

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 24-0710.01 Megan McCall x4215

HOUSE BILL 24-1308

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A BILL FOR AN ACT

101 CONCERNING PROVISIONS TO FACILITATE THE EFFECTIVE
102 IMPLEMENTATION OF PROGRAMS FOR AFFORDABLE HOUSING,
103 AND, IN CONNECTION THEREWITH, ADDING ANNUAL REPORTING
104 REQUIREMENTS BY THE DIVISION OF HOUSING CONCERNING
105 APPLICATIONS FOR AFFORDABLE HOUSING PROGRAMS AND
106 MONEY IN AND ISSUED FROM THE HOUSING DEVELOPMENT
107 GRANT FUND; CREATING A PROCESS FOR REVIEWING AND
108 APPROVING APPLICATIONS FOR ALL AFFORDABLE HOUSING
109 PROGRAMS BY THE DIVISION OF HOUSING; MAKING
110 MODIFICATIONS TO THE "CITY HOUSING LAW" TO ALLOW A
111 CITY TO OWN OR LEASE AND MANAGE, OPERATE, OR MAINTAIN,
112 OR CONTRACT FOR MANAGEMENT, OPERATION, OR
113 MAINTENANCE OF HOUSING PROJECTS; AND SPECIFYING THE

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

SENATE
2nd Reading Unamended
May 3, 2024

HOUSE
3rd Reading Unamended
April 24, 2024

HOUSE
Amended 2nd Reading
April 20, 2024

101 **REQUIREMENTS FOR AN APPLICATION AND ANNUAL REPORTS**
102 **FOR PURPOSES OF A PROPERTY TAX EXEMPTION FOR A**
103 **COMMUNITY LAND TRUST OR NONPROFIT AFFORDABLE**
104 **HOMEOWNERSHIP DEVELOPER FOR PROPERTY THAT HAS BEEN**
105 **SUBDIVIDED.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Under current law, the division of housing (division) within the department of local affairs must submit an annual public report on the funding of affordable housing preservation and production (public report). The bill requires the division to add to the public report information on applications for affordable housing programs that the division administers, including the number of applications approved, denied, and pending, the amount of money awarded from approved applications, and the amount of money applied for but not awarded from denied applications. The bill also requires the division to add to the public report information regarding money in the housing development grant fund, including amounts in the fund and the use of the money in the preceding year.

The bill also establishes procedures and timelines for the division to follow for affordable housing programs administered by the division. The bill requires that the division accept applications once a month or on a rolling basis and requires that the division review applications and issue any requests for additional information, forms, or questions to applicants within 10 calendar days of an application period closing. The division must either issue final decisions on applications or submit applications to the board of housing for final decision within 45 days following the submission of completed applications. If applications are submitted to the state housing board, the state housing board must make a final decision on an application within 15 days of receiving the application.

After a final decision approving an application, the division shall issue an award letter that includes information on the timeline for issuing money to the applicant, any terms for a loan or grant period, and any conditions that must be met before a contract in connection with the approval is executed. The division shall also provide a draft contract to the approved applicant within 30 days of the application being approved.

Within 90 days of the division receiving a substantially complete post-award due diligence package from an approved applicant, the division shall execute any required contracts for the affordable housing program and send it to the approved applicant within 10 days of execution.

The bill also amends existing grant, loan, or other affordable housing programs administered by the division to require the application process to be followed for any applications submitted under these programs and requires any programs that have adopted policies, procedures, or guidelines for the application process to be amended if they are inconsistent with the application process established by the bill.

Under current law, a local government or tribal government desiring to receive funding from the statewide affordable housing fund or desiring to make affordable housing projects within its territorial boundaries eligible for funding from the statewide affordable housing fund must establish a baseline number of affordable housing units within its territorial boundaries every 3 years, beginning in 2024, and commit to increasing affordable housing units by 3% each year over the baseline number within that 3-year period (affordable housing unit requirements).

The bill allows a local government or tribal government to donate land to a community land trust or a nonprofit affordable homeownership developer for development as affordable homeownership property and receive a credit for the purposes of calculating whether the local government or the tribal government has met the affordable housing unit requirements for the year in which the land is donated. The credit is in the amount of one and one-half units per unit constructed on the donated land and is claimed when the building permits for the project have been approved by the applicable building authority. Additionally, a school district that donates land in the same manner may assign its credit to the local government or tribal government.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) The lack of timely affordable housing grants and loans directly
5 impacts the market ability to generate new affordable housing
6 opportunities;

7 (b) The goals of the division of housing's grant and loan programs
8 should be to address housing needs throughout the state, serve

1 populations with the greatest unmet need, optimize the housing stability
2 of households served, and promote the sustainability of affordable
3 housing development projects rather than maximizing financial returns to
4 the state;

5 (c) The division of housing should seek to find balance in
6 providing project subsidy levels that support the overall health, resiliency,
7 and ability to advance the work of mission-based organizations without
8 over-subsidizing projects or strictly forcing these organizations to
9 maximize debt leverage or functionally eliminate cash flow;

10 (d) The grant, loan, and overall fund administration practices of
11 the division of housing over the last three years have resulted in
12 measurable project delays including time lost and increased fiscal costs
13 from higher interest and holding costs;

14 (e) The current grant and fund administrative practices of the
15 division of housing limit the ability of nonprofit housing providers and
16 housing authorities to deliver affordable housing to Colorado residents
17 who need it;

18 (f) A streamlined and transparent process for awarding the
19 division of housing's limited pool of housing development funding
20 sources to all housing resources administered by the division of housing
21 will optimize the outcomes of a particular program or particular use to the
22 benefit of residents served through affordable housing development
23 projects;

24 (g) A sustainable and stable network of affordable housing
25 providers will result in the creation, operation, and preservation of
26 income-restricted affordable housing stock for low- and moderate-income
27 households;

1 (h) Streamlining the review and award process, including
2 providing transparent expectations on process and timing, reducing
3 administrative barriers, and providing clear guidelines for submission and
4 awards, is fundamental to the financial sustainability of grantees and
5 awardees and the success of affordable housing development projects;
6 and

7 (i) Streamlining the review and award process will support the
8 preservation of naturally occurring and subsidized affordable housing.

9 (2) The general assembly further finds that it is necessary for the
10 state to improve the efficiency and timelines of the application and award
11 process of affordable housing development grant and loan money.

12 **SECTION 2.** In Colorado Revised Statutes, 24-32-705, **add**
13 (1)(x) as follows:

14 **24-32-705. Functions of division.** (1) The division has the
15 following functions:

16 (x) TO OPTIMIZE THE OUTCOMES OF A PARTICULAR PROGRAM OR
17 PARTICULAR USE TO THE BENEFIT OF HOUSEHOLDS SERVED IN A MANNER
18 THAT OPTIMIZES THE SOCIOECONOMIC AND HOUSING STABILITY OUTCOMES
19 OF HOUSEHOLDS SERVED; OPTIMIZES THE FINANCIAL SUSTAINABILITY OF
20 AN AFFORDABLE HOUSING PROJECT OR PROGRAM; OPTIMIZES THE
21 CREATION, OPERATION, AND AFFORDABILITY LENGTH OF AFFORDABLE
22 HOUSING STOCK CREATED; OPTIMIZES THE PRESERVATION OF NATURALLY
23 OCCURRING AND SUBSIDIZED AFFORDABLE HOUSING; CONSIDERS THE
24 IMPACT OF AWARD TERMS ON THE FINANCIAL STABILITY OF THE
25 ORGANIZATIONS DELIVERING DEVELOPMENT PROJECTS AND RESIDENT
26 SERVICES; LEVERAGES OR IS LEVERAGED BY OTHER AVAILABLE SOURCES
27 OF MONEY; ADDRESSES HOUSING NEEDS THROUGHOUT THE STATE; AND

1 SERVES POPULATIONS WITH THE GREATEST UNMET NEED.

2 **SECTION 3.** In Colorado Revised Statutes, 24-32-705.5, **amend**
3 (1)(b) and (1)(c); and **add** (1)(d), (1.3), and (1.5) as follows:

4 **24-32-705.5. Annual public report on funding of affordable**
5 **housing preservation and production - definitions - repeal.**

6 (1) Commencing in 2021 and every year thereafter, as part of the
7 department's presentation to its joint committees of reference at a hearing
8 held pursuant to section 2-7-203 (2)(a) of the "State Measurement for
9 Accountable, Responsive, and Transparent (SMART) Government Act",
10 in accordance with this section, the division shall prepare a public report
11 that specifies the total amount of money that:

12 (b) The division or the board has awarded from any federal, state,
13 other public, or any private source during the prior fiscal year in the form
14 of a grant, contract, or loan to promote the preservation or production of
15 emergency or affordable housing; **and**

16 (c) The division expended during the prior fiscal year on
17 administrative costs associated with each funding source identified in
18 subsection (1)(a) of this section and the number of full-time employees
19 supported by the funding source identified; **AND**

20 (d) **THE DIVISION USES OF EXISTING STATE AND FEDERAL FUNDS TO**
21 **PROVIDE THE BEST USE OF SUBSIDIES TO MAXIMIZE UNIT PRODUCTION**
22 **INCLUDING DEVELOPMENTS IN HIGH-NEED, DIFFICULT-TO-DEVELOP AREAS,**
23 **AND CONFIRMATION OF RULES AND PRACTICES THAT ENSURE**
24 **DEVELOPMENTS ARE NOT DISQUALIFIED FROM FURTHER SUPPORT FROM**
25 **THE DIVISION OR THE OFFICE OF ECONOMIC DEVELOPMENT BASED ON PRIOR**
26 **RECEIPT OF MONEY PURSUANT TO ARTICLE 32 OF TITLE 29.**

27 (1.3) **FOR THE PUBLIC REPORT REQUIRED PURSUANT TO**

1 SUBSECTION (1) OF THIS SECTION, FOR 2025 AND EACH YEAR THEREAFTER,
2 THE DIVISION SHALL INCLUDE THE FOLLOWING INFORMATION CONCERNING
3 ANY AFFORDABLE HOUSING PROGRAM ADMINISTERED BY THE DIVISION IN
4 THE YEAR PRECEDING THE YEAR IN WHICH THE PUBLIC REPORT IS
5 PRESENTED:

6 (a) THE NUMBER OF APPLICATIONS, BY PROGRAM, SUBMITTED TO
7 THE DIVISION;

8 (b) THE NUMBER OF APPLICATIONS APPROVED BY THE DIVISION, BY
9 PROGRAM;

10 (c) THE NUMBER OF APPLICATIONS DENIED BY THE DIVISION, BY
11 PROGRAM;

12 (d) THE AGGREGATE AMOUNT OF MONEY AWARDED FOR ALL
13 APPROVED APPLICATIONS;

14 (e) THE AGGREGATE AMOUNT OF MONEY APPLIED FOR BUT NOT
15 AWARDED FOR ALL DENIED APPLICATIONS, BY PROGRAM; AND

16 (f) THE NUMBER OF APPLICATIONS, BY PROGRAM, PENDING REVIEW
17 AND THE AGGREGATE AMOUNT OF MONEY APPLIED FOR IN ALL PENDING
18 APPLICATIONS AT THE TIME OF THE PUBLIC REPORT.

19 (1.5) (a) FOR THE PUBLIC REPORT REQUIRED PURSUANT TO
20 SUBSECTION (1) OF THIS SECTION, FOR 2025 AND EACH YEAR THEREAFTER,
21 THE DIVISION SHALL INCLUDE THE FOLLOWING INFORMATION CONCERNING
22 THE FUND:

23 (I) THE TOTAL AMOUNT OF REVENUE IN THE FUND AND AN
24 IDENTIFICATION OF EACH SOURCE OF ALL REVENUE IN THE FUND
25 CATEGORIZED BY THE AMOUNT OF REVENUE THAT IS ATTRIBUTABLE TO
26 EACH SOURCE;

27 (II) THE TOTAL AMOUNT OF MONEY IN THE FUND;

1 (III) THE AGGREGATE AMOUNT OF MONEY IN THE FUND
2 ENCUMBERED BY AN AWARD LETTER AND THE AGGREGATE AMOUNT OF
3 MONEY IN THE FUND ENCUMBERED BY AN EXECUTED CONTRACT FOR
4 GRANTS FROM THE FUND;

5 (IV) THE AGGREGATE AMOUNT OF MONEY IN THE FUND
6 ENCUMBERED IN THE YEAR PRIOR TO THE YEAR IN WHICH THE PUBLIC
7 REPORT IS PREPARED THAT WAS UNENCUMBERED IN ANY YEAR PRIOR TO
8 THE REPORTING YEAR;

9 (V) THE AMOUNT OF UNENCUMBERED MONEY IN THE FUND AT THE
10 TIME THE PUBLIC REPORT IS PREPARED; [REDACTED]

11 (VI) THE AMOUNT OF MONEY TRANSFERRED FROM THE FUND TO
12 ANY OTHER FUND IN THE YEAR PRIOR TO THE YEAR IN WHICH THE PUBLIC
13 REPORT IS PREPARED AND AN IDENTIFICATION OF THE FUNDS TO WHICH
14 MONEY FROM THE FUND WAS TRANSFERRED;

15 (VII) THE NUMBER OF CONTRACTS DRAFTED AND EXECUTED FOR
16 LOANS OR GRANTS FROM THE FUND AND THE NUMBER OF DAYS IT TOOK TO
17 EXECUTE EACH CONTRACT. IF THE AVERAGE NUMBER OF DAYS TO
18 EXECUTE CONTRACTS INCLUDED IN THE REPORT IS MORE THAN NINETY
19 DAYS, THE DIVISION SHALL INCLUDE AN EXPLANATION REGARDING THIS
20 AVERAGE AND A PLAN TO REDUCE THE AVERAGE TO NINETY DAYS OR LESS.

21 (VIII) THE AVERAGE NUMBER OF DAYS TO PRODUCE PRELIMINARY
22 VERSIONS OF CONTRACTS AFTER MONEY IN THE FUND IS AWARDED TO
23 RECIPIENTS. IF THE AVERAGE NUMBER OF DAYS TO PRODUCE PRELIMINARY
24 VERSIONS OF CONTRACTS INCLUDED IN THE REPORT IS MORE THAN THIRTY
25 DAYS, THE DIVISION SHALL INCLUDE AN EXPLANATION REGARDING THIS
26 AVERAGE AND A PLAN TO REDUCE THE AVERAGE TO THIRTY DAYS OR LESS.

27 (IX) THE AVERAGE NUMBER OF DAYS FOR RECIPIENTS TO RECEIVE

1 SIGNED CONTRACTS AFTER THE CONTRACTS ARE APPROVED AND TERMS
2 ARE FINALIZED BY THE DIVISION AND THE RECIPIENT. IF THE AVERAGE
3 NUMBER OF DAYS FOR RECIPIENTS TO RECEIVE SIGNED CONTRACTS AFTER
4 THE CONTRACTS ARE APPROVED AND TERMS ARE FINALIZED IS MORE THAN
5 TEN DAYS, THE DIVISION SHALL INCLUDE AN EXPLANATION REGARDING
6 THIS AVERAGE AND A PLAN TO REDUCE THE AVERAGE TO TEN DAYS OR
7 LESS.

8 (b) AS USED IN THIS SUBSECTION (1.5), UNLESS THE CONTEXT
9 OTHERWISE REQUIRES, "FUND" MEANS THE HOUSING DEVELOPMENT GRANT
10 FUND CREATED IN SECTION 24-32-721 (1).

11 **SECTION 4.** In Colorado Revised Statutes, **add** 24-32-705.7 as
12 follows:

13 **24-32-705.7. Application process for all affordable housing**
14 **programs administered by the division of housing - rules - definitions.**

15 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
16 REQUIRES:

17 (a) "AFFORDABLE HOUSING" HAS THE SAME MEANING AS SET
18 FORTH IN SECTION 24-32-705.5 (6).

19 (b) "AFFORDABLE HOUSING PROGRAM" MEANS:

20 (I) MONEY LOANED FROM THE HOUSING INVESTMENT TRUST FUND
21 CREATED IN SECTION 24-32-717 (1)(a);

22 (II) ANY PROGRAM THAT USES MONEY FROM THE HOUSING
23 DEVELOPMENT GRANT FUND CREATED IN SECTION 24-32-721 (1);

24 (III) THE AFFORDABLE HOUSING GUIDED TOOLKIT AND LOCAL
25 OFFICIALS GUIDE PROGRAM CREATED IN SECTION 24-32-721.7 (1)(a);

26 (IV) THE LOCAL INVESTMENTS IN TRANSFORMATIONAL
27 AFFORDABLE HOUSING GRANT PROGRAM CREATED IN SECTION 24-32-729

1 (2)(a);

2 (V) THE TRANSFORMATIONAL AFFORDABLE HOUSING REVOLVING
3 LOAN FUND PROGRAM CREATED IN SECTION 24-32-731 (2)(a); AND

4

5 (VI) ANY OTHER PROGRAM ADMINISTERED OR IMPLEMENTED BY
6 THE DIVISION THAT IS RELATED TO AFFORDABLE HOUSING DEVELOPMENT.

7 (c) "BOARD" MEANS THE STATE HOUSING BOARD CREATED IN
8 SECTION 24-32-706 (1).

9 (2) NOTWITHSTANDING ANY PROVISION OF LAW TO THE
10 CONTRARY, ALL AFFORDABLE HOUSING PROGRAMS ADMINISTERED OR
11 IMPLEMENTED BY THE DIVISION THAT REQUIRE AN APPLICATION PROCESS
12 ARE SUBJECT TO THE PROVISIONS OF THIS SECTION.

13 (3) (a) THE DIVISION SHALL RECEIVE APPLICATIONS FOR
14 AFFORDABLE HOUSING PROGRAMS NOT LESS THAN ONCE PER QUARTER
15 WHERE A QUARTER IS EVERY THREE MONTHS BEGINNING IN JULY. THE
16 DIVISION SHALL PUBLISH THE APPLICATION SCHEDULE FOR THE SECOND
17 HALF OF STATE FISCAL YEAR 2024-25 NO LATER THAN NOVEMBER 1, 2024,
18 AND SHALL PUBLISH THE APPLICATION SCHEDULE FOR EACH SUBSEQUENT
19 STATE FISCAL YEAR NO LATER THAN MAY 1 OF THE PRECEDING STATE
20 FISCAL YEAR AND SHALL UPDATE THE SCHEDULE NO LATER THAN SIXTY
21 DAYS BEFORE THE START OF THE NEXT QUARTER. IF FOR ANY AFFORDABLE
22 HOUSING PROGRAM THE DIVISION WILL NOT BE ACCEPTING APPLICATIONS
23 FOR AN UPCOMING QUARTER, THE DIVISION SHALL POST NOTICE OF THIS ON
24 ITS WEBSITE AND INCLUDE AN EXPLANATION OF WHY APPLICATIONS FOR
25 THE AFFORDABLE HOUSING PROGRAM WILL NOT BE ACCEPTED, WHICH MAY
26 INCLUDE THERE BEING INSUFFICIENT REVENUE TO PROVIDE FUNDING FOR
27 THE AFFORDABLE HOUSING PROGRAM. NOT LATER THAN TEN CALENDAR

1 DAYS FROM THE DATE THAT A QUARTERLY APPLICATION PERIOD CLOSES,
2 THE DIVISION SHALL COMPLETE THE REVIEWING OF ALL APPLICATIONS
3 SUBMITTED IN THE APPLICATION PERIOD FOR COMPLETENESS AND ISSUE
4 ANY REQUESTS FOR ADDITIONAL INFORMATION, FORMS, OR QUESTIONS TO
5 THE APPLICANTS, AS NECESSARY.

6 (b) (I) WITHIN FORTY-FIVE CALENDAR DAYS AFTER A
7 COMPLETE APPLICATION IS RECEIVED BY THE DIVISION, AND NO MORE
8 THAN FORTY-FIVE CALENDAR DAYS AFTER THE SEVENTEENTH CALENDAR
9 DAY FOLLOWING THE DATE AN APPLICATION IS SUBMITTED, THE DIVISION
10 SHALL COMPLETE ANY ADDITIONAL REVIEW OF AN APPLICATION THAT MAY
11 BE REQUIRED AFTER ITS INITIAL REVIEW REQUIRED BY SUBSECTION (3)(a)
12 OF THIS SECTION AND EITHER SEND ALL APPLICATIONS IT DEEMS COMPLETE
13 TO THE BOARD FOR FINAL DECISION OR MAKE A FINAL DECISION ON
14 APPLICATIONS IT DEEMS COMPLETE, AS APPLICABLE. IF THE DIVISION IS
15 UNABLE TO SEND AN APPLICATION TO THE BOARD WITHIN FORTY-FIVE
16 DAYS, THE DIVISION SHALL NOTIFY THE APPLICANT OF THE DELAY WITH AN
17 EXPLANATION FOR THE DELAY AND THE DATE THAT THE DIVISION WILL
18 SEND THE APPLICATION TO THE BOARD.

19 (II) THE BOARD SHALL MEET AND MAKE A FINAL DECISION ON
20 COMPLETED APPLICATIONS SUBMITTED TO IT FROM THE DIVISION AT THE
21 NEXT REGULARLY SCHEDULED MEETING OF THE BOARD.

22

23 (c) (I) IF THE FINAL DECISION ON AN APPLICATION IS APPROVAL OF
24 THE APPLICATION BY THE BOARD OR THE DIVISION, AS APPLICABLE, THE
25 DIVISION SHALL NOTIFY THE APPROVED APPLICANT IN WRITING IN
26 ACCORDANCE WITH SUBSECTION (3)(c)(II) OF THIS SECTION AND WITHIN
27 THIRTY CALENDAR DAYS PROVIDE THE APPROVED APPLICANT WITH A

1 PRELIMINARY DRAFT OF ANY REQUIRED CONTRACTS FOR LOANS OR
2 GRANTS AWARDED PURSUANT TO AN AFFORDABLE HOUSING PROGRAM, IF
3 APPLICABLE. THE DIVISION HAS NINETY DAYS FROM THE DATE OF
4 RECEIVING A SUBSTANTIALLY COMPLETE POST-AWARD DUE DILIGENCE
5 PACKAGE FROM THE APPROVED APPLICANT, OR IF NO POST-AWARD DUE
6 DILIGENCE IS REQUIRED THEN NINETY DAYS FROM THE DATE OF THE END
7 OF THE THIRTY-DAY PERIOD, TO FINALIZE ANY TERMS AND CONDITIONS OF
8 APPROVED LOANS OR GRANTS PURSUANT TO AN AFFORDABLE HOUSING
9 PROGRAM AND EXECUTE ANY REQUIRED CONTRACTS, BUT THE NINETY DAY
10 PERIOD PAUSES FOR THE PERIOD OF TIME AN APPROVED APPLICANT
11 RECEIVES A PRELIMINARY DRAFT FROM THE DIVISION OF ANY REQUIRED
12 CONTRACT FOR THE AFFORDABLE HOUSING PROGRAM UNTIL THE DIVISION
13 RECEIVES THE EXECUTED CONTRACT FROM THE APPROVED APPLICANT.
14 THE DIVISION SHALL PROVIDE EXECUTED CONTRACTS TO AN APPROVED
15 APPLICANT WITHIN TEN CALENDAR DAYS OF FINALIZING THE CONTRACT.

16 (II) LETTERS OF APPROVAL REQUIRED BY SUBSECTION (3)(c)(I) OF
17 THIS SECTION MUST INCLUDE INFORMATION CONCERNING:

18 (A) THE TIMELINE FOR ISSUANCE OF MONEY AS APPROVED BY THE
19 DIVISION OR THE BOARD PURSUANT TO THE AFFORDABLE HOUSING
20 PROGRAM;

21 (B) ANY TERMS FOR THE LOAN OR GRANT PERIOD; AND

22 (C) ANY CONDITIONS THAT THE APPROVED APPLICANT MUST MEET
23 OR PROVIDE PRIOR TO THE EXECUTION OF CONTRACTS FOR THE LOAN OR
24 GRANT PURSUANT TO THE AFFORDABLE HOUSING PROGRAM, INCLUDING
25 CLOSING OR CURING ANY OUTSTANDING AWARDS UNDER OTHER
26 AFFORDABLE HOUSING PROGRAMS.

27 (d) (I) ANY CHANGES TO THE TERMS OF AN APPROVED LOAN OR

1 GRANT PURSUANT TO AN AFFORDABLE HOUSING PROGRAM BY THE
2 DIVISION MUST BE MADE TO AN APPROVED APPLICANT WITHIN TEN
3 CALENDAR DAYS OF THE DATE THE DIVISION ISSUES A LETTER OF
4 APPROVAL REQUIRED PURSUANT TO SUBSECTION (3)(c)(I) OF THIS
5 SECTION.

6 (II) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (3)(d)(I)
7 OF THIS SECTION, AN APPROVED APPLICANT MAY REQUEST CHANGES TO
8 THE TERMS OF AN APPROVED LOAN OR GRANT AT ANY TIME BEFORE THE
9 CONTRACT IS FINALIZED AND THE DIVISION SHALL REVIEW AND RESPOND
10 TO ANY REQUESTS FOR CHANGES MADE AFTER APPROVAL OF THE LOAN OR
11 GRANT BUT BEFORE THE CONTRACT IS FINALIZED WITHIN THIRTY DAYS. A
12 REQUEST FOR CHANGES BY AN APPROVED APPLICANT MAY EXTEND ANY
13 APPLICABLE TIME PERIOD SET FORTH IN SUBSECTION (3)(c)(I) BY NOT
14 MORE THAN THIRTY DAYS.

15 (4) THE DIVISION MAY PROMULGATE RULES FOR THE
16 IMPLEMENTATION OF THIS SECTION IN ACCORDANCE WITH ARTICLE 4 OF
17 THIS TITLE 24.

18
19 **SECTION 5.** In Colorado Revised Statutes, 24-32-717, **add** (3.7)
20 as follows:

21 **24-32-717. Housing investment trust fund - loans - definitions.**
22 (3.7) IF APPLICATIONS ARE REQUIRED FOR LOANS PURSUANT TO THIS
23 SECTION, THE APPLICATION PROCESS MUST BE IN ACCORDANCE WITH THE
24 PROCESS SET FORTH IN SECTION 24-32-705.7.

25 **SECTION 6.** In Colorado Revised Statutes, 24-32-721, **amend**
26 (2)(e); and **add** (8) as follows:

27 **24-32-721. Colorado affordable housing construction grants**

1 **and loans - housing development grant fund - creation - housing**
2 **assistance for persons with behavioral, mental health, or substance**
3 **use disorders - cash fund - appropriation - report to general assembly**
4 **- rules - definitions - repeal.** (2) (e) In determining how best to allocate
5 money to promote the various purposes specified in subsection (2)(d) of
6 this section, the division shall consult with stakeholders from urban and
7 rural communities and representatives from populations of different
8 income levels with diverse housing needs and shall award funding to
9 meet the needs of local communities that will optimize the ~~return on~~
10 ~~money invested in a particular program or for a particular use~~
11 SOCIO-ECONOMIC AND HOUSING STABILITY OF OUTCOMES OF HOUSEHOLDS
12 SERVED; OPTIMIZE THE CREATION, OPERATION, AND AFFORDABILITY
13 LENGTH OF AFFORDABLE HOUSING STOCK CREATED; OPTIMIZE THE
14 PRESERVATION OF NATURALLY OCCURRING AND SUBSIDIZED AFFORDABLE
15 HOUSING; CONSIDER THE IMPACT OF AWARD TERMS ON THE FINANCIAL
16 STABILITY OF THE ORGANIZATIONS DELIVERING THESE DEVELOPMENT
17 PROJECTS AND RESIDENT SERVICES; leverage OR BE LEVERAGED BY other
18 available PUBLIC OR PRIVATE sources of money; BE LAYERED WITH OTHER
19 FUNDS ADMINISTERED BY THE STATE; address housing needs throughout
20 the state; and serve populations with the greatest unmet need. THE
21 DIVISION MAY EVALUATE AND AWARD FUNDING OPPORTUNITIES AT ALL
22 STAGES OF A PROJECT, INCLUDING PREDEVELOPMENT AND FIRST-IN
23 CATALYTIC FUND COMMITMENTS.

24 
25 (8) IF APPLICATIONS ARE REQUIRED FOR MONEY FROM THE FUND
26 PURSUANT TO THIS SECTION, THE APPLICATION PROCESS MUST BE IN
27 ACCORDANCE WITH THE PROCESS SET FORTH IN SECTION 24-32-705.7.

1 **SECTION 7.** In Colorado Revised Statutes, 24-32-721.7, **add**
2 (1)(c) as follows:

3 **24-32-721.7. Affordable housing guided toolkit and local**
4 **officials guide program - creation.** (1) (c) THE PROCESS FOR
5 APPLICATIONS REQUIRED PURSUANT TO THIS SECTION MUST BE IN
6 ACCORDANCE WITH THE PROCESS SET FORTH IN SECTION 24-32-705.7.

7 **SECTION 8.** In Colorado Revised Statutes, 24-32-729, **add**
8 (3)(a.5) as follows:

9 **24-32-729. Transformational affordable housing through local**
10 **investments - grant program - investments eligible for funding -**
11 **report - definitions - repeal.** (3) **Policies, procedures, and guidelines.**
12 (a.5) THE APPLICATION PROCESS FOR THE GRANT PROGRAM MUST BE IN
13 ACCORDANCE WITH THE PROCESS SET FORTH IN SECTION 24-32-705.7. ON
14 OR BEFORE SEPTEMBER 1, 2024, THE DIVISION SHALL AMEND ANY
15 POLICIES, PROCEDURES, AND GUIDELINES FOR THE GRANT PROGRAM THAT
16 ARE NOT CONSISTENT WITH THE APPLICATION PROCESS SET FORTH IN
17 SECTION 24-32-705.7.

18 **SECTION 9.** In Colorado Revised Statutes, 24-32-731, **add**
19 (5)(a.5) as follows:

20 **24-32-731. Revolving loan fund - eligible projects - report -**
21 **definitions - legislative declaration.** (5) **Loan program policies -**
22 **eligibility for loan funding.** (a.5) THE APPLICATION PROCESS FOR THE
23 LOAN PROGRAM MUST BE IN ACCORDANCE WITH THE PROCESS SET FORTH
24 IN SECTION 24-32-705.7. ON OR BEFORE SEPTEMBER 1, 2024, THE DIVISION
25 SHALL AMEND ANY POLICIES, PROCEDURES, AND GUIDELINES FOR THE
26 GRANT PROGRAM THAT ARE NOT CONSISTENT WITH THE APPLICATION
27 PROCESS SET FORTH IN SECTION 24-32-705.7.

1 **SECTION 10.** In Colorado Revised Statutes, 29-4-103, **amend**
2 (9) as follows:

3 **29-4-103. Definitions.** As used in this part 1, unless the context
4 otherwise requires:

5 (9) "Housing project" means all real and personal property,
6 buildings and improvements, stores, offices, lands for farming and
7 gardening, and community facilities acquired, constructed, or to be
8 acquired or constructed pursuant to a single plan or undertaking to
9 demolish, clear, remove, alter, or repair unsafe, unsanitary, or substandard
10 housing or to provide dwelling accommodations at rentals within the
11 means of persons of low income. The term "housing project" also means
12 the planning of the buildings and improvements, the acquisition of
13 property, the demolition of existing structures, the construction,
14 reconstruction, alteration, and repair of the improvements, and all other
15 work in connection therewith. THE TERM "HOUSING PROJECT" ALSO
16 MEANS THE PROVISION OF DWELLING ACCOMMODATIONS TO PERSONS,
17 WITHOUT REGARD TO INCOME, AS LONG AS THE HOUSING PROJECT
18 SUBSTANTIALLY BENEFITS PERSONS OF LOW INCOME.

19 **SECTION 11.** In Colorado Revised Statutes, 29-4-104, **amend**
20 (1)(a) and (1)(k); and **add** (1)(l) as follows:

21 **29-4-104. Powers of cities to undertake projects.** (1) Every city
22 has power and is authorized:

23 (a) To construct, ACQUIRE, OWN, OR LEASE any housing project
24 within the city;

25 (k) To do all acts and things necessary or convenient to carry out
26 the powers expressly given in this part 1; AND

27 (l) TO MANAGE, OPERATE, AND MAINTAIN, OR CONTRACT FOR THE

1 MANAGEMENT, OPERATION, AND MAINTENANCE, OF ANY HOUSING PROJECT
2 OWNED OR LEASED BY THE CITY.

3 **SECTION 12.** In Colorado Revised Statutes, **amend** 29-4-107 as
4 follows:

5 **29-4-107. Management of housing projects.** (1) The city, ~~shall~~
6 AT THE CITY'S SOLE AND ABSOLUTE DISCRETION, MAY:

7 (a) CONTRACT WITH A NONPROFIT ENTITY OR PRIVATE ENTITY TO
8 MANAGE, MAINTAIN, AND OPERATE ANY HOUSING PROJECT CONSTRUCTED,
9 ACQUIRED, OWNED, OR LEASED BY THE CITY; OR

10 (b) Deliver possession of any housing projects constructed,
11 acquired, OWNED, or leased by ~~it~~ THE CITY to the authority within the
12 boundaries of which the city is included, but the title to all property
13 comprising such housing projects shall remain in the city. The authority
14 shall operate and maintain all ~~such~~ housing projects of the city THAT THE
15 CITY HAS DELIVERED POSSESSION OF IN ACCORDANCE WITH THIS
16 SUBSECTION (1)(b) and shall fix, levy, and collect such rents, fees, or
17 other charges for the use and occupancy of such housing projects as such
18 authority determines; but if there are any agreements of the city with an
19 obligee, the authority shall fix, levy, collect, and revise such rents, fees,
20 and other charges in accordance with such agreements and subject
21 thereto. All rents, fees, and other charges received by the authority from
22 any such housing project shall not be commingled with any ~~moneys~~
23 MONEY of the authority and shall be deposited in a special account in any
24 depository authorized in section 24-75-603. ~~C.R.S.~~

25 (2) After the payment of the cost of operation and maintenance of
26 ~~such~~ A housing project THAT THE CITY DELIVERS POSSESSION OF TO THE
27 AUTHORITY PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION, the net

1 receipts of such project shall be paid by the authority to the city at
2 monthly or longer intervals as the city may determine or at such intervals
3 as shall be provided for in any agreement by the city with an obligee.

4 **SECTION 13.** In Colorado Revised Statutes, 29-4-209, **amend**
5 (1)(f) as follows:

6 **29-4-209. Powers of authority.** (1) An authority shall constitute
7 a body both corporate and politic, exercising public powers and having
8 all the powers necessary or convenient to carry out and effectuate the
9 purposes and provisions of this part 2, including the following powers in
10 addition to others granted in this section:

11 (f) To manage as agent of the city any project constructed or
12 owned by the city THAT THE CITY DELIVERS POSSESSION OF TO THE
13 AUTHORITY PURSUANT TO SECTION 29-4-107 (1)(b);

14 **SECTION 14.** In Colorado Revised Statutes, 39-3-127.7,
15 **amend** (7) as follows:

16 **39-3-127.7. Community land trust property - nonprofit**
17 **affordable homeownership developer property - exemption -**
18 **requirements - legislative declaration - definitions.** (7) (a) Any
19 community land trust or nonprofit affordable homeownership developer
20 that claims a property tax exemption pursuant to this section shall comply
21 with the provisions of section 39-2-117; EXCEPT THAT IF THE REAL
22 PROPERTY THAT IS ALLOWED AN EXEMPTION PURSUANT TO THIS SECTION
23 HAS BEEN SUBDIVIDED, THE OWNER OF SUCH PROPERTY OR THE OWNER'S
24 AGENT IS ONLY REQUIRED TO:

25 (I) SUBMIT ONE APPLICATION FOR THE EXEMPTION FOR ALL
26 PARCELS IN CONNECTION WITH THE SUBDIVISION PURSUANT TO SECTION
27 39-2-117 (1)(a), BUT THE FILING MUST BE ACCOMPANIED BY A PAYMENT

1 IN ACCORDANCE WITH SECTION 39-2-117 (1)(a)(I) IN AN AMOUNT NOT TO
2 EXCEED THE AGGREGATE AMOUNT OF PAYMENTS THAT WOULD BE
3 REQUIRED IF INDIVIDUAL APPLICATIONS WERE FILED FOR EACH PARCEL;
4 AND

5 (II) IF THE EXEMPTION IS GRANTED, FILE ONE ANNUAL REPORT
6 PURSUANT TO SECTION 39-2-117 (3)(a) FOR ALL PARCELS IN CONNECTION
7 WITH THE SUBDIVISION, BUT THE FILING MUST BE ACCOMPANIED BY A
8 PAYMENT IN ACCORDANCE WITH SECTION 39-2-117 (3)(a) IN AN AMOUNT
9 NOT TO EXCEED THE AGGREGATE AMOUNT OF PAYMENTS THAT WOULD BE
10 REQUIRED IF INDIVIDUAL REPORTS WERE FILED FOR EACH PARCEL.

11 (b) NOTWITHSTANDING SUBSECTION (7)(a)(II) OF THIS SECTION, IF
12 THE REAL PROPERTY THAT IS ALLOWED AN EXEMPTION PURSUANT TO THIS
13 SECTION HAS BEEN SUBDIVIDED BUT THE SUBDIVIDED PARCEL HAS BEEN
14 SPLIT INTO A SEPARATE TAXABLE PARCEL FROM THE IMPROVEMENTS AND
15 IS LEASED TO THE OWNER OF THE IMPROVEMENTS AS AN AFFORDABLE
16 HOMEOWNERSHIP PROPERTY, THEN THE OWNER OF SUCH REAL PROPERTY
17 OR THE OWNER'S AGENT MUST FILE AN INDIVIDUAL ANNUAL REPORT FOR
18 THE SUBDIVIDED PARCEL IN ACCORDANCE WITH SECTION 39-2-117 (3)(a).

19 **SECTION 15. No appropriation.** The general assembly has
20 determined that this act can be implemented within existing
21 appropriations, and therefore no separate appropriation of state money is
22 necessary to carry out the purposes of this act.

23 **SECTION 16. Act subject to petition - effective date -**
24 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
25 the expiration of the ninety-day period after final adjournment of the
26 general assembly; except that, if a referendum petition is filed pursuant
27 to section 1 (3) of article V of the state constitution against this act or an

1 item, section, or part of this act within such period, then the act, item,
2 section, or part will not take effect unless approved by the people at the
3 general election to be held in November 2024 and, in such case, will take
4 effect on the date of the official declaration of the vote thereon by the
5 governor.

6 (2) (a) Sections 4 through 9 of this act apply to applications
7 submitted for affordable housing programs administered by the division
8 of housing on or after September 1, 2024, or, if a referendum petition is
9 filed in accordance with subsection (1) of this section, on or after the date
10 of the official declaration of the vote thereon by the governor.

11 (b) Sections 10 through 13 of this act apply to any housing project
12 pursuant to part 1 of article 4 of title 29, C.R.S., on or after the applicable
13 effective date of this act.

14 (c) Section 14 of this act applies to applications submitted and
15 annual reports filed pursuant to section 39-2-117, C.R.S., for the
16 exemption allowed by section 39-3-127.7, C.R.S., on or after the
17 applicable effective date of this act.