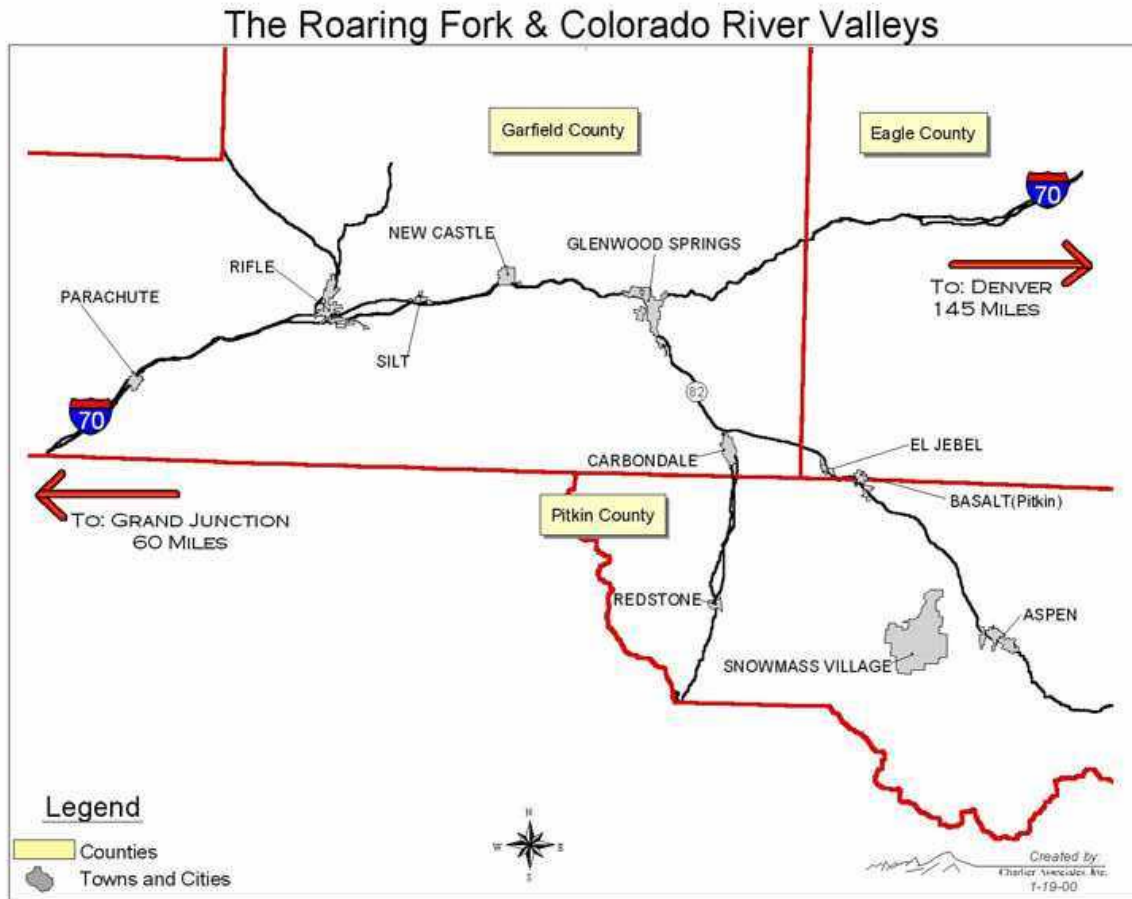


ROARING FORK COMMUNITY DEVELOPMENT CORPORATION

OVERVIEW

MISSION

The Roaring Fork Community Development Corporation's mission is to improve the health and welfare of people and communities in the Roaring Fork and Colorado River Valleys



As a 501(c)(3) tax-exempt charitable nonprofit organization, the Roaring Fork Community Development Corporation achieves its mission by working as a broker, catalyst, facilitator, and developer to create community-based / civic focused projects that ensure low and middle income individuals and families can live in the communities of the region, increase opportunities for locally owned businesses, and encourage the efficient use of energy, land, and community resources.

STATEMENT OF NEED/ MARKET ANALYSIS

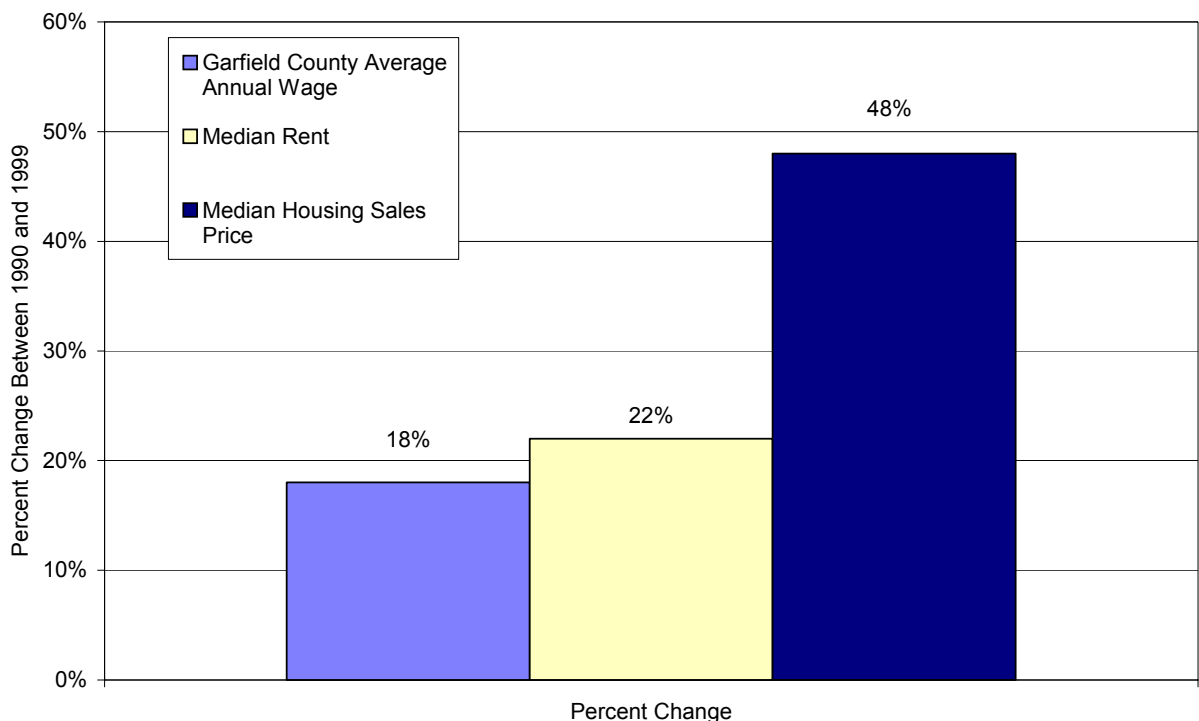
There are a number of reasons for creating the Roaring Fork Community Development Corporation as a nonprofit organization

1. **The communities of the Roaring Fork and Colorado River Valleys are increasingly unaffordable to working individuals and families.**

Housing

While the high cost of housing in Pitkin County is well documented (the average price of a home in the City of Aspen in 2005 was \$2.5 million), a recent *Garfield*

**Percentage Change in Wages and Housing Prices
Garfield County 1999-2005**



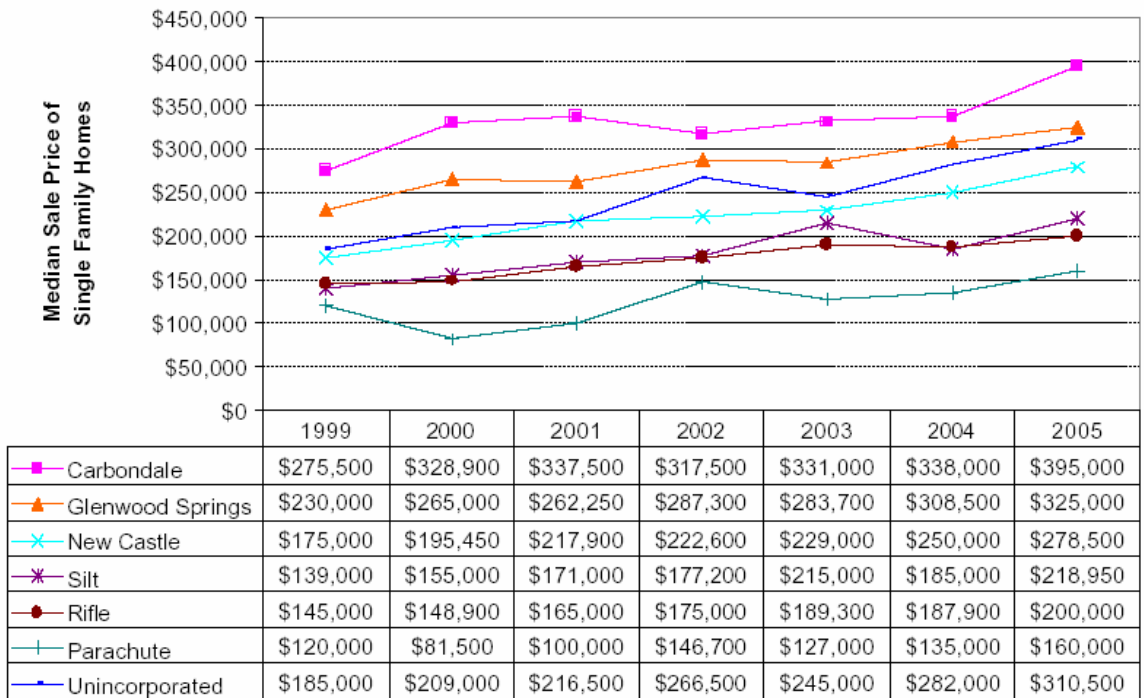
County Housing Needs Assessment (2005) documents that the cost of housing in the county has increased 48%, while wages have increased only 18% since 1999. Today, the Town of Parachute is the **only** community in the region where a family of median income (\$65,000-\$70,000) can purchase a home.

In every other community, housing prices have moved beyond the affordability line for low and middle income families. In communities such as Carbondale, a family of four making 120% of the area median income (AMI) in 2005 has to go back to the

mid 1990s to afford a median priced home in the community (\$252,000). The current median price in Carbondale (\$395,000) is well beyond a median family's income.

This lack of affordable housing means long commutes for workers, increasingly income segregated communities and neighborhoods, and a displacement of low and middle income individuals and families from many of our communities.

**Median Sale Price of Single Family Homes* By Town:
1999 through September 2005**



*Single Family homes include mobile and manufactured homes on owned land.
Source: 2005 Garfield County Assessor data; RRC Associates, Inc.

Affordable Purchase Price By AMI*: 2005

AMI Income	1-person	2-person	3-person	4-person	5-person
80% AMI	\$35,400	\$40,450	\$45,500	\$50,550	\$54,600
100% AMI	\$44,200	\$50,600	\$56,900	\$63,200	\$68,300
120% AMI	\$53,040	\$60,720	\$68,280	\$75,840	\$81,960
Affordable Purchase Price					
80% AMI	\$117,857	\$134,670	\$151,483	\$168,296	\$181,780
100% AMI	\$147,155	\$168,463	\$189,437	\$210,412	\$227,391
120% AMI	\$176,586	\$202,155	\$227,325	\$252,494	\$272,869

Source: Department of Housing and Urban Development; RRC Associates, Inc.

*Assumes 5% down; 6.5% 30-year loan; 20% of monthly payment for insurance, taxes, PMI, HOA.

Commercial Space

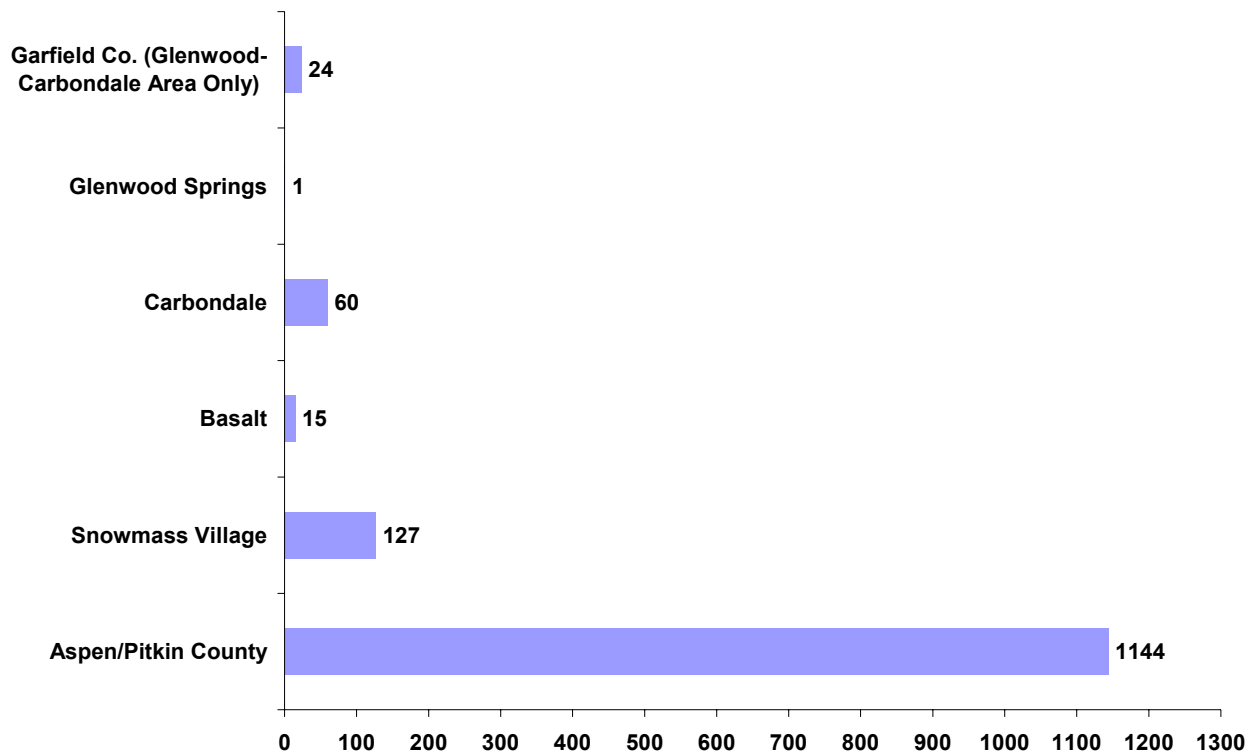
Although not as well documented, the increasing land costs have made it tougher on small, independently-owned businesses, especially if they do not own their space. High rents make it difficult for small, locally –owned businesses to get started or expand, which limits the diversity of businesses in a community. The Roaring Fork Community Development Corporation will explore a variety of strategies (from deed restrictions to land leases to help retain the affordability of commercial properties).

2. Neither the public sector not the private sector has been able to effectively address these issues.

Although local governments have adopted inclusionary zoning ordinances in an attempt to stop the lack of affordable housing becoming an even bigger issue, their efforts have been only marginally successful. Even in Aspen, where 60% of any new development must be deed restricted affordable housing and they have over 1,000

Jurisdiction	Inclusionary Zoning Requirement
Aspen	60%
Pitkin County	60%
Town of Snowmass Village	60%
Town of Basalt	20%
Town of Carbondale	15%
City of Glenwood Springs	15%
Garfield County	10%

Deed Restricted Affordable Housing Owner Units by Jurisdiction



affordable for-sale units, the average home price is \$2.5 million and 70% of the Aspen workforce commutes from communities “downvalley” – 20-80 miles away. Another job center in the region, Glenwood Springs (40 miles downvalley from Aspen) faces a similar problem – housing costs prohibit the workforce living in the same community.

While Aspen and Pitkin County have been trying to create a stock of affordable housing over the last 30 years, the lack of affordable housing has only become an issue in Garfield County over the last ten years. It has only been over the last three years that the lack of affordable housing has begun to affect all of Garfield County rather than just Carbondale and Glenwood Springs, which are in the Roaring Fork Valley and closer to Pitkin County and Aspen.

In Garfield County communities, the amount of permanent affordable deed restricted¹ ownership housing is limited, in part due to time working on the issue, less strict demands of private developers, and no dedicated revenue source to build affordable housing.²

Although private developers have built some affordable housing, these efforts have occurred only as a result of local ordinances, not from private developers seeking to meet local need. The land costs and incentives that affect private real estate developers make it difficult for them to build housing for low and middle income individuals and families and still make a profit. Consequently, the majority of local developers focus on the upper-income housing market (\$500,000-\$2.5 million plus). Housing appreciation is also a key investment strategy for homeowners and investors so private developers are reluctant to use deed restrictions beyond local government requirements because they can further reduce the value of their product, and consequently, their profits.

In addition to local government efforts to create affordable housing, there are a number of nonprofit organizations working on the issue of housing affordability.

¹ Deed restrictions are a common tool to preserve housing affordability in rapidly appreciating housing markets. Purchasers agree to cap their appreciation of their home value (often 3-5%) so that subsequent buyers can afford to purchase the unit if it ever goes on the market. This agreement is often part of a public run program that helps first time buyers enter into home ownership in reduced priced or subsidized homes. In the Roaring Fork Region, even the most modest home can appreciate 10-20% in a year making even the most affordable home unaffordable to secondary purchasers.

² The City of Aspen has a Real Estate Transfer Tax (RETT) that is dedicated to support affordable housing. 1% of any real estate transaction goes to the fund, which receives roughly \$15 million annually. RETTs are no longer allowed under the Colorado State Constitutional because of an amendment adopted in the early 1990s.

REGIONAL HOUSING OVERVIEW - Who Does What

ORGANIZATION	Eagle County Housing Department	Garfield County Housing Authority	Mountain Regional Housing Corporation (CHDO)	Catholic Charities & Salvation Army & Advocate Safehouse	Roaring Fork Community Housing Fund	Aspen-Pitkin County Housing Authority	Habitat for Humanity
SERVES	Eagle County	Garfield, Eagle & Pitkin County	Garfield, Southwest Eagle & Pitkin County	Garfield, Eagle & Pitkin County	Garfield County Basalt Carbondale Glenwood	Aspen & Pitkin County	Eagle, Garfield & Pitkin County
PROGRAMS AND SERVICES	Programs & Services <ul style="list-style-type: none"> ▪ Mortgage Credit Certificate Program ▪ Down Payment Assistance Program ▪ Home Buyer Education Bi-Lingual ▪ Administers Eagle County (unincorp) Deed Restrictions ▪ Housing Development (rental & for-sale) ▪ Section 8 property based rental & low income hsg 	Administration <ul style="list-style-type: none"> ▪ Section 8 Low Income Rental Housing Vouchers Garfield, Eagle & Pitkin Counties ▪ Administers Deed Restricted Housing- GWS & Garfield County ▪ Maintains & Manages Senior Housing ▪ Garfield County Housing Review & Advisory to Garfield Planning ▪ Advocacy for Affordable Housing 	Homebuyer Assistance <ul style="list-style-type: none"> ▪ Homebuyer Ed Workshops Bi-Lingual ▪ Revolving Loans ▪ Downpayment assistance ▪ & Closing Costs ▪ Administration of 60 units in Carbondale ▪ Deed Restrictions (Thompson Corner) Development Services <ul style="list-style-type: none"> ▪ Housing Development ▪ Only CHDO in 3-County Region ▪ Project Grants ▪ Loans for ▪ Pre-Development ▪ Construction Loans under market rates 	Program & Services <ul style="list-style-type: none"> ▪ Emergency Assistance Family Transitional Housing ▪ Low income rental housing development ▪ Food ▪ Immigrant Community Advocates ▪ Immigration Services ▪ Hispanic Community Organizing ▪ Legislative Advocacy Network 	Regional Funding & Finance <ul style="list-style-type: none"> ▪ Bringing local, state & national investors together to fund low interest loans for affordable housing development ▪ Guided by representatives from each participating government ▪ Regional planning & funding mechanism for affordable housing projects 	Administration <ul style="list-style-type: none"> ▪ Aspen & Pitkin County Deed Restrictions (845 rentals; 1027 sales) ▪ Property Management ▪ Maintains & Manages Senior Housing ▪ Pitkin County Advisory Board to Aspen and Pitkin County <ul style="list-style-type: none"> - Land Use Review - Needs Assessment - Housing Policies 	Programs & Services <ul style="list-style-type: none"> ▪ Serves people in the RFV (Aspen-Parachute) ▪ Partners with low income families (25-50%AMI) living in inadequate housing ▪ Homes built with volunteer and partner-family labor ▪ Home financed by Habitat/no down pmt- no interest mortgage for families who can't qualify for conventional mortgages

Despite significant need, there is only one nonprofit developer - Mountain Regional Housing Corporation. Mountain Regional is currently close to beginning construction on a 52-unit affordable housing project in Carbondale. This project has taken several years to get to this point.

Mountain Regional is also in the process of merging with the Garfield County Housing Authority and the Roaring Fork Community Housing Fund to build the capacity of the public sector for affordable housing. However, given the projected need for affordable housing in the region, nonprofit developers that can unite public sector and private sector investments and target them toward the creation of affordable housing are crucial pieces in solving the affordable housing puzzle in the Roaring Fork and Colorado River Valleys. Furthermore, given the thousands of affordable homes needed in the region to prevent the displacement of low and middle income individuals and families, the inability of the public and private sectors to address this challenge by themselves, and the time required to complete affordable housing projects, there is a clear need for a nonprofit community development corporation.

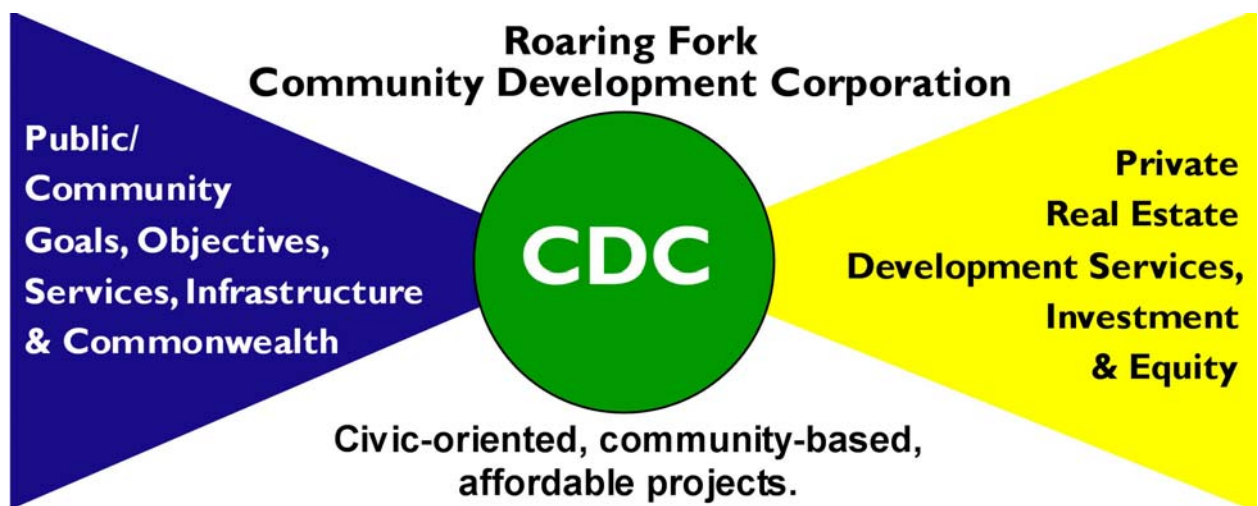
OBJECTIVES

The Roaring Fork Community Development Corporation has a few key objectives to address the needs outlined above. These objectives include:

1. Create infrastructure for community.

In the Roaring Fork and Colorado River Valley the level at which the economy operates has priced many middle income and lower income households out of the housing and commercial markets. Consequently, workers commute great distances to reach their places of employment. The lack of affordable commercial rentals limits locally owned small business expansion as well as new start-ups.

The Roaring Fork Community Development Corporation will work with nonprofit, public, and private entities to create affordable spaces to ensure both the diversity of people and businesses in the region's community and work to ensure private and public projects are "places for people" by incorporating people centered design and raising additional funding as necessary.



Since "affordability" will differ within each of the communities the Roaring Fork Community Development Corporation will work to serve the income levels and residency requirements identified within the "Community Housing Guidelines" of each community. If a community does not have such guidelines, RFCDC will work within the guidelines of the surrounding county or closest community. So, for instance, the Town of Carbondale's "Community Housing Guidelines" seeks affordable housing for individuals and families in the 60%-150% of area median income). The Town of Silt does not have any housing guidelines, but neighboring Garfield County seeks housing for individuals making 80%-100% of the area median income.

2. Connect public and private investment for community benefit.

Public and private investment plays an enormous role in in the community development process, however, the different incentives, goals, and timeframes can make partnerships between the two sectors challenging. Given the scale of the affordable housing challenge in the Roaring Fork and Colorado River Valleys, such partnerships can be a crtical tool not only to create affordable housing.

As a nonprofit organization, the Roaring Fork Community Development Corporation will have the unique capacity to work with the public and private sector to catalyze and broker private / public partnerships to develop projects that address social goals such as the affordability of housing and commercial space.

3. Develop “model” projects for other communities and private developers to emulate.

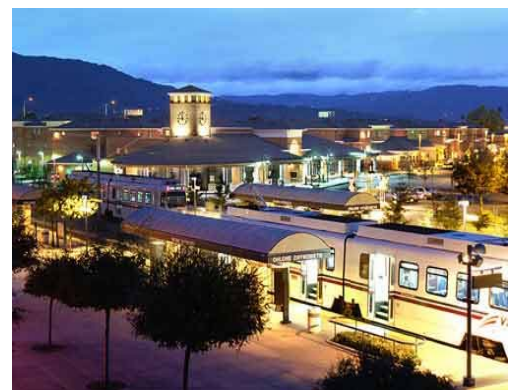
Recently, some nonprofit community development corporations across the U.S. have acted as brokers, catalysts, facilitators, and developers of public - private partnerships and investments to create development projects that integrate solutions to issues such as housing, transportation and public amenities in communities. These CDCs have created models and pushed the envelope of what is possible when you combine public and private goals with a focus on community needs. For example:

Fruitvale Village, Oakland CA

In 1993, **The Unity Council**, a nonprofit working to create a healthier and safer community for families and residents in Oakland CA, began the **Fruitvale Development Corporation** to revitalize a neighborhood and create much needed affordable housing. The Unity Council redeveloped a former parking lot owned by the **Bay Area Rapid Transit (BART)** into a \$65 million, 225,000 square foot "transit village" that includes 47 units of mixed income housing (10 of which are permanently affordable); 68,000 sq ft devoted to community resources, including a public library, a senior center, a Head Start facility, and the headquarters of the Unity Council, and 38,000 sq ft is for neighborhood retail shops and restaurants.

Linden Transit Center, Columbus OH

In 1997, The Limited (a large clothing retailer) donated 2.6



acres of land worth over a million dollars to serve as the site of a new bus transfer station and a day care center to **Central Ohio Transit Authority (COTA)**.

The Columbus Urban Growth Corporation, a non-profit real estate development corporation created by the city, presented COTA with a more expansive proposal that included lower-income housing near the facility. The Limited, COTA, and the FTA all approved of the expanded concept and Urban Growth served as the developer of this \$10 million dollar public-private project.

The 20,000 sq ft transit Center was completed in 1999. The two-story facility includes the transit center includes a bank, a day care center, a Children’s Hospital clinic, and it serves as a community meeting place and a voting center.

Ohlone Chynoweth Commons, San Jose, CA

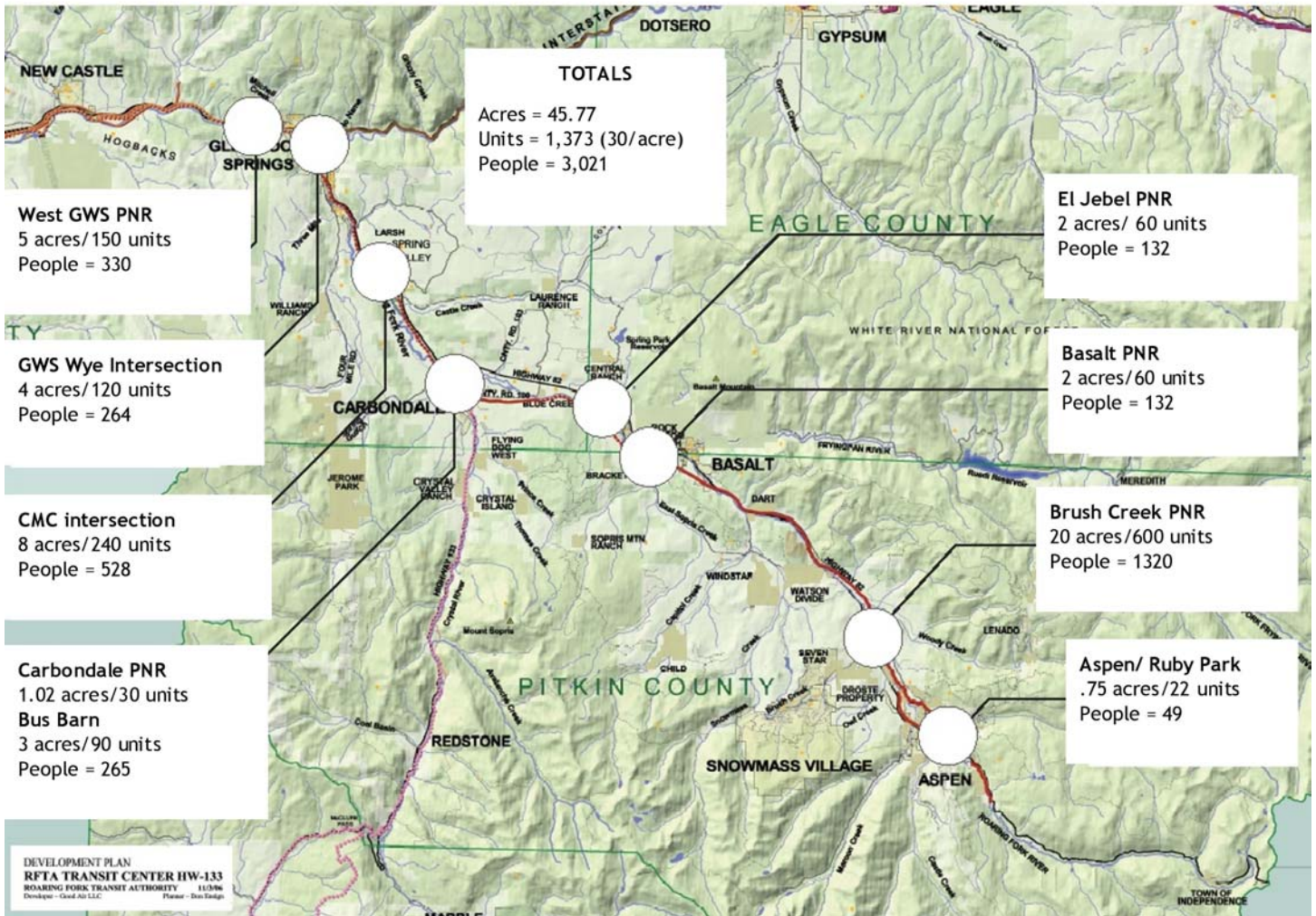
Completed in 2001, this \$31 million, mixed-use development is built on the parking lot of the Ohlone-Chynoweth Light Rail station. Developed by **Eden Housing**, California’s oldest nonprofit housing developer, the project contains 4,400 sq ft of ground-floor, transit-oriented commercial space, on-site child care, and 194 town homes and apartments. Eden secured a 75-year ground lease from the owner, the **Valley Transportation Authority**, which eliminated a \$5 million land acquisition expense and included several transit oriented development requirements.

These are just a few examples illustrating how, as nonprofit developers, CDCs can offer a place of trust, coordination, and innovation for private and public interests and investments to meet and enlarge the range of possible solutions to community problems. The Roaring Fork Community Development Corporation plans to play similar role in the Roaring Fork and Colorado River Valleys given the opportunities for transit oriented development (TOD) on publicly owned land in the region.

RFTA and Publicly Own Transit Oriented Properties in the Roaring Fork Valley
Potential

Location	Estimated Acres	Potential Units (1000 sq. ft. @ 30 units / acre	Population in Project (2.2 people / unit)
West Glenwood PNR, GMF	5	150	330
Glenwood Wye Intersection	4	120	264
CMC intersection	8	240	528
Carbondale Hwy 133 PNR	1.02	30.6	67.32
Carbondale Bus Barn	3	90	198
El Jebel PNR	2	60	132
Basalt PNR	2	60	132
Brush Creek PNR	20	600	1320
Aspen - Rubey Park Station	0.75	22.5	49.5
Total	45.77	1,373.10	3,020.82

TOD Potential in the Roaring Fork Valley



WHY A NONPROFIT ORGANIZATION?

The nature of the problem of community unaffordability and community displacement does not lend itself to being solved within the private sector, but private sector business practices can be instrumental in designing and implementing solutions to it, especially if the mission of the organization is social and community oriented rather than profit driven. There are several additional reasons why a nonprofit structure suits the mission of the Roaring Fork Community Development Corporation. For instance, through a nonprofit structure, the Roaring Fork Community Development Corporation can:

- **Commit itself to a social mission focus**, including its promise to reinvest any excess assets back into the organization’s social mission work rather than distributing them to individuals as a for profit partnership would do.

- **Be accountable to the community** for carrying out its social mission. While for-profit organizations *can* take on social missions, they are not *required* to do so; whereas nonprofit exist specifically for their commitment to carry out a social mission.
- **Brings clarity and a base of agreement** between RFCDC, local governments, private developers and funders/investors about the organizations purpose - using commercial activities and business practices relating to real estate development to support a social mission of community affordability, small local businesses, and broad community and social benefit.
- **Lessen the burden on local government** by decreasing the bureaucracy and public resources needed to subsidized affordable housing development and civic oriented projects.
- **Direct more private investment toward community goals** by enabling public-private partnerships that show private sector developers and investors that what is in the long-term interest of the community is also generally in the long-term interest of the developer and investor.

FUNDING

The Roaring Fork Community Development Corporation will be funded initially through an investment from the Manaus Fund, a "donor-advised fund" operating under the umbrella of the Aspen Valley Community Foundation (www.aspencommunityfoundation.org). The goal of the Manaus Fund is to encourage social entrepreneurship by helping nonprofits learn to use business techniques to solve social problems (www.manausfund.org).

This initial investment will enable the enable the Roaring Fork Community Development Corporation to avoid asking local governments for operating funds and instead work with them on project development.

The Manaus Fund will also work with the Roaring Fork Community Development Corporation to raise additional grants and investments from private individuals in the region.

Budget

This budget outlines how the initial investment from the Manaus Fund will play two roles: cover operational initial operational expenses and provide project development and investment capital.

CDC - Two Year Budget

Revenues		2007	2008	Total Two Year Budget
Manaus Fund	Seed investment	1,000,000		\$1,000,000
Additional grant & investments projected		1,000,000	1,000,000	\$2,000,000
		2,000,000	1,000,000	\$3,000,000

Expenses		Description	2007	2008	Total Two Year Budget
Staff	Director Full Time		70,000	70,000	\$140,000
Benefits	(23% of salary)		16,100	16,100	\$32,200
Subtotal Staff			86,100	86,100	\$172,200
Office	Phone, internet, materials,		12,000	12,000	\$24,000
Organizational set-up	State fees, outreach materials		1,000		\$1,000
Materials	Brochures, website		1,500		\$1,500
Professional expertise	Technical assistance		5,000	5,000	\$10,000
Travel	Workshops / Training		2,000	2,000	\$4,000
Legal	Bylaws, etc. (as necessary)		5,000	5,000	\$10,000
Accounting	Bookkeeping and reporting		3,000	3,000	\$6,000
Subtotal Office			29,500	27,000	\$56,500
Project development & investments			500,000	500,000	\$1,000,000
Total			615,600	613,100	1,228,700

STAFFING

Colin Laird, currently Director of the Regional nonprofit Healthy Mountain Communities, will direct the Roaring Fork Community Development Corporation. He has extensive experience with nonprofit organizations and has been developing expertise in community development corporations over the last year through his work has been working on the creation of the RFCDC with the Manaus Fund.

His related experience and background includes:

- Director of a regional nonprofit organization since 1994.
- Developing initiatives to examine need for affordable housing in the Basalt to Glenwood Springs area. Developing partnerships, raising funds, and creating model affordable housing ordinances (later adopted by local governments).
- Facilitating and negotiating the creation of the intergovernmental agreement between with four local governments to create the Roaring Fork Community Housing Fund in 2004.
- Creating ongoing forums for regional dialogue and collaboration. Coordinating and facilitating workshops (Costs of Growth), symposia (State of the Valley), and roundtables (the Watershed Collaborative, Planners and Managers Roundtable, Regional Transportation Roundtable, Regional Affordable Housing Initiative) to encouraging collaboration at the local and regional level.
- Creating and applying tools to help community leaders better understand issues and explore strategies to address them (Colorado Index, Colorado Smart Growth Scorecard, Community Economic Profiles).
- Developing a regional elected-officials transportation roundtable and which fostering the partnerships that lay the foundation and built the trust necessary for elected officials and citizens in five communities and two counties in the Roaring Fork Valley communities to create the first regional transportation authority outside of Metro Denver in November 2000.
- Serving as a member of the Garfield County Planning Commission since 2001. During this tenure, Garfield County has adopted a cluster zoning ordinance and is in the initial stages of a code re-write that includes creating a model development code for Colorado counties.
- Masters Degree in Community Development from the University of California – Davis and a Bachelors Degree in Biology from Brown University.