AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item:

Action Requested: Discussion

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

Jennifer Kermode would like to present the 2019 Gunnison Valley Regional Housing Authority Annual Report

Fiscal Impact:

Submitted by: Liz Mense **Submitter's Email Address:** EMense@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
Reviewed, no concerns. -KW (for Linda Nienhueser)

Reviewed by: GUNCOUNTY1\kweak Discharge Date: 3/6/2020

County Attorney Review: (●) Required ( ) Not Required

Comments:
ok db 3/6/20

Reveiwed by: GUNCOUNTY1\dBaumgarten Discharge Date: 3/6/2020 Certificate of Insurance Required Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 3/6/2020

( ) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted: 20

Agenda Date: 3/10/2020

Revised April 2015

Gunnison Valley Regional Housing Authority

2019 ANNUAL REPORT

Prepared by Jennifer Kermode and staff
GVRHA | 202 E. GEORGIA AVENUE

GVRHA MISSION AND VISION STATEMENTS

As per the Board of Directors, Gunnison Valley Regional Housing Authority's **mission** is to:

"… advocate, promote, plan and provide the long-term supply of desirable and affordable housing in Gunnison County to maintain a well-rounded community."

This coincides with GVRHA's stated **vision** to:

"…support the quality of life and economic vitality of the unique communities in the Gunnison Valley by increasing housing choices and opportunities for local residents."

Recognizing that there are other public and private organizations with an advanced depth and capacity to fulfill the role of a developer, the GVRHA Board of Directors has made a purposeful decision to play a different role on any development team considering affordable housing development in the Valley. The GVRHA Executive Director and staff bring their expertise and experience in designing locals neighborhoods with respect to unit mix, targeted markets for tenure, AMIs, household types, crafting suitable deed restrictions, conducting buyer qualifications and lottery implementation, offering homebuyer education and other activities that serve to set new purchasers up for success long after their home is built. The GVRHA staff has previously participated in public, private and public/private deed-restricted housing ventures that created over 400 homes for locals.

GVRHA BOARD OF DIRECTORS

The 2020 Board of Directors for the GVRHA include:

Roland Mason (President), Gunnison County - elected member
Jim Schmidt (Vice President), Town of Crested Butte - elected member
Chris Haver (Secretary), Town of Crested Butte - elected member
Matt Feier (Treasurer) CBMR an At-Large member
Carlos Velado, Town of Mt. Crested Butte - appointed member
Scott Cox, Gunnison County - appointed member
Mallory Logan, City of Gunnison - elected member
Shaun Matusewicz, City of Gunnison - appointed member
Michael Bacani, Town of Mt. Crested Butte - elected member

GVRHA STAFF BIOGRAPHIES

EXECUTIVE DIRECTOR – Jennifer Kermode

Jennifer Kermode originally moved to the Gunnison Valley in May of 2017 to take the lead at the Gunnison Valley Regional Housing Authority. She left behind a strong, pro-active housing authority in Summit County, Colorado, where she was at the helm for nine years.

Jennifer has used her twelve years of affordable housing experience to grow rural and resort communities in Colorado by creating innovative programs to address unique housing challenges. Past achievements include regionalizing resources, obtaining a permanent funding source for housing efforts, developing unique community education programs and establishing a master lease program to address the impacts of short-term rentals.

Current achievements include assisting the Town of Crested Butte in building and selling 19 deed-restricted for-sale homes, entering into a partnership with a private developer for a 36-unit apartment campus in Gunnison serving low-income households, assisting the City of Gunnison in selection of a developer for 54 for-sale homes, and the Town of Mt. Crested Butte in building 22 for-sale homes deed-restricted to local workforce. Jennifer is also on the Board of Directors of the Colorado Mountain

Housing Coalition, which strives to empower the voice of small Western Slope housing agencies on policies and regulations at the State and federal level.

When Jennifer's not out enjoying all the rec opportunities the Gunnison Valley has to offer, she's busy serving as Secretary on the Board of Directors for the Gunnison Country Chamber of Commerce and is actively engaged with the Rotary Club of Gunnison and serves as their Treasurer.

HOUSING PROGRAM MANAGER – Shannon Frias

Shannon Frias has lived in Gunnison for 37 years, attending Gunnison High School and Western Colorado University (formally known as Western State College). Shannon worked at the Gunnison County Housing Authority from 2002 to 2007. During this time, she managed the senior and disabled apartment building, Mountain View, managed the Section 8 voucher program, and the Mutual Self Help Build program. After 6 years away from the Housing Authority, Shannon returned in 2013. Since her return she manages Mountain View Apartments, the Housing Choice Voucher Program (formally Section 8) and does the bookkeeping and loan servicing for varies programs at the Housing authority.

HOUSING SPECIALIST & MANAGER – Chris Peterson

Chris Peterson graduated from Western Colorado University in 2013 with a double major in Economics and Business Administration and a minor in Sociology. As a longtime manager, her career path has taken her through various industries, beginning with a General Manager position at a fast food restaurant and continuing through retail store management, law firm management and now housing management.

In 2019, Chris became a Certified Tax Credit Specialist for her work managing Anthracite Place Apartments in Crested Butte, Colorado. In addition to her certification, she received training in Fair Housing, continued training in some Low-Income Housing Tax Credit (LIHTC) projects and participated in many webinars/courses on mental health and property management. Chris was invited to speak at a state housing conference on suicide prevention as a property manager, but an unexpected, extended medical leave prevented her participation. In 2020 she looks forward to continuing to expand on LIHTC management, diving deeper into affordable housing management, and presenting at conferences.

Alongside her professional capacities, Chris has held many volunteer rolls in the community. Most prominently, in 2016 she began volunteering with the American Foundation for Suicide Prevention. Since that time, Chris has served as the Chair of the Gunnison Out of the Darkness Campus Walk for a total of

five Out of the Darkness Walks and continues in the role. Additionally, she is on the AFSP Colorado Chapter Board of Directors, the Suicide Prevention Coalition of Colorado Board of Directors, a member of Crested Butte State of Mind, and a member of the Gunnison Health and Wellness Coalition.

PROGRAM ADMINISTRATOR – Loren Ahonen

Loren Ahonen originally moved sight-unseen to Gunnison in January of 2007 to attend Western State Colorado University. Since then, he has earned two degrees from Western: a BA in Politics & Government/Environmental Studies in 2011 and a Master in Environmental Management – Sustainable and Resilient Communities in 2018.

Loren is the Program Administrator for the Gunnison Valley Home Energy Advancement Team (GV-HEAT). GV-HEAT focuses on promoting energy efficiency, affordability, and safety at the household level in Gunnison County. By connecting households to energy efficiency programs and resources, GV-HEAT helps improve housing equity by lowering cost, increasing quality of life, and improving health and safety for clients across the income spectrum. In addition to administering GV-HEAT, Loren also serves as adjunct faculty and stewards renewable energy initiatives at Western Colorado University. As an educator, he teaches ENVS 410 Environmental Ethics, a capstone course for Environment and Sustainability undergraduate students.

He has served numerous roles in Gunnison as a volunteer and professional working in the community and at the University. Currently he serves as a member of the South Advisory Committee for the Gunnison County Metropolitan Recreation District and founded an alumni association for Western cross country/track & field athletes called Supporters of the Big Red Machine. He has also been involved in Gunnison Valley Mentors.

GVRHA SUMMARY OF PROGRAMS

To provide for the long-term supply of desirable and affordable housing in Gunnison County, GVRHA provides several crucial managerial roles and programs to constituent communities. These include:

Property Management

Anthracite Place Apartments

Mountain View Apartments

Stallion Park Condominiums

Elk Valley Townhomes

Gunnison Watershed School District rental homes

Program Administration

Housing Choice Voucher administration

GV-HEAT

Down Payment Assistance loans (2020)

Property Rehab loans (2020)

Other GVRHA Services

Deed Restricted Sales and Monitoring

Development Consulting

Lottery Administration

Loan Servicing

GVRHA FUNDING

At year-end 2019 the GVRHA realized $519,524 in revenues and $490,258 in expenditures, with a net income of $29,266. The Fund Balance at the end of the year was $1,270,148 which includes the GVRHA loan to Anthracite Place Apartments of $1,030,600.

49.95% of revenues came from the contributions of each member to the Authority; 18.30% came from property management fees; 24.30% was from GV-HEAT program contributions and donations and 7.17% came from other program administrative fees.

In November of 2018 the GVRHA put a referred measure on the ballot for a 1.5% property tax to fund affordable housing development and programs but the measure failed. The GVRHA Board does not contemplate putting another referred measure on the ballot in the near future.

GVRHA SUMMARY OF COMMUNITY ENGAGEMENT AND OUTREACH

GVRHA serves as a functional resource to connect our communities with resources and opportunities to address affordable housing needs. With that in mind, the Executive Director sought to extend GVRHA's presence throughout the Gunnison Valley in 2019. This connection and engagement within the community is an outgrowth of the Executive Director's value of relationship-building in small communities and the opportunities brought forth. In 2019, the Executive Director engaged many opportunities, and fostered many connections. A summary of these connections and collaborations includes:

Local Organizational Involvement

- One Valley Leadership Council participant (genesis from OVPP)
- Rotary Club of Gunnison member and Club Treasurer
- Gunnison Country Chamber of Commerce Board member – Secretary
- Inclusion in Mayors and Managers monthly lunches
- Affiliate member of the Community Foundation of the Gunnison Valley
- Leadership Team member of the Gunnison County Community Health Coalition

Regional Organization Involvement

- Colorado Mountain Housing Coalition Board member – Treasurer
- Housing Colorado member
- CO-NAHRO member (Colorado-National Association of Housing and Rehabilitation Officials)
- PHADA member (Public Housing Authorities Directors Association)
- Delta Housing Authority Loan Committee (for rehab loans including Gunnison households)

Local Project Engagement

Crested Butte

- Conducted three lotteries for deed-restricted home sales. These lotteries culminated in the sale and closing of 17 homes
- Prepared 15 buyers for purchase process – including contracts, amend/extends, informational meetings
- Conducted three separate Homebuyer Education classes to prepare lottery participants

Mt. Crested Butte

- Drafted new Deed Restriction for Homestead neighborhood. This Deed Restriction applies to 22 new townhomes
- Worked with Homestead development consultant on lottery and sales process
- Drafted revised Housing Guidelines
- Participated in North Village Parcel F development team

City of Gunnison

- Participated on Lazy K Neighborhood RFP selection team
    - Project totals 54 homes in phased development
- Participated in Lazy K Deed Restriction development team
- Member of Land Development Code Housing team
- Member of 2030 Comp Plan Housing team
- Partnered with Belmont Development for LIHTC GardenWalk project
    - Ground broken in October 2019 for 36 units
- Provided $100,000 loan to GardenWalk project
- Obtained $450,000 grant from CO-Division of Housing for GardenWalk
- Listed and sold one Rock Creek deed-restricted residence

Gunnison County

- Established Stallion Park buyer qualifications, sales prices and process
    - Applies to total of four homes
- Revised Deed Restriction for all County affordable housing properties
- Managed lease-up process for Elk Valley townhomes
    - Total of seven homes

- Participated in Lot 22 of Rock Creek RFP Selection team
    - Helped facilitate developer selection for planned 74 homes

Valley Housing Foundation

- Planned for partnership on Redden Mobile Home Park in Crested Butte
    - Project totals five units

Gunnison Watershed School District

- Assisted in developing housing program guidelines
- Providing property management services for two rental properties

Program Expansion and Additions

- Obtain grant for property rehabilitation loan program for low- to moderate-income households
- Obtain grant for down payment assistance loan program for low- to moderate-income households

Major Internal Projects

- 2019 Gunnison Valley Housing Plan completed and adopted by GVRHA Board April 2019
- Provided update to GVRHA Housing Guidelines
- Facilitated Loan Servicing Implementation for Rehab and Down Payment Assistance loans

GVRHA PROPERTY MANAGEMENT

ANTHRACITE PLACE APARTMENTS OVERVIEW

Anthracite Place Apartments (APA) is a Low-Income Housing Tax Credit (LIHTC) complex serving a total of 30 households. Of these households, 13 are individuals under 50% AMI and an additional 17 individuals under 60% AMI. Rental rates are based upon the income-qualification and AMI of the tenant. For tenants at or below 50% AMI rent is $644 for a one bedroom and $771 for a two bedroom. For those tenants above 50% of AMI but below 60% AMI rent is $779 for a one bedroom and $933 for a two bedroom.

Management Summary

Overall, the three-year-old property is in good condition, but there are major expenses each year with both the fire alarm system and the heating system. GVHRA has looked in various options to improve both systems in the hopes of not only saving money but also making the building run more efficiently.

While occupancy remains high at APA, the availability of affordable, workforce housing in the Gunnison Valley continues to be a challenge. Given this reality, GVRHA and the property manager are always seeking ways to house residents efficiently. As a result, the waitlist policy for APA has been adjusted numerous times over the past few years. After assessing the cost of maintaining a waitlist, the process was shifted so that with each notice of a unit opening, the GVRHA would run an ad in the Crested Butte News for the opening. We believe that this will save both time and money and fill up open units faster. This process adjustment was implemented by management at the end of 2019.

APA is a No Pets property, but we are required to allow Service and Emotional Support Animals. We have chosen to use PetScreening.com for approval of any animal a tenant (or guest) wishes to have at APA. Each person is required to register their Service/Support animal on PetScreening.com by uploading both veterinary records and information from a medical/mental health provider, PetScreening.com verifies all of the information and then sends out an approval. This not only saves management time but also avoids any HIPAA issues.

Snow removal is a constant challenge during the winter months. The snow removal policy for APA is that we have the walks shoveled 1 time per day after 2” has accumulated. The parking area is plowed after a minimum of 4”. This policy has been continuous since the building became occupied.

Twice a year management takes a day to pick up improperly stored/unclaimed bikes. We store them in Gunnison and tenants that wish to reclaim their bikes must make arrangements to meet in Gunnison and pay $25/day for storage of their bike (or other personal property) tenants are welcome to pick up their items during normal business hours.

Comprehensive management of APA includes taking care of the physical property, tenant relations, and qualification files. All emergency calls from both tenants and emergency personnel are always forwarded directly to the property manager.

MOUNTAIN VIEW APARTMENTS OVERVIEW

Mountain View Apartments is an independent living, 28-unit apartment building that houses seniors 62 and older as well as disabled individuals. The apartment building is subsidized through HUD. Residents at Mountain View pay rent based on their income. The rent is 30-40% of a family’s income. GVRHA

manages the property in accordance with the rules and regulations regarding qualifications of residents as established by the Colorado Housing and Finance Authority (CHFA) and the US Department of Housing and Urban Development (HUD). This includes Tenant Income Certifications and annual updates/renewals and interim certifications.

Funding Sources

Mountain View Apartments is owned by Gunnison County and managed by GVRHA. Gunnison County pays GVRHA a monthly management fee and an operational fee. The management fee is based on the HUD management fee schedule. This schedule is updated once a year around October.
The operational fee is based on the Property Management Agreement between Gunnison County and Gunnison Valley Regional Housing Authority.

Rent Structure

The rent structure at Mountain View is determined by several factors. First, HUD establishes a Market Rent each year as shown in the table below. Next income-qualifications are assessed for all tenants per program guidelines. This means subtracting medical expenses and other considerations. Following this income verification and adjustment process, the tenant pays 30% of their income to rent. The remaining gap from tenant rent to the Market Rent is covered by HUD's Housing Assistance Payment.

Mountain View Apartments **Rent Structure**			
Bedrooms	Apartments	2019 Market Rent	Income Limits
1	25	$ 713.00	50% Area Median Income
2	3	$ 864.00	50% Area Median Income

Marketing and Outreach

GVRHA follows HUD guidelines when marketing. HUD requires subsidized and unsubsidized multifamily housing programs with five or more units to complete an Affirmative Fair Housing Marketing Plan (AFHMP) The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing

and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

Program Administration

The management of Mountain View Apartments is subject to:

- HUD Handbook 4350.3
- Title VI of the Civil Rights Act of 1964
- Title VIII of the Fair Housing Act
- Section 504 of the Rehabilitation Act of 1975
- The Age Discrimination Act of 1975
- The Americans with Disabilities Act
- The Violence Against Women Act of 2005

Residents at Mountain View have their rent subsidized through HUD.

This requires:

- Annual certifications of each tenant's income, assets and medical expenses on their move in anniversary date. These certifications are processed through the OneSite platform and are transmitted to HUD monthly through TRACS, Tenant Rental Assistance Certification System;
- Monthly submission of a HAP (Housing Assistance Payment) report. This determines the monthly subsidy paid to the owner;
- HUD REAC (Real Estate Assessment Center) inspections. Both administrative and physical property inspections are conducted;
- Annual Housing Qualification Standards (HQS) inspections;
- Annual inspections of building maintenance, including water back flow, nurse call system, sprinkler system, fire extinguishers, and alarm system;
- Monthly elevator inspection and a yearly full maintenance/inspection;
- Annual OCAF, Operating Cost Adjustment Factor, report and submission. This allows the property to raise the cost of the market rent based on the determination of HUD.

As a publicly funded housing complex, Gunnison County, the owners of Mountain View, acquired a loan through Colorado Housing and Finance Authority (CHFA) in financing the building. CHFA serves as the

Contract Administrator (CA) in Colorado for HUD's Section 8 project based rental assistance portfolio. The loan compliance requires:

- Annual submission of IRS 8703
- Annual submission of loan compliance form
- CHFA MOR (Management and Occupancy Review)
- Following HUD guidelines in all move ins, move outs, transfers, maintenance, house rules, lease, and annual certifications.

Navigating the abundance of reporting requirements and documentation are a necessity in managing Mountain View appropriately.

Management Goals and Outcomes

Throughout 2019, the Housing Program Manager sought to achieve the following goals while managing Mountain View Apartments.

1. **Maintain a 100% lease-up rate**

Summary of Mountain View Lease Up

Total Units	7
Total Turnovers	8 (including 1 transfer)
Total Turnover days	331 days
Shortest Turnover	0 days
Longest Turnover	149 days
Average Turnover	41 days
Occupancy Potential	87.01

2. **House seniors and individuals with disabilities at or <50% AMI**

In 2019 there were four new move-ins at Mountain View Apartments. Two of the new tenants were at or below 30% AMI and the remaining two tenants were at or below 50% AMI.

3. Maintain an active waitlist

In 2019 the wait list for Mountain View averaged 17 applicants. The average applications received per month is two.

Maintaining an active waitlist helps ensure that there is less turnover time with unoccupied units. This management principle is reflected in the Mountain View Apartment's Tenant Selection Plan.

4. Closing the Waiting List(s)

The Gunnison Valley Regional Housing Authority maintains an open Waiting List(s) policy for Mountain View Apartments and will not close the waiting list. The Waiting List is always open for applicants. The application process is first-come, first-serve based on the time and date of the application.

5. Maintain safe and secure housing for seniors and individuals with disabilities

Mountain View utilizes a Maintenance Plan that is updated as needed. Per the maintenance plan GVRHA's approach to maintenance at Mountain View is as follows:

A well- maintained property reflects the property's management. While the GVRHA strives to make Mountain View the best possible social environment for its residents, continued and diligent maintenance is the foundation for maintaining building integrity. Promoting resident safety and curb appeal are only two reasons for a sound and defined maintenance policy.

It is the philosophy of the GVRHA to maintain rental housing with a 75% proactive (scheduled inspections) and 25% (work orders) reactive approach. By conducting regular inspections, potential problems can be addressed before they become maintenance emergencies.

The mission of the GVRHA is to provide affordable housing and to promote the wise and sustainable use of resources. Therefore, this Preventative Maintenance Plan is based on the provision of safe, affordable housing while embracing natural resource conservation.'

Additional Mountain View Considerations

Providing a safe, healthy, and welcoming environment at Mountain View also requires additional duties, including but not limited to:

- Managing day to day building operations
- Creating and conducting monthly activities for the residents
- Scheduling all maintenance including apartment turn over

ELK VALLEY TOWNHOMES AND STALLION PARK CONDOMINIUMS

Elk Valley Management Summary

There are eight units within Elk Valley. Each of the homes have 3 bedrooms, 2.5 baths and attached garages. Rent is set on a sliding scale, with amounts range from $1,300 to $2,300. Additional monthly utility/services expenses have been estimated to be $235 per unit. The Elk Valley units were completed in the spring of 2019 through Gunnison County. However, it took until October of 2019 to determine the structure of occupancy for the units. For the homes six homes managed by GVRHA, there are specific requirements for applicants which include, 12 months residency within Gunnison County working 30+ hours per week on an annual basis, 80% or more of income made within Gunnison County, and total household income between 70 and 160% of AMI.

The number of available leases at Elk Valley has changed overtime, leading to a staggered cycle of lease up. As of this report, six units are to be leased through GVRHA. Three are currently occupied and the remaining three should be leased by the end of January 2020. The leasing process for the first few units did take longer as the original lease-up documents had to be drafted and reviewed thoroughly. The remaining two units will be utilized by Gunnison County. One unit has been reserved by the hospital in a 100-year lease and the other is reserved by the County to entice new employees to the valley.

Stallion Park

Throughout 2019, GVRHA had 10 households on the Stallion Park waitlist. Traditionally, the waitlist is long, and the process moves slowly given limited changes in occupancy. With the completion of the Elk Valley Townhomes, Gunnison County decided that the existing four Stallion Park units would

transition from rental to a for-sale product. As a result, all leases in the building expire on March 30, 2020.

PROGRAM ADMINISTRATION

HOUSING CHOICE VOUCHER PROGRAM

The Housing Choice Voucher (HCV) program is the federal government's primary resource for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants can find their own housing, including single-family homes, townhouses and apartments.

The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects. However, the owner of the property must be willing to accept the HCV payment.

HCV Goals and Outcomes

1. **Increase the number of Vouchers in Gunnison County**

The Housing Program Manager administers all the Housing Choice Vouchers for Gunnison County. At the end of 2019 GVRHA had 17 vouchers as compared to 21 vouchers in 2018. At this time the Division of Housing has put a freeze on issuing further vouchers.

A summary of HCV activity in Gunnison County for 2019 appears below.

- 4 families ported out of Gunnison County
- 1 family ported in
- 2 vouchers are on hold. Participants are in the process of moving, are temporarily hospitalized, or have not found housing to accept their voucher
- 7 families were issued vouchers, but either declined, did not show for the briefing or did not find housing before the voucher expired

Once the freeze of vouchers is lifted, the goal is to issue all available vouchers and work with landlords to house all voucher holders.

2. **Service families <30% AMI**

In the HCV program, a family's income may not exceed 50% of the median income for the county or metropolitan area in which the family chooses to live. By law, a Public Housing Authority must provide 75% of its available vouchers to applicants whose incomes do not exceed 30% of the area median income. Median income levels are published annually by HUD and vary by location.

Of the 17 vouchers currently administered, 11 total households are 30% or less AMI and six are 50% or less AMI. This means 65% of voucher holders are below 30% AMI and 55% are below 50% AMI. When the HCV freeze is lifted, the goal is to process all vouchers at 30% AMI or lower to meet compliance standards.

HCV Funding Sources

GVRHA administers the HCV program under the direction of the Colorado Division of Housing. To administer the HCV program, DOH enters a contractual relationship with HUD referred to as a Consolidated Annual Contributions Contract.

The Division of Housing pays GVRHA an administration fee per voucher each month.

HCV Program Administration

GVRHA follows the Division of Housing Administration Plan and the HUD 4350.3 handbook to administer the HCV program.

This requires the Housing Program Manager to:

- Supervise the receipt of program applications; qualification and placement of applicants on waiting list; orientation of program participants
- Issue housing choice vouchers to applicants
- Coordinate and schedule HQS inspections.
- Calculate participant/tenant payments, utility allowances, and housing assistance payment contracts at initial examination and interim and annual reexaminations.
- Oversee the distribution of information regarding the programs to prospective participants.

- Inform and educate owners and landlords
- Submit files for DOH review

GV-HEAT PROGRAM

The Gunnison Valley Home Energy Advancement Team (GV-HEAT) offers a suite of energy efficiency and weatherization programs to improve housing affordability and equity throughout Gunnison County. GV-HEAT achieves this goal through grant-based interventions at the household level to improve energy efficiency, decrease utility and energy costs, all while improving quality of life for occupants.

2019 GV-HEAT Targets and Goals

- Complete 30 household retrofits through Colorado's Affordable Residential Energy (CARE) program
    - Targeting 20 City of Gunnison utility clients and 10 Gunnison County Electric Association clients
- Complete 10 household retrofits through the Weatherization Assistance Program (WAP) program
- Complete 15+ household audits through Energy Smart Colorado
    - Facilitate at least 5 retrofits in these homes
- Find unique solutions to complicated projects at homes with significant sustainability and resilience issues

2019 GV-HEAT Outcomes

Aggregated Work	Retrofits Completed	Assessments Completed	Applications Approved	Applications Submitted	Outreach Contacts Made	Quality Control Inspections Completed
Colorado's Affordable Residential Energy (CARE)	29	29	40	43	86	10
Weatherization Assistance Program (WAP)	8	8	11	12	15	8
Energy Smart Colorado (ESC)	3	9	11	11	16	
Housing Rehabilitation Loan Program				2	5	

*Figure 1 - Represents the aggregated work of the core programs utilized by GV-HEAT.*All WAP work completed by Housing Resources of Western Colorado with application facilitation from GV-HEAT*

Quantifying Outcomes

Income-Qualified Work

While GV-HEAT met targets for income-qualified work in 2019, it is essential to further characterize the impact of that work. The following offers a brief analysis of the work completed through the CARE and WAP programs in 2019.

Colorado's Affordable Residential Energy (CARE)

GV-HEAT provided free energy efficiency retrofits to 29 distinct households in 2019. This falls one short of the target, but the 30th home was not completed due to extenuating circumstances in the home that delayed the assessment process. This meant that available funding for the 2019 CARE program was exhausted before reaching the 30th household.

All told, GV-HEAT invested $101,084.64 into CARE client homes through funding from Energy Outreach Colorado (EOC) and additional grant resources. More specifically this included $41,878.17 in grant funding from EOC, $40,955.41 in rebates from local utilities, and a combined total of $18.953.93 in Health and Safety work split between EOC and GV-HEAT funding.

The investment in client homes was intended to maximize impact within program restrictions. As such, CARE households received an average investment of $1,350.91 in EOC grant funding alongside additional rebated dollars of nearly $1,000 on average. Across the representative utilities, the average utility rebate per client was as follows:

- Gunnison County Electric Association - $1,000* This is a flat investment in the complete retrofit
- City of Gunnison Electric - $977.35
- Atmos Energy - $685.58

Across serviced households, the mean total investment per home (including potential health and safety concerns and the initial assessment) totaled $3,242.60.

These investments in CARE client households were made to some of those most in need within the Gunnison Valley. While all CARE clients must fall below 80% of the Area Median Income (AMI) the clients served in 2019 represent a significant range of the low to middle-income threshold.

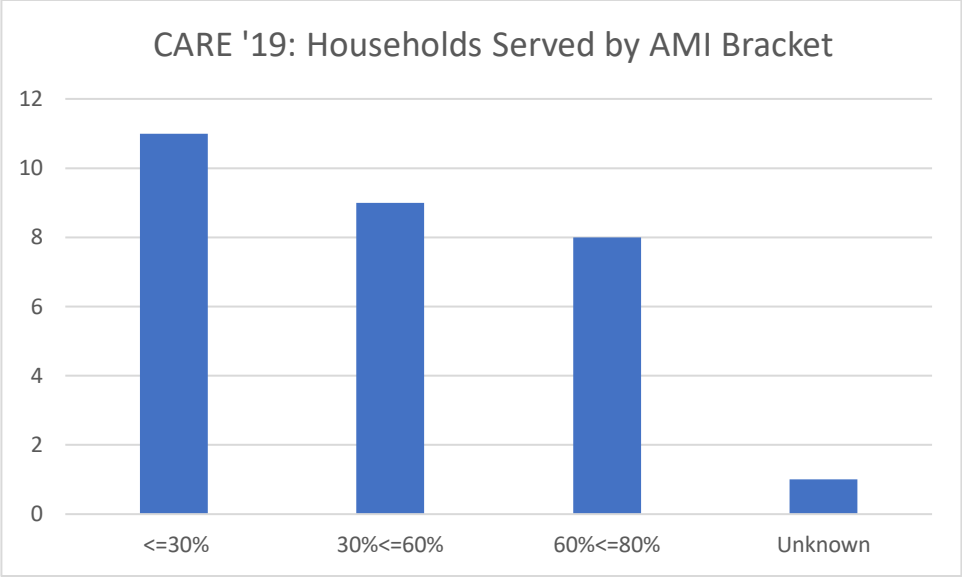

Figure 2 - Represents the distribution of CARE clients in standardized income brackets. The unknown category represents clients where the household income was not directly reported, but instead based on qualification for other social programs.

Most clients (11) served in the CARE program fell at 30% AMI or below. The population in this income bracket represents those most likely to be energy-burdened in their housing. Additionally, the CARE program served a significant number (8) of households in the 60% - 80% AMI category – which remains consistent with a local perception of middle-income populations still being cost constrained in the Gunnison Valley.

The mean AMI serviced through the CARE program was 50%.

From a pure income perspective, the CARE program served households between an income range of $2,304 – to $51,323. However, these incomes mean little when stripped from the number of people in the household.

On the following page, Figure 3 highlights the discrepancy of annual income based on household size.

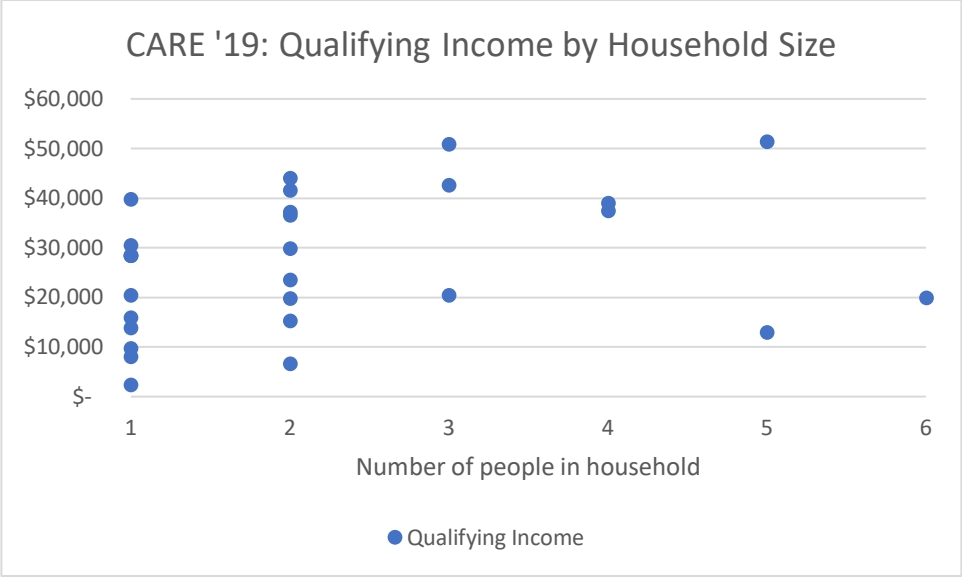

Figure 3 - Characterizes the diversity of annual income seen at different household sizes for CARE qualified clients.

In total, the CARE program benefited 81 distinct individuals across the 29 households serviced. This yields an average of 2.13 persons per household which aligns closely with the Gunnison County average of 2.35 people per household.

Weatherization Assistance Program (WAP)

GV-HEAT's income-qualified work is also supported by the WAP program. WAP is a program funded by the Colorado Energy Office and serviced by predetermined weatherization providers across the states. Gunnison County is serviced by Housing Resources of Colorado which is based out of Grand Junction with a satellite office in Montrose. HRWC can service 10 households per year in Gunnison County.

With outreach, recruitment, and application assistance from GV-HEAT, HRWC filled its Gunnison County quota for the second year in a row. Historically filling the State apportioned quota in Gunnison County has been challenging for HRWC.

The WAP quota of 10 households for the 2019-20 program year was filled by August 2019. In total, eight households received service within the 2019 calendar year, with two more to be serviced in Spring 2020 consistent with the WAP fiscal year.

The WAP program provides similar services to CARE but has more flexibility in addressing heat sources and domestic hot water. Given that, WAP has more resources to invest per home which tends to correlate with a higher average investment per household. Of the retrofits completed thus far in the WAP program year (which runs from July to June) the mean investment in a home is $4,079.16. WAP is also intended to service a lower income bracket than the CARE program with a maximum qualifying income of 200% of the poverty rate. Of households where a direct income was reported, the average household income serviced by WAP in Gunnison County was 38% AMI.

As seen with GV-HEAT's other income-qualified work, WAP served a relatively diverse income range. Figure 4 characterizes WAP clients by Gunnison County AMI bracket.

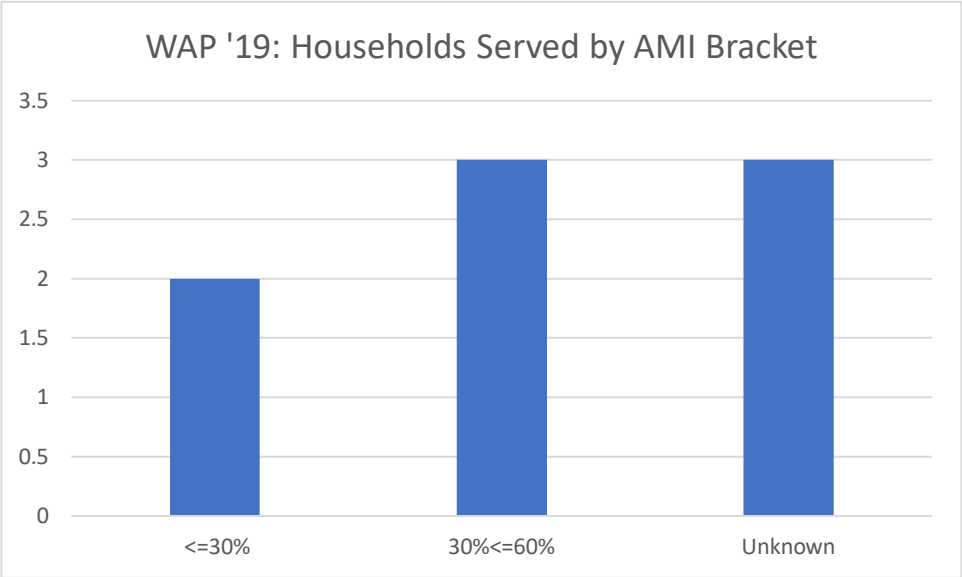

Figure 4 - Represents the income brackets serviced by the WAP program in Gunnison County. Unknown represents clients without a directly reported income who qualified through other social service programs. Given the income qualifications for other social service programs, it is likely these households fall around, or in, the 30% AMI category.

Cost Savings Analysis

The goal of GV-HEAT's work is to incentivize, and complete, physical retrofits of the local housing stock to promote energy efficiency while reducing utility costs. In doing so, the program promotes a comprehensive understanding of affordability by considering alternative dimensions of the affordability conversation beyond mortgage and rent payments.

In general, energy efficiency programs like GV-HEAT utilize a deemed savings model to project cost savings for the work completed. While this is an imperfect solution, it is the standardized assessment mechanism in energy efficiency work. Long term monitoring of utility costs is also possible but requires continued engagement by client households and their willingness to share private utility data. It's also worth noting that real world cost savings are impacted by the behaviors of occupants as the home operates as a system – additional occupants or other behavioral changes can positively or negatively impact the system.

GV-HEAT is currently working with its program partners at WAP and CARE to adequately compile data for deemed savings reporting across the aggregated work in 2019.

Single-Family Owner-Occupied Rehabilitation Loan Program

GV-HEAT's work with the WAP and CARE programs is devoted to specific, pre-approved energy efficiency measures. Both programs operate by providing retrofit measures within broad categories like air-sealing, insulation, lighting change, etc. This structure leaves some categories of work outside the boundaries of the programs. For that reason, GV-HEAT has partnered with the Delta Housing Authority (DHA) to promote and market the Division of Housing's Single-Family Owner-Occupied Rehabilitation (SFOO) Loan program.

The SFOO loan program is a low interest, no money down, revolving loan fund intended for low to middle-income households to complete larger renovations at their home (including activities like replacing roofs, re-siding, plumbing work, electric, and other more extensive repairs.) This program is available to households below 80% of AMI who meet the program application standards.
DHA manages the SFOO loan program for Gunnison County, and many other counties in Region 10. However, SFOO loan program administration will shift to GVRHA in 2020.

During the 2019 program year DHA's SFOO loan program provided service to four Gunnison County households.

Non-Income Qualified Work

Energy Smart Colorado

In 2019, GV-HEAT completed eight Energy Smart Colorado (ESC) including seven residential energy assessments and one assessment for a local, small business. While this is a modest amount of work, it represents an increase from the 2018 program year and is consistent with assessment totals over the last three years.

Six of these assessments were completed at Atmos Energy client households which allowed for a rebate on the assessment and any Quick Fix installations. In total, these assessments yielded $1,410 in Atmos rebate investment.

The ESC program connects with households to a qualified residential energy analyst and helps connect existing utility rebates for the service. Throughout 2019 the only participating utility in the Gunnison Valley was Atmos Energy. This left all-electric households, or those with propane service, to pay the full cost of the assessment at $300. This upfront cost did deter some potential clients.
GV-HEAT intended to facilitate 15 ESC residential energy assessments in 2019 but was unable to meet that goal. As a result, the program administrator has sought to create more effective partnerships with local utilities to subsidize and promote residential energy assessments in 2020.

Regarding the eight ESC assessments completed, three have led to households completing retrofits recommended from the residential energy assessment. While short of the total assessments completed, the goal of facilitating retrofits in at least 33% of households was met in 2019.
Data on deemed savings associated with the retrofits will be fully compiled when all retrofit work is completed.

Additionally, in households served by Atmos Energy 'Quick Fix' measures were installed during the audit to remediate simple concerns at the home. These Quick Fix installations accumulate to 71.05 therms of gas in deemed savings, translating to $60.40 in annual savings. GV-HEAT recognizes the savings encapsulated in the Quick Fixes are small, but they are intended as tool to incentivize participation while creating a baseline for retrofit savings post assessment.

GV-HEAT Funding and Grant Requests

Early in 2019, it became clear that existing funding available through GV-HEAT may not be adequate to help client households fully address the resiliency of their housing. After identifying needs to find leverageable funding for household-level work not covered by the CARE and WAP programs, the program administrator sought additional resources to close the funding and resilience gap.

The program administrator identified a new funding resource at The Colorado Health Foundation and targeted a past funding source in the Valley Housing Fund.

Program administrator successfully obtained two grant requests (The Colorado Health Foundation and Gunnison Valley Housing Foundation) for a total of $51,800.

- The Colorado Health Foundation provided two years of funding for a total of $41,800
- The Valley Housing Fund provided one year of funding for a total of $10,000
    - $28,750 of additional funding in 2019. This represents an increase of 38% to the 2019 GV-HEAT budget

Additionally, programmatic successes in 2019 led to the GCEA Board voting to increase funding for the CARE program while also delivering unrestricted funds to GV-HEAT to promote ESC residential energy assessments in 2020.

Marketing and Outreach

With consistent management in place, the program administrator sought to increase the scope and efficacy of GV-HEAT marketing and outreach efforts in 2019. The following is a summary those efforts:

- Obtained marketing and outreach funding through CHF grant cycle
    - $5,000 to market and administer the program
- Modified marketing and outreach strategies and goals
    - Created radio advertisements on KVLE, KEJJ, and KBUT
    - Created RTA bus advertisements
    - Established data sharing relationship with State of Colorado to provide outreach to Gunnison and Hinsdale County LEAP recipients
    - Launched a door-to-door outreach strategy

- Invigorated relationships with County Health and Human Services and local non-profits for active referrals
- Established a relationship with staff at the Senior Center to try to better reach Gunnison's elderly population
- Established consistent relationships with Inmigrantes Unidos de Gunnison and the Hispanic Affairs Project to help better serve our Spanish and Cora speaking communities
    - Coordinated consistent interpretation services to facilitate this need
    - Hosted one direct outreach event and participated in another
- Coordinated with GCEA and City of Gunnison utilities to more effectively promote GV-HEAT resources

GV-HEAT Program Administration

To increase the capacity of GV-HEAT, the program administrator also made operational adjustments to program implementation.

- In conjunction with staff at Energy Outreach Colorado, program administrator restructured the existing workflow for the CARE program. This resulted in a three-fold increase in jobs completed from 2018 to 2019.
    - A unique local-regional model was developed with EOC to administer the CARE program utilizing local outreach (GV-HEAT) and assessment (Little Foot Building) and regional retrofit contracting through the Energy Resource Center out of Alamosa, Colorado.
- Participated in Building Performance Institute (BPI) Building Analyst training
    - Nationally recognized building science certification
    - Gained certification as Building Analyst good for three years
- Received a scholarship to attend the 2019 Colorado Health Symposium sponsored by The Colorado Health Foundation
    - Networked with crucial stakeholders and garnered program administration experience from other Colorado communities considering the nexus of housing and health.
- Provided consultation to the Crested Butte Climate Action Plan
- Attempted to facilitate combined City of Gunnison/GVRHA application process for USDA Rural Energy Savings Program funding

    - Program offered significant opportunity to help households at all income levels finance energy efficiency work. Presented opportunity to be help utilized in the City's mobile home rehabilitation goals.
- Facilitated dialogue amongst local governments regarding the conditions of several mobile home parks, the revised Mobile Home Parks Act, and opportunities to promote the resilience of manufactured/mobile home parks in our communities

GV-HEAT Revenue

- Energy Outreach Colorado/Colorado's Affordable Residential Energy = Total $97,494.29
    - $45,000 EOC Grant
    - $9,998.23 in EOC health & safety waivers
    - $42,496.06 in CARE utility rebates
        - $16,615 from City of Gunnison
        - $12,340.41 from Atmos Energy
        - $12,000 from Gunnison County Electric Association
- Energy Smart Colorado = $1,410 in Atmos rebates
    - $900 in assessment rebates
    - $270 in Quick Fix install rebates
    - $240 in Energy Advising rebates
- The Colorado Health Foundation = $41,800
    - $28,750 in 2019
    - *$23,050 committed for 2020*
- The Valley Housing Fund = $10,000

ADDITIONAL GVRHA SERVICES

DEED RESTRICTED HOUSING LOTTERY ADMINISTRATION

Depending on the property/development location, size, and original deed restriction if applicable, lotteries serve a wide range of AMIs and household sizes. GVRHA normally opens the application acceptance process for 2-4 weeks and does their best to process applications as they are received.

After the application acceptance has closed letters are sent to applicants notifying them of the lottery procedure, the number of picks they have qualified for, the lottery date and time, and what units they are eligible to purchase (if applicable). Ticket numbers are assigned to each household and double checked by staff members. GVRHA works with both applicants and the owner/developer of units to ensure a fair, streamlined, and relatively simple process the day of the lottery.

Lotteries take up a fair amount of time between the application deadline and the lottery date itself. Generally, lottery timelines are scheduled around GVRHA's slower seasons to ensure adequate time is allotted to administer the lottery.

GVRHA STAFF TIME AND PROGRAM ADMINISTRATION ANALYSIS

In gauging the efficacy of the GVRHA it is essential to quantify the resources and staff-time applied to specific programs and their implementation. The following weekly staff-time allocation is calculated and self-reported by GVRHA staff.

Executive Director – Jennifer Kermode

The Executive Director works at minimum a 40-hour work week.

The Executive Director's duties are split between administration, development, local and regional collaboration, professional networking, and staff and program oversight.

Housing Program Manager – Shannon Frias

On average the Housing Program Manager works a 40-hour work week. Given a standard work week the Housing Program Manager's program implementation time is as follows:

- Mountain View Apartments - 10 hours per week
- Housing Choice Voucher Program - 15 hours per week
- GVRHA bookkeeping/clerical work – 15 hours per week

Housing Specialist & Manager – Chris Peterson

On average the Property Manager works a 40-hour work week. Given a standard work week the Housing Specialist & Manager's program implementation time is as follows:

- Anthracite Place Apartments – 30 hours per week
- Elk Valley Townhomes and Stallion Park Condos – 4 hours per week
- GVRHA Lottery Administration – 4 hours per week

- GVRHA administrative/clerical work – 2 hours per week

GV-HEAT Program Administrator – Loren Ahonen

On average, the program administrator worked 138 hours a month in 2019. At a weekly rate this is 34 hours a week. Of that weekly total time spent on each activity was as follows:

GV-HEAT Administration Activities

- GVRHA & Staff Meetings - 2 hours per week
- Stakeholder Engagement & Meetings - 1 hour per week
- Research and Reading - 2 hours per week
- Grants Administration/Budgeting/Invoicing - 2 hours per week
- Marketing and Outreach - 8 hours per week
- Direct Program Administration - 17 hours
- Supplemental Client Interactions - 2 hours per week

  Total = 34 hours

Program Specific Administration

- GVRHA Work and Miscellaneous - 3.5 hours per week
- SFOO Rehab Loans - < .5 hours per week
- Energy Smart Colorado - 2 hours per week
- Weatherization Assistance Program - 1 hour per week
- Colorado's Affordable Residential Energy Program - 27 hours per week

  Total = 34