



Arapahoe County

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Board Summary Report

File #: 25-296

Agenda Date: 5/27/2025

Agenda #:

To: Board of County Commissioners

Through: Katherine Smith, Director, Community Resources

Prepared By:

Jeremy Fink, Community Development Administrator, Community Resources

Presenter: Jeremy Fink, Community Development Administrator, Community Resources

Subject:

10:45 AM *Allocation of Centennial Community Development Block Grant Funds to South Metro Housing Options - Montview Flats

Purpose and Request:

The purpose of this study session is to review a recommendation by Community Development Housing and Homeless Services (CDHHS) staff to allocate Centennial Community Development Block Grant Funds (CDBG) funds to South Metro Housing Options (SMHO) to support their Montview Flats affordable housing project in Littleton. In addition, CDHHS staff is seeking direction from the Board of County Commissioners (BOCC) regarding the plan to utilize these funds and submit a substantial amendment to the U.S. Department of Housing and Urban Development (HUD) to include the proposed funding for the SMHO-Montview Flats project.

Background and Discussion: During the July 2, 2024, study session, the BOCC reviewed funding recommendations for the 2024 CDBG allocations, which were subsequently approved during the August 6, 2024, BOCC Business Meeting. The 2024 allocations included an award from the City of Centennial CDBG program (administered by Arapahoe County) in the amount of the \$325,000 for the SMHO-Montview Flats project. At the time, County staff anticipated a future CDBG and/or HOME request depending on SMHO's ability to secure all necessary funding and absorb any potential anticipatory cost increases.

In addition to the Centennial CDBG allocation, the BOCC approved a County CDBG award of \$300,000 to SMHO-Montview Flats during an April 14, 2025 study session and subsequent April 22, 2025, Business

Meeting. The County CDBG recommendation and allocation was presented to the BOCC in response to a funding gap and request from SMHO for additional funds from local partners, including the City of Littleton, City of Centennial and Arapahoe County.

The Montview Flats project is a 50-unit affordable housing development just south of downtown Littleton on Rapp Street. The project will exclusively serve residents earning between 30-70% AMI and currently has a total development budget of \$25,504,842.

Based on the development budget, current secured project funding, and available Centennial CDBG funds, CDHHS staff is recommending an additional award of \$275,000 in Centennial CDBG funds to address the projects funding gap, ensure the overall project feasibility, and support regional efforts to provide new affordable housing units.

The City of Centennial Council approved the additional \$275,000 allocation to SMHO-Montview Flats on May 6, 2025, which, if approved by the BOCC, will bring the total CDBG support for the project to \$900,000 (\$600,000 from Centennial and \$300,000 from the County.) Please note, the award amount is contingent upon the successful environmental clearance, and the allocation of funds by the U.S. Department of Housing and Urban Development (HUD) and may be subject to adjustment accordingly.

Fiscal Impact: No County general funds are impacted. The CDBG program is a HUD annual entitlement program.

Alternatives: The BOCC may choose to accept or decline the proposed CDBG funding recommendation or choose an alternative funding allocation.

Alignment with Strategic Plan:

- ☒ Be fiscally sustainable
- ☒ Provide essential and mandated service
- ☒ Be community focused

Staff Recommendation: CDHHS staff support the funding recommendations presented above, consistent with City of Centennial recommendations for Centennial CDBG allocations, to ensure the feasibility of the affordable housing development project and continue our support for SMHO's efforts to create new units of affordable units in our community.

Concurrence: N/A