



3. Housing Recovery Funding Programs and IDF Application Process

October 7, 2023



COLORADO
Department of Local Affairs

Housing Recovery Program (HRP) Overview

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Eligibility Criteria

Available Funds

Income Calculation

Award Calculation

HRP Status as of 10/3/23

Natasha Albert, Impact Development Fund

IDF Role

Where/How to Apply

Review Process & Timelines

Appeals



Housing Recovery Program (HRP) Overview

Purpose: The funds are intended to...

- Assist households to rebuild and remain in their communities.
- Focus on lower income households who would otherwise not be able to rebuild.
- Reduce the financial impact on the most vulnerable households.
- Promote resilient rebuilding by encouraging high performance building standards and hazard mitigation measures.

Limitations: What the funds cannot do...

- Pay for personal belongings or other expenses not directly related to repairing or rebuilding.
- Provide upgrades or luxury finishes.
- Provide funding that exceeds your rebuilding costs.

All rebuilding or renovation efforts must have a funding gap to be funded.

<https://cdola.colorado.gov/housing-recovery-program>



Applications

One location, six applications

Full Form Application

State Housing Recovery Program including Wind and Wildfire Home Protection funds *and* Community Foundation of Boulder County (CFBC) Rebuild grants

Short Form Application

If applying for the Community Foundation of Boulder County grant only

State of Colorado \$5,000 Mitigation Grant

If only applying for the \$5,000 mitigation grant

Recovery Electrification Rebates

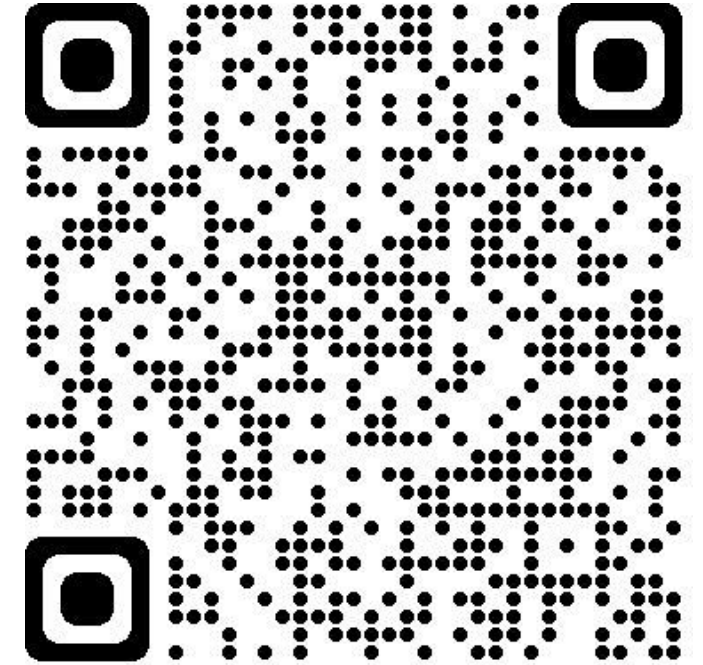
If applying for Colorado Energy Office electrification rebates

Unmet Needs Grant & Rental Support Program

CFBC Unmet Needs & Rental Support

Boulder County Use Tax Rebate

Boulder County rebate of use taxes



Scan QR Code to Apply

<https://cedproject.org/rebuild/>



HRP Assistance: Two forms of loans

Grants - in the form of a Forgivable Loan

- No payments, no interest
- Three year residency requirement (fully forgiven after three years)
- Sliding scale based on income
- You can receive a traditional loan in addition to the forgivable loan.

Traditional Loans

- Up to \$50,000 and is a standard loan including underwriting
- Term of 30 years at 1.5% interest
- For those who need additional rebuilding dollars and were unable to access SBA loans.

No application fees and no closing costs for either form of loan.



Base Award Amounts by Area Median Income

Up to \$150,000 to homeowners with an existing rebuilding or renovation gap.

- The maximum grant/forgivable loan is \$100,000 dependent on the household income level.
 - Households with incomes \leq 150% of AMI may be able to reduce their SBA loan amount.

Area Median Income Level	Maximum Grant/Forgivable Loan Amount	Maximum Traditional Loan Amount 1.5% interest rate, up to 30-year fixed
\leq 80% of AMI	Up to \$100,000	Up to \$50,000
81 - 100% of AMI	Up to \$75,000	Up to \$50,000
101 - 120% of AMI	Up to \$50,000	Up to \$50,000
121 - 150% of AMI	Up to \$25,000	Up to \$50,000
> 150% of AMI	N/A	Up to \$50,000



Area Median Income (AMI) by Household

Households \leq 150% AMI are eligible for a grant/forgivable loan.

- The grant/forgivable loan amount is dictated by the household income level at time of application.
- Household income includes the income of all members of the household.

Boulder County 2023				
Household Size	80% AMI	100% AMI	120% AMI	150% AMI
1	\$66,700	\$93,000	\$111,550	\$139,450
2	\$76,200	\$106,250	\$127,500	\$159,400
3	\$85,750	\$ 119,550	\$143,400	\$179,300
4	\$95,250	\$132,800	\$159,350	\$199,200
5	\$102,900	\$143,450	\$172,100	\$215,150
6	\$110,500	\$154,050	\$184,850	\$231,100
7	\$118,150	\$164,700	\$197,600	\$247,050
8	\$125,750	\$175,300	\$210,350	\$262,950

Note on Household size: As a general rule, include “all persons living in the unit” when determining household size. [Link to AMI Table](#)



Eligibility

You are eligible to apply if:

- Your property suffered damage/destruction due to the Marshall Fire and Straight-Line Wind Event
- You were the property owner at the time of the fire and at the time of application
- The home was and is your primary residence
- You are a landlord and your rental property was damaged/destroyed*
- You have an existing funding gap not covered by insurance proceeds, FEMA and/or SBA assistance, and other grants or loans received for rebuilding purposes

Eligible property types:

- Single-family residences, duplexes, townhomes, or condominiums
- Manufactured or mobile homes (including replacement if significantly wind-damaged)

You are NOT eligible if:

- You have an approved and not cancelled SBA loan and your household income is **above 150% AMI**
- The property was a second or vacation home

*Receipt of this assistance is conditioned on maintaining affordable rents for a period of at least 5 years



Eligible Expenses

- Direct costs of repairs or reconstruction of a damaged or destroyed primary residence (including smoke and ash damage)
- Soft costs and fees - Architectural, engineering, permitting, etc., clearance and demolition costs
- Costs associated with using building and site design measures that reduce or mitigate risk to natural hazards including fire resistant building materials and landscape design
- Costs to replant climate ready trees and vegetation
- Other rebuilding costs not covered by other sources that will increase resilience to future disasters

Reimbursement for expenses already incurred

- Forgivable Loans (grants) can reimburse rebuilding expenses from December 30, 2021.
- Traditional Loan funds can be used for expenses incurred on or after May 17, 2022.



Additional Hazard Mitigation Award Amounts

- All households still need to have a funding gap.
- Stick built homes and manufactured housing will be eligible for up to \$30,000 in additional funding

Area Median Income Level	Maximum Grant/Forgivable Loan Amount for Mitigation	Maximum Traditional Loan Amount for Mitigation 1.5% interest rate, up to 30-year fixed
≤ 80% of AMI	Up to \$30,000	N/A
81 - 100% of AMI	Up to \$30,000	N/A
101 - 120% of AMI	Up to \$30,000	N/A
121 - 150% of AMI	Up to \$5,000	Up to \$25,000
> 150% of AMI	Up to \$5,000	Up to \$25,000

All impacted households are eligible for up to \$5,000 in Hazard Mitigation grant funds regardless of income.



Income Calculation

Based on household income at the time of the application.

- All Documentation must be dated within 120 days of application date

Sources **included** in Household Income:

- The gross amount of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services
- Interest, dividends, and other net income from real or personal property

Sources **excluded** from Household Income:

- Lump-sum additions to family assets, such as inheritances, capital gains, and settlement for personal or property losses
- **Insurance payments** for rebuilding costs or additional living expenses.



Self-Service Estimator Tool

Please click on the blue cell to the right and select the county the property is in.	Boulder	Please enter or select values in the three blue cells to the left.
Please click on the blue cell to the right and select your household size from the dropdown.	3	
Please enter the Adjusted Gross Income (Line 11 of IRS form 1040) for your entire household in the blue cell to the right.	\$ 100,000	
The Area Median Income (AMI) of your county adjusted for your household size is displayed to the right.	\$ 119,550	The cells to the left are calculated for you.
Your Household Income category related to the Area Median Income (AMI) is displayed to the right.	100% AMI	
Please enter your estimated reconstruction or renovation cost		
Please enter your estimated reconstruction or renovation cost. This can be a bid, estimate or contracted amount.	\$800,000	Please enter rebuild cost estimate in Cell B12.
Please list your financial resources to rebuild or renovate		
Insurance payments for real property loss only	\$500,000	Please enter your financial resources to rebuild in cells to the left. If no funds in a category, leave it blank.
Other Federal funding for rebuilding	\$200,000	
Community foundation payments	\$0	
Other funds specific to rebuilding your home	\$20,000	
Other funds (Go Fund Me, etc.)	\$0	
Total Reconstruction or Renovation Resources	\$720,000	Calculated for you.
Unmet Need before Forgivable Loan	\$80,000	Calculated for you.
Potential Forgivable Loan (Grant)	\$75,000	Calculated for you.
Unmet Need after Forgivable Loan	\$5,000	Calculated for you.
Approved SBA loan (for real property only)	\$0	Please enter any SBA Loan in cell B25.
Unmet Need before Traditional Loan	\$5,000	Calculated for you.
Potential Traditional Loan (1.5%, up to 30 yr. term)	\$5,000	Calculated for you.
Total Potential Housing Recovery Program Assistance	\$80,000	Calculated for you.

Available in English and Spanish at <https://dlg.colorado.gov/area-median-income-and-housing-calculator>



Estimating Rebuilding Costs

Step 1: Rebuilding software estimate

- Structure, finishes, mechanical, overhead, profit, fees, taxes

Step 2: Add allowances for:

- Concrete, soft costs, excavation, utility connections, landscaping

Step 3: Add site specific items per contractor estimate

- Backfill, piers, retaining walls, accessibility, radon mitigation

Step 4: Add mitigation costs

- Sprinklers, fire resistant siding/windows, non-combustible fencing

Step 5: Total all steps, multiply by 15%, add to get estimated cost



How does my insurance policy impact my award calculation?

- Review of insurance starts with the policy limit in Coverage A
- Your insurance policy maximum limits are evaluated to determine the funds available to you, not what you have been paid to-date.
- Insurance policy limit for real property loss only is subtracted when calculating the award determination (personal property payout is not included).
- Insurance funds (and all funding sources) received are evaluated for a Duplication of Benefit (DOB).

For insurance questions or to file a complaint about your insurance - Contact Colorado Division of Insurance

Call: 303-894-7490

Email: DORA_Insurance@state.co.us doi.colorado.gov/for-consumers/



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Housing Recovery Program Status 10/3/23

Funds available (Federal and State)	\$17,738,335
- Under review or moving into award (107)	\$ 5,785,771
- Funded, loans closed and active (56)	\$ 4,152,772
- Need info, denied, conditionally denied (29)	<u>\$ 200,000</u>
Total in progress	<u>\$10,138,543</u> (57%)
Total HRP applications to date (192)	
Total \$5,000 Mitigation applications (173)	68 funded for \$405,459



Applying for funds:

- *How to apply*
- *Application review*
- *Appeals process*
- *Disbursement of funds*



How to Apply

Application and intake is conducted by intake coordinators who:

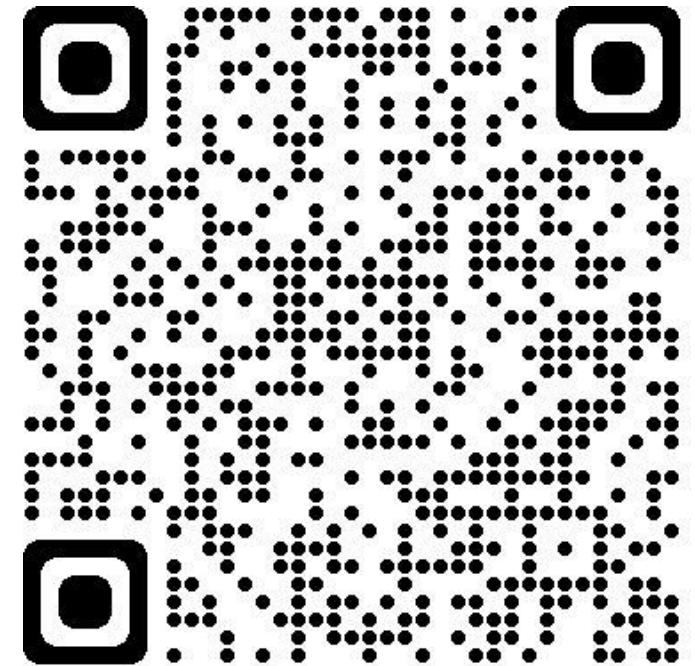
- Answer questions about eligibility, funding, individual situations
- Address inquiries regarding the application process
- Assist in identifying and uploading required documentation

You do NOT need to meet with Recovery Navigator to apply.

You do NOT need to have a rebuilding permit filed to apply.

Connect with an Intake Coordinator:

- Monday - Friday 8:30 a.m. - 5:00 p.m.
- By Phone or Text: 303-532-2785
- By Email: rebuild@cedproject.org
- By Chat at <https://cedproject.org/rebuild/>



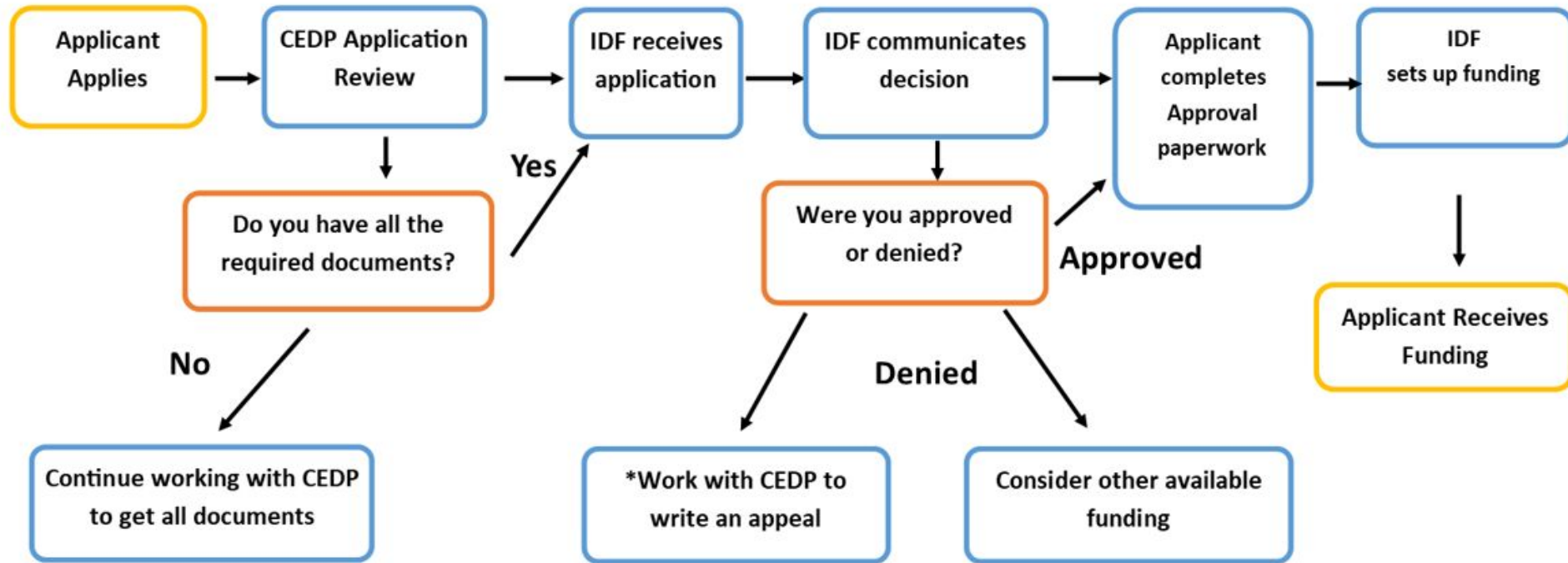
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Application and Award Process



*Each Program has a different appeal process. Please contact IDF or CEDP for the specific steps to file an appeal for the program of interest



Application Review Process

Underwriting Process

- **Phase I: Property Review & Eligibility**
 - Rebuild Estimation Software
 - GC proposal for potential add-back
 - Insurance policy limits

- **Phase II: Income Review**
 - Income
 - Ability to Pay (Traditional Loan Only)



Fund Disbursement

Fund disbursement functions as a draw request

- Funds will be paid directly to builder or General Contractor
 - *If the household has a Certificate of Occupancy (CO), homeowners can be reimbursed for construction costs. The award will go directly to the homeowner.*
- Order of payouts
 - Insurance first, then other funding sources, DOLA funds are last.
- Loan proceeds will be disbursed upon receipt and approval of eligible vendor and/or subcontractor invoices.
- Final disbursement hold-back: the lesser of 20% or \$10,000
 - Final disbursement released upon certificate of occupancy and documentation of final insurance payouts (Coverage A only).



Appeals Process

Informal Appeal

- Within 30 days of receiving award/no award determination
- Include explanation with new information and documentation not available at time of application
- Review by IDF staff for decision

Formal Appeal

- Within 30 days of denial of informal appeal
- Full file review by IDF and DOLA staff
- Final review by Appeal Review Panel

Ability to Reopen the Application

- If applicant situation changes, can reopen the application
- Must provide new information that was not available at the time of previous decision
- May reopen up to one year from application or appeal review is closed



Please visit the DOLA and IDF table for more information
and questions you may have!

Thanks for joining us today!



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