



## State Affairs Committee Testimony

June 5, 2020 – HB 1410 SUPPORT

Habitat for Humanity of Colorado supports HB 1410 and is grateful for the funding that this legislation would provide for households earning under 100% of the area median income. As a non-profit serving in over 45 communities across Colorado, we have seen first-hand the need for resources to support low- and moderate-income households impacted by COVID-19 fighting to stay in their homes. We have received requests for mortgage assistance from Habitat homeowners who have lost their jobs working at hotels and resorts, childcare providers and hair salons—just to name a few.

In order to improve the legislation, Habitat for Humanity requests that the bill specifies the amount of funding that would be available to support homeowners under 100% of the area median income. We recommend a minimum of 30% of the total amount be directed to mortgage assistance for households that cannot make their payments due to a first or second order COVID effect.

Additionally, we request a streamlined process for distributing the funding. Current funding that is available for emergency mortgage assistance from the state is very onerous for homeowners as well as nonprofits. It requires a significant amount of capacity from the nonprofit organization and significant documentation from the homeowner. Habitat suggests adding language to the bill that would help to remove barriers for households and non-profits to access the funding. The language should allow the Division of Housing to allocate and distribute the grant funding to the non-profit lender as a lump sum. The lender would then be responsible to certify the homeowner through an in-house process and report back to DOH on the number of households receiving funding; therefore, removing the need for an intake application process for each homeowner to be submitted to DOH. This process would eliminate the onerous application, reduce the burden on homeowners and streamline the process for the nonprofit lenders that serve in this space.

We additionally advocate that a portion of the funding helps to cover the administrative cost incurred by the non-profit to manage the program.

Thank you for your thoughtful leadership in addressing the COVID-19 pandemic in Colorado and specifically looking for solutions to ensure housing stability. Habitat for Humanity of Colorado asks that you support HB 1410 because now more than ever, a home is an important sanctuary for families across our state to feel safe, healthy and secure.