procedures and develop legal agreement templates for partnership status. Decide on a fee structure and any other components of a program.

LEAD: RHA TIMING: February 2024.

STRATEGIC PRIORITY 3

PROVIDE LOCAL JURISDICTIONS WITH REGIONAL HOUSING BEST PRACTICES AND POLICIES

Goal 1. Create a Policy Environment that Supports Local and Regional Housing Goals

Strategy 1. RHA will lead and develop a policy document that identifies, globally, the barrier reductions, best practices, and ideas the organization desires to see in all of the jurisdiction's housing plans, policies, and land use regulations.

1. RHA staff contracts with a housing policy expert to coordinate an overarching policy document and a collaborative effort to align local plans, policies, procedures and investments with local and regional housing goals

A. Review existing plans and policies with a focus on current or recent efforts to update local policies in support of housing needs, as well as shared goals or principles that are common

across various local plans and policies.

B. Clarify Needs and Challenges. Work with local partners, including developers, housing experts, planners, who can pinpoint specific challenges in local plans, policies, procedures, or infrastructure practices.

Pursue Funding for Support. While this action does not require outside assistance, the work could be significantly enhanced with outside expertise. The RHA should continue seeking funding or technical assistance focused on evaluating local codes, procedures, and related activities.

C. Develop Community Planning Principles. Building off common themes, goals, and strategies, as well as identified challenges, work to craft a set of Community Planning Principles that outline basic best practices that all jurisdictions can agree upon.

D. Recommend Opportunities for Improvement. Using the work completed, identify a set of opportunities to update or improve local plans, policies, procedures, or related development and investment decisions. For some, the first step may be additional work and study.

In addition to potential reforms within each jurisdiction, this likely also includes identifying ways to improve coordination on land use, transportation, and infrastructure decisions that shape and impact housing costs and feasibility.

LEAD: RHA Staff TIMING: 2025

2. Follow through on policy reform at the local level. Develop a budget and timeline for working through the changes and opportunities identified. This step must acknowledge the need for each jurisdiction to follow its own political and public engagement processes.

LEAD: Jurisdictions TIMING: 2025

GLOSSARY OF TERMS

In order for the reader to have a shared understanding of terms used by the Regional Housing Authority (RHA), as well as clearly define the issues and solutions presented in this plan, here are a list of terms and definitions:

Affordable Housing: Housing that costs no more than 30 percent of gross household income for a given income level (either that of the household living in it or one who could live in it). **

Area Median Income (AMI): the typical income in the regional housing market based on household size and county. **

Attainable Housing or Below Market: Housing that typically includes both affordable and workforce housing. Housing affordability as defined by CHFA includes the cost of housing relative to a given income level. Housing is typically considered affordable if it represents 30 percent or less of an individual's or household's gross income.

Housing-cost-burden: Households paying more than 30 percent of their income for housing costs are considered "housing-cost-burdened." Those paying more than 50 percent of their income for housing costs are considered "severely cost-burdened" or "extremely cost-burdened." **

LIHTC: The Housing Tax Credit (HTC or LIHTC) is the primary source of financing for the construction and preservation of affordable rental housing in the United States. Housing Tax Credits provide an incentive for investors to invest in affordable housing construction and preservation via a tax credit. Developers can apply for their development to be awarded tax credits and then investors will invest in the property in exchange for those tax credits, providing equity for the development. The HTC may also be referred to as the Low Income Housing Tax Credit.**

Low-income: An income level that usually corresponds to some income range up to 50, 60, or 80 percent of AMI. In some definitions, this refers to the entire range (e.g., 0 to 80 percent AMI), while in others it may be a particular band (e.g., 50 to 80 percent AMI). **

Median Family Income (MFI): The MFI is the median annual income for all families in a given geography (generally a metropolitan area or a non-metropolitan county). The U.S. Department of Housing and Urban Development uses MFI to calculate income limits for many of its programs. MFI is generally synonymous with the general use of the term Area Median Income (AMI), but it is common to see AMI used as a reference point that adjust for families of different sizes (e.g., 50% of AMI), whereas MFI specifically refers to the median for all families.**

Regional: In this plan the term regional is referring to the area within La Plata County.

Subsidized affordable housing: Housing that is affordable at a given income level in part because it is supported by some form of public financial resource that reduces the housing cost. In return for the public sector providing a subsidy, the developer or owner may be required to offer all or a portion of the units to particular populations, for example people with low incomes or disabilities, and/or older adults. **

Workforce Housing: A term generally referring to housing that is affordable to local workers earning a typical wage. Specific income ranges this corresponds to vary greatly by jurisdiction, but most definitions refer to housing that is affordable to those with incomes between 50 and 120 percent of AMI or 80 and 120 percent of AMI. **

** Terms as defined in CHFA's Colorado Affordable Housing Developer's Guide (<https://developers-guide.chfa.info.com/glossary>)