

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 24-0710.01 Megan McCall x4215

HOUSE BILL 24-1308

HOUSE SPONSORSHIP

Frizell and Lindstedt,

SENATE SPONSORSHIP

(None),

House Committees

Transportation, Housing & Local Government

Senate Committees

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; AND ALLOWING A**
110 **CREDIT FOR DONATED LAND TO COUNT TOWARD ELIGIBILITY**
111 **FOR AFFORDABLE HOUSING FUNDING CREATED BY THE VOTERS'**
112 **APPROVAL OF PROPOSITION 123.**

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.

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
9 populations with the greatest unmet need, optimize the housing stability
10 of households served, and promote the sustainability of affordable
11 housing development projects rather than maximizing financial returns to
12 the state;

13 (c) The division of housing should seek to find balance in

1 providing project subsidy levels that support the overall health, resiliency,
2 and ability to advance the work of mission-based organizations without
3 over-subsidizing projects or strictly forcing these organizations to
4 maximize debt leverage or functionally eliminate cash flow;

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

9 (e) The current grant and fund administrative practices of the
10 division of housing limit the ability of nonprofit housing providers and
11 housing authorities to deliver affordable housing to Colorado residents
12 who need it;

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

19 (g) A sustainable and stable network of affordable housing
20 providers will result in the creation, operation, and preservation of
21 income-restricted affordable housing stock for low- and moderate-income
22 households;

23 (h) Streamlining the review and award process, including
24 providing transparent expectations on process and timing, reducing
25 administrative barriers, and providing clear guidelines for submission and
26 awards, is fundamental to the financial sustainability of grantees and
27 awardees and the success of affordable housing development projects;

1 and

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

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

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

9 **24-32-705. Functions of division.** (1) The division has the
10 following functions:

11 (x) TO OPTIMIZE THE OUTCOMES OF A PARTICULAR PROGRAM OR
12 PARTICULAR USE TO THE BENEFIT OF HOUSEHOLDS SERVED IN A MANNER
13 THAT OPTIMIZES THE SOCIOECONOMIC AND HOUSING STABILITY OUTCOMES
14 OF HOUSEHOLDS SERVED, THE FINANCIAL SUSTAINABILITY OF AN
15 AFFORDABLE HOUSING PROJECT OR PROGRAM, THE FINANCIAL STABILITY
16 OF ORGANIZATIONS DELIVERING THESE DEVELOPMENT PROJECTS AND
17 RESIDENT SERVICES, THE CREATION, OPERATION, AND AFFORDABILITY
18 LENGTH OF AFFORDABLE HOUSING STOCK CREATED, AND THE
19 PRESERVATION OF NATURALLY OCCURRING AND SUBSIDIZED AFFORDABLE
20 HOUSING; LEVERAGES OR IS LEVERAGED BY OTHER AVAILABLE SOURCES
21 OF MONEY; ADDRESSES HOUSING NEEDS THROUGHOUT THE STATE; AND
22 SERVES POPULATIONS WITH THE GREATEST UNMET NEED.

23 **SECTION 3.** In Colorado Revised Statutes, 24-32-705.5, **add**
24 (1.3) and (1.5) as follows:

25 **24-32-705.5. Annual public report on funding of affordable**
26 **housing preservation and production - definitions - repeal.** (1.3) FOR
27 THE PUBLIC REPORT REQUIRED PURSUANT TO SUBSECTION (1) OF THIS

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

5 (a) THE NUMBER OF APPLICATIONS, BY PURPOSE OF APPLICATION,
6 SUBMITTED TO THE DIVISION;

7 (b) THE NUMBER OF APPLICATIONS APPROVED BY THE DIVISION, BY
8 PURPOSE;

9 (c) THE NUMBER OF APPLICATIONS DENIED BY THE DIVISION, BY
10 PURPOSE;

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

13 (e) THE AGGREGATE AMOUNT OF MONEY APPLIED FOR BUT NOT
14 AWARDED FOR ALL DENIED APPLICATIONS; AND

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

18 (1.5) (a) FOR THE PUBLIC REPORT REQUIRED PURSUANT TO
19 SUBSECTION (1) OF THIS SECTION, FOR 2025 AND EACH YEAR THEREAFTER,
20 THE DIVISION SHALL INCLUDE THE FOLLOWING INFORMATION CONCERNING
21 THE FUND:

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

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

27 (III) THE AGGREGATE AMOUNT OF MONEY IN THE FUND

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

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

8 (V) THE AMOUNT OF UNENCUMBERED MONEY IN THE FUND AT THE
9 TIME THE PUBLIC REPORT IS PREPARED; AND

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

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

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

19 **24-32-705.7. Application process for all affordable housing**
20 **programs administered by the division of housing - rules - definitions.**

21 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
22 REQUIRES:

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

25 (b) "AFFORDABLE HOUSING PROGRAM" MEANS:

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

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

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

5 (IV) THE LOCAL INVESTMENTS IN TRANSFORMATIONAL
6 AFFORDABLE HOUSING GRANT PROGRAM CREATED IN SECTION 24-32-729
7 (2)(a);

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

10 (VI) THE CONNECTING COLORADANS EXPERIENCING
11 HOMELESSNESS WITH SERVICES, RECOVERY CARE, AND HOUSING SUPPORTS
12 GRANT PROGRAM CREATED IN SECTION 24-32-732 (2)(a); AND

13 (VII) ANY OTHER PROGRAM ADMINISTERED OR IMPLEMENTED BY
14 THE DIVISION THAT IS RELATED TO AFFORDABLE HOUSING.

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

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

21 (3) (a) THE DIVISION SHALL ACCEPT APPLICATIONS FOR
22 AFFORDABLE HOUSING PROGRAMS ONCE PER MONTH OR ON A ROLLING
23 BASIS BUT NOT LESS THAN ONCE PER MONTH. THE PROCESS FOR THE
24 DIVISION TO REVIEW APPLICATIONS IS AS FOLLOWS:

25 (I) NOT LATER THAN TEN CALENDAR DAYS FROM THE DATE A
26 MONTHLY APPLICATION PERIOD CLOSSES, THE DIVISION SHALL COMPLETE
27 THE REVIEWING OF ALL APPLICATIONS SUBMITTED IN THE APPLICATION

1 PERIOD FOR COMPLETENESS AND ISSUE ANY REQUESTS FOR ADDITIONAL
2 INFORMATION, FORMS, OR QUESTIONS TO THE APPLICANTS, AS NECESSARY;
3 AND

4 (II) THE APPLICANT HAS SEVEN CALENDAR DAYS FROM THE DATE
5 A REQUEST IS ISSUED PURSUANT TO SUBSECTION (3)(a)(I) OF THIS SECTION
6 TO RESPOND TO A REQUEST BY THE DIVISION FOR ADDITIONAL
7 INFORMATION, FORMS, OR QUESTIONS.

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

17 (B) THE BOARD SHALL MEET AND MAKE A FINAL DECISION ON AN
18 APPLICATION SUBMITTED TO IT WITHIN FIFTEEN CALENDAR DAYS OF
19 RECEIVING THE APPLICATION FROM THE DIVISION.

20 (II) IF THE DIVISION DENIES OR MODIFIES AN APPLICATION, AN
21 APPLICANT HAS SEVEN CALENDAR DAYS TO APPEAL THE DECISION TO THE
22 DIVISION. THE DIVISION HAS FOURTEEN CALENDAR DAYS AFTER AN APPEAL
23 IS SUBMITTED TO ACT ON THE APPEAL.

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

1 THIRTY CALENDAR DAYS PROVIDE THE APPROVED APPLICANT WITH A
2 PRELIMINARY DRAFT OF ANY REQUIRED CONTRACTS FOR LOANS OR
3 GRANTS AWARDED PURSUANT TO AN AFFORDABLE HOUSING PROGRAM, IF
4 APPLICABLE. THE DIVISION SHALL FINALIZE ANY TERMS AND CONDITIONS
5 OF APPROVED LOANS OR GRANTS PURSUANT TO AN AFFORDABLE HOUSING
6 PROGRAM AND FINALIZE AND EXECUTE ANY REQUIRED CONTRACTS WITHIN
7 NINETY CALENDAR DAYS FROM THE DATE THE DIVISION RECEIVES A
8 SUBSTANTIALLY COMPLETE POST-AWARD DUE DILIGENCE PACKAGE FROM
9 THE APPROVED APPLICANT. THE DIVISION SHALL PROVIDE EXECUTED
10 CONTRACTS TO AN APPROVED APPLICANT WITHIN TEN CALENDAR DAYS OF
11 FINALIZING THE CONTRACT.

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

14 (A) THE TIMELINE FOR ISSUANCE OF MONEY AS APPROVED BY THE
15 DIVISION OR THE BOARD PURSUANT TO THE AFFORDABLE HOUSING
16 PROGRAM;

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

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

23 (d) ANY CHANGES TO THE TERMS OF AN APPROVED LOAN OR
24 GRANT PURSUANT TO AN AFFORDABLE HOUSING PROGRAM BY THE
25 DIVISION MUST BE MADE TO AN APPROVED APPLICANT WITHIN TEN
26 CALENDAR DAYS OF THE DATE THE DIVISION ISSUES A LETTER OF
27 APPROVAL REQUIRED PURSUANT TO SUBSECTION (3)(c)(I) OF THIS

1 SECTION.

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

5 **SECTION 5.** In Colorado Revised Statutes, 24-32-706, **amend**
6 (7) as follows:

7 **24-32-706. State housing board.** (7) The board shall meet upon
8 call of the chair or whenever directed by the governor. THE BOARD SHALL
9 MEET AS REQUIRED BY SECTION 24-32-705.7 (3)(b)(I)(B).

10 **SECTION 6.** In Colorado Revised Statutes, 24-32-717, **add** (3.7)
11 as follows:

12 **24-32-717. Housing investment trust fund - loans - definitions.**
13 (3.7) IF APPLICATIONS ARE REQUIRED FOR LOANS PURSUANT TO THIS
14 SECTION, THE APPLICATION PROCESS MUST BE IN ACCORDANCE WITH THE
15 PROCESS SET FORTH IN SECTION 24-32-705.7.

16 **SECTION 7.** In Colorado Revised Statutes, 24-32-721, **amend**
17 (2)(e), (7)(d), and (7)(h); and **add** (8) as follows:

18 **24-32-721. Colorado affordable housing construction grants**
19 **and loans - housing development grant fund - creation - housing**
20 **assistance for persons with behavioral, mental health, or substance**
21 **use disorders - cash fund - appropriation - report to general assembly**
22 **- rules - definitions - repeal.** (2) (e) In determining how best to allocate
23 money to promote the various purposes specified in subsection (2)(d) of
24 this section, the division shall consult with stakeholders from urban and
25 rural communities and representatives from populations of different
26 income levels with diverse housing needs and shall award funding to
27 meet the needs of local communities that will optimize the ~~return on~~

1 ~~money invested in a particular program or for a particular use~~
2 SOCIO-ECONOMIC AND HOUSING STABILITY OF OUTCOMES OF HOUSEHOLDS
3 SERVED, THE FINANCIAL STABILITY OF ORGANIZATIONS DELIVERING THESE
4 SERVICES, THE CREATION, OPERATION, AND AFFORDABILITY LENGTH OF
5 AFFORDABLE HOUSING STOCK CREATED, AND THE PRESERVATION OF
6 NATURALLY OCCURRING AND SUBSIDIZED AFFORDABLE HOUSING; leverage
7 OR BE LEVERAGED BY other available sources of money; address housing
8 needs throughout the state; and serve populations with the greatest unmet
9 need.

10 (7) (d) The division shall establish forms and procedures to
11 implement the grant program, including the time frames for applying for
12 grants, the form of the grant program application, and the time frames for
13 distributing grant money; EXCEPT THAT THE PROCEDURES MUST BE
14 CONSISTENT WITH THE APPLICATION PROCESS SET FORTH IN SECTION
15 24-32-705.7. The division shall make the forms available in English and
16 Spanish.

17 (h) To receive a grant, a tenant must apply through the statewide
18 application portal. The division shall establish procedures for the
19 assignment of each application to a nonprofit organization with which the
20 division has contracted pursuant to subsection (7)(c) of this section;
21 EXCEPT THAT THE PROCEDURES MUST BE CONSISTENT WITH THE
22 APPLICATION PROCESS SET FORTH IN SECTION 24-32-705.7.

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

26 **SECTION 8.** In Colorado Revised Statutes, 24-32-721.7, **add**
27 (1)(c) as follows:

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

5 **SECTION 9.** In Colorado Revised Statutes, 24-32-729, **add**
6 (3)(a.5) as follows:

7 **24-32-729. Transformational affordable housing through local**
8 **investments - grant program - investments eligible for funding -**
9 **report - definitions - repeal. (3) Policies, procedures, and guidelines.**
10 (a.5) THE APPLICATION PROCESS FOR THE GRANT PROGRAM MUST BE IN
11 ACCORDANCE WITH THE PROCESS SET FORTH IN SECTION 24-32-705.7. ON
12 OR BEFORE SEPTEMBER 1, 2024, THE DIVISION SHALL AMEND ANY
13 POLICIES, PROCEDURES, AND GUIDELINES FOR THE GRANT PROGRAM THAT
14 ARE NOT CONSISTENT WITH THE APPLICATION PROCESS SET FORTH IN
15 SECTION 24-32-705.7.

16 **SECTION 10.** In Colorado Revised Statutes, 24-32-731, **add**
17 (5)(a.5) as follows:

18 **24-32-731. Revolving loan fund - eligible projects - report -**
19 **definitions - legislative declaration. (5) Loan program policies -**
20 **eligibility for loan funding.** (a.5) THE APPLICATION PROCESS FOR THE
21 LOAN PROGRAM MUST BE IN ACCORDANCE WITH THE PROCESS SET FORTH
22 IN SECTION 24-32-705.7. ON OR BEFORE SEPTEMBER 1, 2024, THE DIVISION
23 SHALL AMEND ANY POLICIES, PROCEDURES, AND GUIDELINES FOR THE
24 GRANT PROGRAM THAT ARE NOT CONSISTENT WITH THE APPLICATION
25 PROCESS SET FORTH IN SECTION 24-32-705.7.

26 **SECTION 11.** In Colorado Revised Statutes, 24-32-732, **add**
27 (3)(a.5) as follows:

1 **24-32-732. Connecting Coloradans experiencing homelessness**
2 **with services, recovery care, and housing supports grant program -**
3 **funding - report - definitions - repeal. (3) Policies, procedures, and**
4 **guidelines. (a.5) THE APPLICATION PROCESS FOR THE GRANT PROGRAM**
5 **MUST BE IN ACCORDANCE WITH THE PROCESS SET FORTH IN SECTION**
6 **24-32-705.7. ON OR BEFORE SEPTEMBER 1, 2024, THE DIVISION SHALL**
7 **AMEND ANY POLICIES, PROCEDURES, AND GUIDELINES FOR THE GRANT**
8 **PROGRAM THAT ARE NOT CONSISTENT WITH THE APPLICATION PROCESS SET**
9 **FORTH IN SECTION 24-32-705.7.**

10 **SECTION 12.** In Colorado Revised Statutes, 29-32-105, **add**
11 **(3)(e) as follows:**

12 **29-32-105. Affordable housing commitments - local**
13 **governments - tribal governments - three-year commitment cycle -**
14 **expedited development approval process - eligibility for assistance**
15 **from the fund - definitions. (3) (e) (I) FOR EACH UNIT CONSTRUCTED**
16 **ON LAND THAT A LOCAL GOVERNMENT OR TRIBAL GOVERNMENT OWNS**
17 **AND DONATES TO A COMMUNITY LAND TRUST OR A NONPROFIT**
18 **AFFORDABLE HOMEOWNERSHIP DEVELOPER FOR DEVELOPMENT AS**
19 **AFFORDABLE HOMEOWNERSHIP PROPERTY IS ALLOWED A CREDIT EQUAL TO**
20 **ONE AND ONE-HALF UNITS FOR THE PURPOSE OF CALCULATING WHETHER**
21 **THE LOCAL GOVERNMENT OR TRIBAL GOVERNMENT HAS MET THE THREE**
22 **PERCENT AFFORDABLE HOUSING UNIT GROWTH REQUIREMENT OF**
23 **SUBSECTION (1) OF THIS SECTION FOR THE YEAR IN WHICH THE LAND IS**
24 **DONATED. THE CREDIT IS CLAIMED WHEN BUILDING PERMITS FOR THE**
25 **PROJECT HAVE BEEN APPROVED BY THE APPLICABLE BUILDING AUTHORITY.**

26 **(II) SUBJECT TO THE APPROVAL OF THE SCHOOL DISTRICT, A LOCAL**
27 **GOVERNMENT, OR A TRIBAL GOVERNMENT MAY CLAIM THE CREDIT**

1 ALLOWED BY SUBSECTION (3)(e)(I) OF THIS SECTION IF A SCHOOL DISTRICT
2 WITHIN THE BOUNDARIES OF THE LOCAL GOVERNMENT OR TRIBAL
3 GOVERNMENT DONATES LAND IT OWNS TO A COMMUNITY LAND TRUST OR
4 A NONPROFIT AFFORDABLE HOMEOWNERSHIP DEVELOPER FOR
5 DEVELOPMENT AS AFFORDABLE HOMEOWNERSHIP PROPERTY.

6 (III) AS USED IN THIS SUBSECTION (3)(e), UNLESS THE CONTEXT
7 OTHERWISE REQUIRES:

8 (A) "AFFORDABLE HOMEOWNERSHIP PROPERTY" MEANS A
9 MULTIFAMILY REAL PROPERTY THAT IS SOLD TO A HOUSEHOLD THAT AT
10 THE TIME OF PURCHASE IS AT OR BELOW THE APPLICABLE AREA MEDIAN
11 INCOME TO BE USED AS A PRIMARY RESIDENCE AND IS RESTRICTED BY A
12 DEED THAT IMPACTS OWNERSHIP OF THE DWELLING UNITS WITHIN THE
13 PROPERTY, LIMITS THE RESALE PRICE OF SUCH DWELLING UNITS, REQUIRES
14 A LONG-TERM LAND LEASE WITH A COMMUNITY LAND TRUST OR
15 NONPROFIT AFFORDABLE HOMEOWNERSHIP DEVELOPER, OR IMPOSES ANY
16 OTHER RESTRICTION THAT LIMITS THE DWELLING UNITS WITHIN THE
17 PROPERTY SO THAT THEY MAY ONLY BE PURCHASED BY DESIGNATED
18 HOUSEHOLDS, A COMMUNITY LAND TRUST, OR A NONPROFIT AFFORDABLE
19 HOMEOWNERSHIP DEVELOPER.

20 (B) "APPLICABLE AREA MEDIAN INCOME" MEANS ONE HUNDRED
21 PERCENT OF THE AREA MEDIAN INCOME OF HOUSEHOLDS OF THAT SAME
22 SIZE IN THE COUNTY IN WHICH THE HOUSING IS LOCATED; EXCEPT THAT
23 FOR A RURAL RESORT COMMUNITY, "APPLICABLE AREA MEDIAN INCOME"
24 MEANS THE PERCENTAGE OF AREA MEDIAN INCOME APPROVED BY THE
25 DIVISION FOR CERTAIN PROGRAM ELIGIBILITY PURSUANT TO SECTION
26 29-32-105.5.

27 (C) "COMMUNITY LAND TRUST" MEANS A NONPROFIT

1 ORGANIZATION THAT IS EXEMPT FROM TAXATION UNDER SECTION 501
2 (c)(3) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS
3 AMENDED, AND IS DESIGNED TO ENSURE LONG-TERM HOUSING
4 AFFORDABILITY THROUGH A SHARED-EQUITY MODEL BY ACQUIRING AND
5 MAINTAINING OWNERSHIP OF MULTIFAMILY REAL PROPERTY, WHILE
6 SELLING DWELLING UNITS WITHIN THE PROPERTY TO LOW- TO
7 MIDDLE-INCOME HOUSEHOLDS FOR USE AS A PRIMARY RESIDENCE.

8 (D) "LAND LEASE" MEANS A LONG-TERM LEASE USED IN
9 AFFORDABLE HOMEOWNERSHIP PROPERTIES TO LEASE TO AN OWNER A
10 DWELLING UNIT WITHIN MULTIFAMILY REAL PROPERTY THAT IS OWNED BY
11 A COMMUNITY LAND TRUST OR NONPROFIT AFFORDABLE HOMEOWNERSHIP
12 DEVELOPER AND PRESERVE THE MULTIFAMILY REAL PROPERTY, THROUGH
13 THE DWELLING UNITS WITHIN IT, AS AN AFFORDABLE HOMEOWNERSHIP
14 PROPERTY.

15 (E) "LOCAL GOVERNMENT", NOTWITHSTANDING SECTION
16 29-32-101 (7), DOES NOT INCLUDE A LOCAL HOUSING AUTHORITY.

17 (F) "MULTIFAMILY REAL PROPERTY" MEANS REAL PROPERTY THAT
18 IS A DUPLEX, TRIPLEX, OR MULTI-STRUCTURE OF FOUR OR MORE UNITS.

19 (G) "NONPROFIT AFFORDABLE HOMEOWNERSHIP DEVELOPER" HAS
20 THE SAME MEANING AS SET FORTH IN SECTION 39-3-127.7 (2)(e).

21 **SECTION 13. Act subject to petition - effective date -**
22 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
23 the expiration of the ninety-day period after final adjournment of the
24 general assembly; except that, if a referendum petition is filed pursuant
25 to section 1 (3) of article V of the state constitution against this act or an
26 item, section, or part of this act within such period, then the act, item,
27 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2024 and, in such case, will take
2 effect on the date of the official declaration of the vote thereon by the
3 governor.

4 (2) (a) Sections 4 through 11 of this act apply to applications
5 submitted for affordable housing programs administered by the division
6 of housing on or after September 1, 2024, or, if a referendum petition is
7 filed in accordance with subsection (1) of this section, on or after the date
8 of the official declaration of the vote thereon by the governor.

9 (b) Section 12 of this act applies to donations by a local
10 government or tribal government of land it owns on or after the applicable
11 effective date of this act.