

The Colorado Department of Local Affairs (DOLA), with funding from <u>SB24-174</u>, offers state assistance to local governments and regional entities to promote the development of housing need assessments, housing action plans, and comprehensive plans compliant with state law. SB24-174 creates a new program:

Housing Planning Grant Program

The Community Development Office (CDO) within DOLA's Division of Local Government will manage the Housing Planning Grant Program. This document covers program guidelines for the Housing Planning Grant Program.

Housing Planning Grant Program

The Housing Planning Grant Program provides grants to local governments and regional entities to help them better understand their housing needs and to develop actionable and compliant housing needs assessments (HNAs), housing action plans (HAPs), and comprehensive plans.



Funding

- Approximately \$12,000,000 in grant funding is available for awards.
- Program funding is appropriated from the Local Government Severance Tax Fund and the Local Government Mineral Impact Fund.
- A minimum of 25% local match of the total project cost is required, however, applications contributing higher match will be more competitive. An applicant experiencing financial hardship may request a reduced level of matching funds and must consult with their DOLA Regional Manager before submitting their application about a reduced match.
- Awards cannot cover administrative expenses (e.g., existing staff, operating, or indirect costs).

Eligibility

Eligible entities include municipalities, counties, city and city-counties, councils of
governments (COGs), regional planning commissions, and public entities formed by
the voluntary agreements of local governments in a region. Municipalities or
counties are encouraged to partner on multijurisdictional HNAs and may collaborate
with housing authorities, COGs, or other applicable regional entities.



- Eligible work must align with the intent of the program, which is to fund municipal, county, and multijurisdictional planning work that supports compliance with SB24-174 including HNAs, HAPs, and strategic growth elements of comprehensive plans.
 - Preliminary funding rounds will prioritize HNAs and HAPs, including recently completed HNAs and HAPs that require specific updates to become compliant with SB24-174. Local governments seeking funding for comprehensive plan elements are encouraged to discuss opportunities with DOLA Regional Managers.
 - HNAs must conform to requirements in statute and <u>DOLA's methodology</u>, which was posted online by DOLA by December 31, 2024.
 - HAPs must conform to DOLA's guidance which includes requirements for inclusive public engagement and baseline components described in statute.
 - Multijurisdictional HAPs are acceptable if they include individualized action plans for each participating local government, as they are subject to the approval of the governing body of the local government following a public hearing.
 - Municipal, county, and regional comprehensive plans must include a strategic growth element and a water supply element no later than December 31, 2026, and these elements must be updated on no less than a 5-year basis.
 - DOLA's guidance related to Water Supply & Strategic
 Growth will be published in 2026.



Scoring Criteria

- Readiness (3 points): The applicant shows they are ready to begin work in 90 days
 or less and have a clear timeline for completion that is in advance of SB24-174
 deadline requirements. The applicant has drafted an RFP to procure consultant
 services. The applicant (and any participating local governments as part of a
 multijurisdictional application) has attended a SB24-174 compliance webinar hosted
 by DOLA.
 - Applicants may reach out to the DOLA Technical Assistance team to support compliance efforts.
- Political Support (3 Points): The applicant must demonstrate broad political and stakeholder support for achieving compliance with SB24-174. The applicant has included letters of support from partner organizations (participating local governments, housing authorities, COGs, etc.) Application demonstrates match commitment significantly greater than the program requirement.
- Capacity (2 points): The applicant has organizational experience with and capacity to manage grants and the overall project. The applicant describes their capacity and plan for ensuring the project is managed appropriately and done on time.
- SB24-174 Applicability (2 Points): The applicant must be subject to one or more requirements of SB24-174.



- Stakeholder Engagement Strategy (2 points): The applicant must show they have developed an inclusive stakeholder engagement strategy. Any process to conduct an HNA, HAP, or comprehensive plan should ensure the project will promote equity in affordable housing. Applicants should assess impacts of the work on marginalized and vulnerable populations throughout the process and on an ongoing basis.
 - Per statute, the most competitive applicants will demonstrate how this
 project will consider and incorporate engagement of communities at risk of
 displacement and community members unable to attend meetings in person
 or at the community's regular meeting times.
- Extra Points: Extra points may be earned if an applicant can show the project:
 - 2 Extra Points Multi-jurisdictional HNA or HAP: Incorporates a multijurisdictional HNA or HAP
 - 1 Extra Point Geographic Diversity: are one of the only applicants from a particular region of the state or are an underrepresented "community type" (urban, rural, rural resort)

Application and Award Process Timeline

 Applicants are strongly encouraged to consult with their <u>DOLA Regional Manager</u> and to get input from <u>CDO staff</u> before submitting.



- Submit applications through the Division of Local Government <u>Online Grants Portal</u>
 per the Notice of Funding Available (NOFA). Visit the <u>CDO website</u> for more
 information.
 - The application deadline for the first round of funding is April xx, 2025. The second round of funding will open in late May 2025.
 - The DOLA Executive Director will make final award decisions.
- Applications will be reviewed and awarded within approximately 2 months. Staff
 will work to finalize grant agreements or contracts within approximately 2 months.
- No work may begin on the project until the grantee receives a signed grant agreement from DOLA.
- Grantees must comply with their local procurement code, or state procurement code if a local procurement code is not available. Please contact DOLA program staff for more information on procurement requirements.

Any questions or concerns may be directed to <u>ashley.basham@state.co.us</u> or <u>mitch.hendrick@state.co.us</u>.

Your input is greatly appreciated. The public comment period for the above draft guidelines is open through February 16, 2025. Please use the <u>public comment form</u> to provide feedback.