

**First Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 21-0901.02 Bob Lackner x4350

HOUSE BILL 21-1271

HOUSE SPONSORSHIP

McCluskie and Jodeh,

SENATE SPONSORSHIP

Gonzales,

House Committees

Transportation & Local Government
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE ESTABLISHMENT OF PROGRAMS OFFERING STATE**
102 **ASSISTANCE TO LOCAL GOVERNMENTS TO PROMOTE THE**
103 **DEVELOPMENT OF INNOVATIVE AFFORDABLE HOUSING**
104 **STRATEGIES IN A MANNER THAT IS COMPATIBLE WITH BEST**
105 **LOCAL LAND USE PRACTICES, AND, IN CONNECTION THEREWITH,**
106 **MAKING AN APPROPRIATION.**

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>.)

The bill creates 3 different programs in the department of local

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

affairs (DOLA) for the purpose of offering grant money and other forms of state assistance to local governments to promote innovative solutions to the development of affordable housing across the state.

Local government affordable housing development incentives grant program (housing development incentives grant program). This program will provide grants to local governments that adopt not less than 3 policy and regulatory tools from among a menu of options that create incentives to promote the development of affordable housing. A local government that adopts such tools is eligible for a grant from the housing development incentives grant program as an incentive to develop one or more affordable housing developments in their community that are liveable, vibrant, and driven by community benefits. The division of local government (DLG) within DOLA administers the housing development incentives grant program.

The bill enumerates items included in the menu of policy and regulatory tools.

Local government planning grant program. This program will provide grants to local governments that lack one or more of the policy and regulatory tools that provide incentives to promote the development of affordable housing that forms the basis for a grant under the housing development incentives grant program and that could benefit from additional funding to be able to create and make use of these policy and regulatory tools. Money under the planning grant program will be available to a local government to enable the government to retain a consultant or a related professional service to assess the housing needs of its community or to make changes to its policies, programs, development review processes, land use codes, and related rules to become an eligible recipient of a grant under the housing development incentives grant program. The planning grant program will be administered by the DLG. As part of its administration of the planning grant program, the DLG will provide assistance to local governments on best land use practices and tools and is required to update and publish model county and municipal land use codes for the benefit of local governments across the state.

The affordable housing guided toolkit and local officials guide program (housing toolkit program). This program creates the housing toolkit program within the division of housing (DOH) within DOLA. The purpose of the housing toolkit program is to award funding to qualified counties and municipalities selected in a competitive process who commit to the adoption of best land use practices with demonstrated success in the development of affordable housing. Under the housing toolkit program, technical assistance will be provided by consultants and related professionals to local governments who demonstrate an understanding of the housing needs of their communities, take steps to engage their entire communities in this process, make changes to their land use codes and related processes that provide incentives and reduce barriers to the

development of affordable housing, obtain and support viable sites in their communities for the development of affordable housing, and attract developers committed to making such investments in their communities. The DOH is to administer the housing toolkit program.

In evaluating applications for grants from the housing development incentives grant program, the bill requires the DLG to prioritize proposals submitted by local governments based on factors specified in the bill.

On or before September 1, 2021, the bill requires the executive director of DOLA or the executive director's designee to adopt policies, procedures, and guidelines for the 3 different state assistance programs that include, without limitation:

- Procedures and timelines by which an eligible recipient may apply for a grant;
- Criteria for determining the amount of grant awards;
- Performance criteria for grant recipients' projects; and
- Reporting requirements for grant recipients.

On the effective date of the bill, or as soon as practicable thereafter, the state treasurer is required to transfer \$9,300,000 from the general fund to the Colorado heritage communities fund for the creation, implementation, and administration by the DLG of the housing development incentives grant programs.

On the effective date of the bill, or as soon as practicable thereafter, the state treasurer is required to transfer \$2,100,000 from the general fund to the Colorado heritage communities fund for the creation, implementation, and administration by the DLG of the planning grant program.

On the effective date of the bill, or as soon as practicable thereafter, the state treasurer is required to transfer \$1,600,000 from the general fund to the housing development grant fund for the creation, implementation, and administration by the DOH of the housing toolkit program.

All costs incurred in administering any of the 3 programs created under the bill must be paid out of the money transferred under the bill. All money transferred under the bill for the 3 state programs must be expended over the subsequent 3 state fiscal years.

On or before November 1 of each year, the executive director of DOLA or the director's designee is required to publish a report summarizing the use of all assistance that was awarded from the 3 different programs created under the bill in the preceding fiscal year. The bill specifies additional required contents of the reports. The reports must be shared with the general assembly and posted on DOLA's website.

The bill updates and repeals obsolete statutory provisions concerning the office of smart growth (OSG) within DOLA and the Colorado heritage communities fund.

The bill authorizes the OSG, as money becomes available, to

provide grants or other forms of assistance to counties and municipalities to address critical planning issues and specifies examples of the forms of assistance that may be provided by the office. The OSG is required to create guidelines to specify the activities on the part of local governments that will qualify for grant funding or other forms of assistance provided under the bill. The OSG is permitted to use available money to administer the Colorado heritage grant program.

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

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

4 (a) Coloradans have identified housing affordability as the biggest
5 issue facing the state as one in every seven Colorado households is
6 spending more than half of its income on housing according to a study by
7 Shift Research Lab;

8 (b) The median home price to median income ratio has increased
9 across markets all across the nation. As of 2019, the price-to-income ratio
10 was considerably larger for renters than owners, with the gap most
11 significant in major metropolitan areas with a population greater than
12 three million people. Across large metropolitan areas with a population
13 greater than one million but less than three million, the gap in
14 price-to-income ratio for renters was largest in Providence, Denver, and
15 Salt Lake City.

16 (c) The same measurement on a statewide scale puts Colorado
17 among just five states with a greater than sixty percent gap between home
18 price and income growth between 2009 and 2019. Between 2012 and
19 2019, Colorado fell from being one of the most affordable states to one
20 of the least affordable states in the country based on median income to
21 median pricing.

22 (d) Currently, Colorado has a shortage of nearly 121,000

1 affordable rental units, and the Colorado housing and finance authority
2 reports that nearly half of all Colorado renters are considered cost
3 burdened, with an additional twenty-four percent being severely cost
4 burdened;

5 (e) By this act, the general assembly is focusing a portion of the
6 stimulus dollars it has received from the federal government to begin to
7 remedy this affordable housing crisis in Colorado with innovative
8 legislation that will jumpstart the production of housing statewide in the
9 next three years through three programs detailed in the act. In
10 combination, these programs focus on removing regulatory barriers to
11 affordable housing development and offering incentives to local
12 governments to make policy changes, as well as a mechanism for local
13 governments to receive expertise or financial assistance from the state.

14 (f) The general assembly recognizes that local governments
15 throughout the state vary in their stages of meeting the housing needs of
16 their communities. In order to help local governments respond to these
17 needs and to encourage them to extend their ability to create housing and
18 more liveable and vibrant communities, the divisions of local government
19 and housing within the department of local affairs will focus on three
20 programs.

21 (g) When a local government is at the nascent phase of addressing
22 affordable housing needs, it may require additional help to develop an
23 overall strategy. The housing toolkit program grant would offer local
24 governments comprehensive support to make effective change by
25 assessing housing needs, building effective communication strategies
26 around the need for affordable housing, understanding which actions
27 might have the biggest impact, and supporting the local government

1 through the steps preparatory to taking action to address these housing
2 needs.

3 (h) When a local government is at an intermediate phase of
4 addressing affordable housing needs, it may require particular expertise
5 to help it refine and advance its housing strategy. The planning grant
6 program awards local governments funding to hire assistance to adopt
7 qualifying land use strategies that prepare the local government to meet
8 this phase of its housing needs by conducting a needs assessment,
9 reviewing model land use codes, or making investments in its community
10 that would enable the local government to be competitive in applying for
11 a housing development incentives grant.

12 (i) If a local government is demonstrating an ongoing commitment
13 to advancing its land use regulations and policies to address the
14 affordable housing needs in its community, it may be eligible to apply for
15 a housing development incentives grant. This grant is focused on
16 allowing local governments to adopt effective tools to spur housing
17 creation. The menu of strategy options is broad enough that any
18 community can be successful in finding the right mix of strategies that fit
19 its community, or the local government may introduce its own innovative
20 or unique approach. Local governments would choose the strategies that
21 best fits the character of their community to pursue the grant funding
22 from the state whether they are in an urban, rural, mountain resort, or
23 eastern plains location. Additionally, the department of local affairs
24 would have the discretion to select novel, creative, or innovative
25 proposals from communities that offer an additional approach to create
26 affordable housing or would be able to consider how those local
27 governments that have already taken steps to address housing

1 affordability would be eligible to continue and advance their approaches
2 if they have already undertaken some of the best practice approaches. The
3 most competitive local governments will demonstrate a continued
4 commitment to removing barriers to affordable housing development.

5 **SECTION 2.** In Colorado Revised Statutes, 24-32-104, **add** (4)
6 and (5) as follows:

7 **24-32-104. Functions of the division - definition.** (4) THE
8 DIVISION SHALL ADMINISTER THE LOCAL GOVERNMENT AFFORDABLE
9 HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM CREATED IN
10 SECTION 24-32-130 (2) AND THE LOCAL GOVERNMENT PLANNING GRANT
11 PROGRAM CREATED IN SECTION 24-32-130 (5).

12 (5) THE DIVISION SHALL CONSULT WITH THE DIVISION OF HOUSING
13 CREATED IN SECTION 24-32-704 IN CONNECTION WITH THE CREATION AND
14 ADMINISTRATION OF THE HOUSING TOOLKIT PROGRAM IN ACCORDANCE
15 WITH SECTION 24-32-721.5 (2)(a).

16 **SECTION 3.** In Colorado Revised Statutes, **add** 24-32-130 as
17 follows:

18 **24-32-130. Local government affordable housing development**
19 **incentives grant program - local government planning grant program**
20 **- creation - report - definitions.** (1) AS USED IN THIS SECTION, UNLESS
21 THE CONTEXT OTHERWISE REQUIRES:

22 (a) "AFFORDABLE HOUSING" MEANS:

23 (I) FOR A HOUSEHOLD RESIDING IN HOUSING ON A RENTAL BASIS,
24 ANNUAL INCOME OF THE HOUSEHOLD IS AT OR BELOW EIGHTY PERCENT OF
25 THE ADJUSTED MEDIAN INCOME OF HOUSEHOLDS OF THAT SIZE IN THE
26 COUNTY IN WHICH THE HOUSING IS LOCATED; AND

27 (II) FOR A HOUSEHOLD RESIDING IN HOUSING ON A HOME

1 OWNERSHIP BASIS, ANNUAL INCOME OF THE HOUSEHOLD IS AT OR BELOW
2 ONE HUNDRED TWENTY PERCENT OF THE ADJUSTED MEDIAN INCOME OF
3 HOUSEHOLDS OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS
4 LOCATED.

5 (b) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

6 (c) "ELIGIBLE RECIPIENT" MEANS A LOCAL GOVERNMENT THAT IS
7 ELIGIBLE TO RECEIVE A GRANT THROUGH THE HOUSING DEVELOPMENT
8 INCENTIVES GRANT PROGRAM OR THE PLANNING GRANT PROGRAM.

9 (d) "HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM"
10 MEANS THE LOCAL GOVERNMENT AFFORDABLE HOUSING DEVELOPMENT
11 INCENTIVES GRANT PROGRAM CREATED IN SUBSECTION (2) OF THIS
12 SECTION.

13 (e) "LOCAL GOVERNMENT" MEANS A COUNTY, A MUNICIPALITY, OR
14 A CITY AND COUNTY.

15 (f) "PLANNING GRANT PROGRAM" MEANS THE LOCAL GOVERNMENT
16 PLANNING GRANT PROGRAM CREATED IN SUBSECTION (5) OF THIS SECTION.

17 (2) THERE IS HEREBY CREATED IN THE DEPARTMENT THE LOCAL
18 GOVERNMENT AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT
19 PROGRAM TO PROVIDE GRANTS TO LOCAL GOVERNMENTS THAT ADOPT ONE
20 OR MORE POLICY OR REGULATORY TOOLS THAT CREATE INCENTIVES TO
21 PROMOTE THE DEVELOPMENT OF AFFORDABLE HOUSING. A LOCAL
22 GOVERNMENT THAT ADOPTS SUCH TOOLS IN ACCORDANCE WITH THIS
23 SECTION IS ELIGIBLE FOR A GRANT FROM THE HOUSING DEVELOPMENT
24 INCENTIVES GRANT PROGRAM AS AN INCENTIVE TO DEVELOP ONE OR MORE
25 AFFORDABLE HOUSING DEVELOPMENTS IN THEIR COMMUNITY OR REGION
26 THAT ARE DRIVEN BY COMMUNITY BENEFITS AND THAT FOCUS ON
27 CRITICAL HOUSING NEEDS AS IDENTIFIED BY THE LOCAL GOVERNMENT.

1 THE DIVISION SHALL ADMINISTER THE HOUSING DEVELOPMENT
2 INCENTIVES GRANT PROGRAM.

3 (3) (a) AS PART OF THE POLICIES, PROCEDURES, AND GUIDELINES
4 THE DIVISION IS REQUIRED TO ADOPT FOR THE HOUSING DEVELOPMENT
5 INCENTIVES GRANT PROGRAM PURSUANT TO SUBSECTION (6)(a) OF THIS
6 SECTION, THE DIVISION SHALL DEVELOP A MENU OF DIFFERENT POLICY OR
7 REGULATORY TOOLS THAT LOCAL GOVERNMENTS MAY ADOPT AS
8 INCENTIVES TO PROMOTE AFFORDABLE HOUSING DEVELOPMENT WITHIN
9 THEIR TERRITORIAL BOUNDARIES OR ACROSS THEIR REGION.

10 (b) (I) THE MENU OF TOOLS THE DIVISION MUST DEVELOP
11 PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION MUST INCLUDE SUCH
12 INCENTIVES TO PROMOTE AFFORDABLE HOUSING DEVELOPMENT
13 INCLUDING BUT NOT LIMITED TO:

14 (A) THE USE OF VACANT PUBLICLY OWNED REAL PROPERTY WITHIN
15 THE LOCAL GOVERNMENT FOR THE DEVELOPMENT OF AFFORDABLE
16 HOUSING;

17 (B) THE CREATION OF A PROGRAM TO SUBSIDIZE OR OTHERWISE
18 REDUCE LOCAL DEVELOPMENT REVIEW OR FEES, INCLUDING BUT NOT
19 LIMITED TO BUILDING PERMIT FEES, PLANNING WAIVERS, AND WATER AND
20 SEWER TAP FEES, FOR AFFORDABLE HOUSING DEVELOPMENT;

21 (C) THE CREATION OF AN EXPEDITED DEVELOPMENT REVIEW
22 PROCESS FOR AFFORDABLE HOUSING AIMED AT HOUSEHOLDS THE ANNUAL
23 INCOME OF WHICH IS AT OR BELOW ONE HUNDRED TWENTY PERCENT OF
24 THE ADJUSTED MEDIAN INCOME OF HOUSEHOLDS OF THAT SIZE IN THE
25 COUNTY IN WHICH THE HOUSING IS LOCATED;

26 (D) THE CREATION OF AN EXPEDITED DEVELOPMENT REVIEW
27 PROCESS FOR ACQUIRING OR REPURPOSING UNDERUTILIZED COMMERCIAL

1 PROPERTY THAT CAN BE REZONED INTO AFFORDABLE HOUSING UNITS,
2 INCLUDING THE PRESERVATION OF EXISTING AFFORDABLE HOUSING UNITS;

3 (E) THE ESTABLISHMENT OF A DENSITY BONUS PROGRAM TO
4 INCREASE THE CONSTRUCTION OF UNITS THAT MEET CRITICAL HOUSING
5 NEEDS IN THE LOCAL COMMUNITY;

6 (F) WITH RESPECT TO WATER UTILITY CHARGES, THE CREATION OF
7 PROCESSES TO PROMOTE THE USE OF SUB-METERING OF UTILITY CHARGES
8 FOR AFFORDABLE HOUSING PROJECTS AND THE CREATION OF EXPERTISE IN
9 WATER UTILITY MATTERS DEDICATED TO AFFORDABLE HOUSING PROJECTS;

10 (G) WITH RESPECT TO INFRASTRUCTURE, THE CREATION OF A
11 DEDICATED FUNDING SOURCE TO SUBSIDIZE INFRASTRUCTURE COSTS AND
12 ASSOCIATED FEES RELATED TO PUBLICLY OWNED WATER, SANITARY
13 SEWER, STORM SEWERS, AND ROADWAYS INFRASTRUCTURE;

14 (H) GRANTING DUPLEXES, TRIPLEXES, OR OTHER APPROPRIATE
15 MULTI-FAMILY HOUSING OPTIONS AS A USE BY RIGHT IN SINGLE-FAMILY
16 RESIDENTIAL ZONING DISTRICTS;

17 (I) THE CLASSIFICATION OF A PROPOSED HOUSING DEVELOPMENT
18 AS A USE BY RIGHT WHEN IT MEETS THE BUILDING DENSITY AND DESIGN
19 STANDARDS OF A GIVEN HOUSING DISTRICT;

20 (J) AUTHORIZING ACCESSORY DWELLING UNITS AS A USE BY RIGHT
21 ON ALL PARCELS CONTAINING SINGLE-FAMILY RESIDENCES;

22 (K) ALLOWING PLANNED UNIT DEVELOPMENTS WITH INTEGRATED
23 AFFORDABLE HOUSING UNITS;

24 (L) ALLOWING THE DEVELOPMENT OF SMALL SQUARE FOOTAGE
25 RESIDENTIAL UNIT SIZES;

26 (M) LESSENERED MINIMUM PARKING REQUIREMENTS FOR NEW
27 AFFORDABLE HOUSING DEVELOPMENTS; AND

1 (N) THE CREATION OF A LAND DONATION, LAND ACQUISITION, OR
2 LAND BANKING PROGRAM.

3 (II) IN ADDITION TO THE ITEMS LISTED IN SUBSECTION (3)(b)(I) OF
4 THIS SECTION, THE POLICIES, PROCEDURES, AND GUIDELINES ADOPTED BY
5 THE DIVISION MUST ALSO ALLOW FOR THE ADOPTION BY A LOCAL
6 GOVERNMENT OF ADDITIONAL POLICY OR REGULATORY TOOLS THAT
7 PROVIDE NOVEL, CREATIVE, OR INNOVATIVE INCENTIVES TO THE
8 DEVELOPMENT OF AFFORDABLE HOUSING.

9 (4) (a) IN THE POLICIES, PROCEDURES, AND GUIDELINES THE
10 DIVISION IS REQUIRED TO ADOPT FOR THE HOUSING DEVELOPMENT
11 INCENTIVES GRANT PROGRAM PURSUANT TO SUBSECTION (6)(a) OF THIS
12 SECTION, THE DIVISION SHALL SPECIFY, WITHOUT LIMITATION:

13 (I) THE MANNER BY WHICH A LOCAL GOVERNMENT BECOMES AN
14 ELIGIBLE RECIPIENT FOR THE GRANT PROGRAM;

15 (II) THE MANNER IN WHICH A LOCAL GOVERNMENT'S ONGOING
16 COMMITMENT TO REFINE AND EXPAND ITS LAND USE POLICIES AFFECTS THE
17 COMPETITIVENESS OF ITS GRANT APPLICATION; AND

18 (III) A REQUIREMENT THAT A LOCAL GOVERNMENT SHALL SELECT
19 NOT LESS THAN THREE OPTIONS FROM THE MENU OF POLICY OR
20 REGULATORY TOOLS SPECIFIED IN SUBSECTION (3)(b) OF THIS SECTION.

21 (b) IN EVALUATING APPLICATIONS FOR GRANTS FROM THE HOUSING
22 DEVELOPMENT INCENTIVES GRANT PROGRAM, THE DIVISION SHALL
23 PRIORITIZE PROPOSALS SUBMITTED BY LOCAL GOVERNMENTS BASED ON
24 THE DEGREE TO WHICH THE GRANT AWARD, EITHER ON ITS OWN, OR AS
25 PART OF OTHER INCENTIVES MADE AVAILABLE TO THE ELIGIBLE RECIPIENT:

26 (I) REPRESENTS GEOGRAPHIC DIVERSITY THROUGHOUT THE STATE
27 WITH RESPECT TO THE DIFFERENT KINDS OF COMMUNITIES BEING

1 AWARDED GRANTS;

2 (II) SATISFIES THE GOAL OF ACHIEVING BEST PRACTICES IN
3 AFFORDABLE HOUSING DEVELOPMENT WHETHER WITH RESPECT TO THE
4 MENU OF POLICY OR REGULATORY TOOLS ADOPTED BY THE LOCAL
5 GOVERNMENT OR THAT REPRESENTS A NOVEL, CREATIVE, OR INNOVATIVE
6 APPROACH TO THE DEVELOPMENT OF AFFORDABLE HOUSING;

7 (III) OFFERS MAXIMUM IMPACT IN INITIATING AFFORDABLE
8 HOUSING CREATION WITHIN THE LOCAL COMMUNITY OR REGION THAT IS
9 DRIVEN BY COMMUNITY BENEFITS AND THAT FOCUSES ON CRITICAL
10 HOUSING NEEDS AS IDENTIFIED BY THE LOCAL GOVERNMENT;

11 (IV) EXTENDS OR ADVANCES EXISTING APPROACHES BY THE
12 LOCAL GOVERNMENT TO INITIATE HOUSING CREATION WHETHER WITH
13 RESPECT TO THE PRODUCTION OF HOUSING UNITS OR LONGER TERM POLICY
14 CHANGES;

15 (V) REPRESENTS DIVERSITY IN THE TYPE OF AFFORDABLE HOUSING
16 CREATED FOR RENTAL HOUSING IN ACCORDANCE WITH SUBSECTION
17 (1)(a)(I) OF THIS SECTION AND FOR HOME OWNERSHIP IN ACCORDANCE
18 WITH SUBSECTION (1)(a)(II) OF THIS SECTION; AND

19 (VI) INITIATES OR PRESERVES HOUSING AFFORDABILITY THAT CAN
20 BE MAINTAINED FOR A LONG-TERM PERIOD OF AFFORDABILITY AS
21 NEGOTIATED BY THE DEPARTMENT AND THE LOCAL GOVERNMENT AND
22 THAT ALLOWS THE LOCAL GOVERNMENT TO DETERMINE THE METHOD FOR
23 ACHIEVING AFFORDABILITY.

24 (c) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, WITH
25 RESPECT TO THE AWARDING OF GRANTS UNDER THE HOUSING
26 DEVELOPMENT INCENTIVES GRANT PROGRAM, THE DIVISION SHALL
27 PRIORITIZE ITS FUNDING IN FAVOR OF THOSE LOCAL GOVERNMENTS THAT

1 DEMONSTRATE THE SUFFICIENT USE OF LOCAL INCENTIVES FOR
2 AFFORDABLE HOUSING DEVELOPMENT IN SUCH MANNER AS TO BE ABLE TO
3 LEVERAGE FUNDING FOR THE MAXIMUM IMPACT ON THE NUMBER OF
4 AFFORDABLE HOUSING UNITS BUILT OVER TIME AND THAT ARE
5 AFFORDABLE AS NEGOTIATED BY THE DEPARTMENT AND LOCAL
6 GOVERNMENTS.

7 (5) THERE IS HEREBY CREATED IN THE DEPARTMENT THE LOCAL
8 GOVERNMENT PLANNING GRANT PROGRAM TO PROVIDE GRANTS TO LOCAL
9 GOVERNMENTS THAT LACK ONE OR MORE OF THE POLICY AND
10 REGULATORY TOOLS THAT PROVIDE INCENTIVES TO PROMOTE THE
11 DEVELOPMENT OF AFFORDABLE HOUSING AS DESCRIBED IN SUBSECTION (3)
12 OF THIS SECTION AND THAT COULD BENEFIT FROM ADDITIONAL FUNDING
13 TO BE ABLE TO CREATE AND MAKE USE OF THESE POLICY AND
14 REGULATORY TOOLS. MONEY UNDER THE PLANNING GRANT PROGRAM
15 WILL BE AVAILABLE TO A LOCAL GOVERNMENT TO ENABLE THE
16 GOVERNMENT TO RETAIN A CONSULTANT OR A RELATED PROFESSIONAL
17 SERVICE TO ASSESS THE HOUSING NEEDS OF ITS COMMUNITY OR TO MAKE
18 CHANGES TO ITS POLICIES, PROGRAMS, DEVELOPMENT REVIEW PROCESSES,
19 LAND USE CODES, AND RELATED RULES TO BECOME AN ELIGIBLE RECIPIENT
20 OF A GRANT UNDER THE HOUSING DEVELOPMENT INCENTIVES GRANT
21 PROGRAM. THE PLANNING GRANT PROGRAM WILL BE ADMINISTERED BY
22 THE DIVISION. AS PART OF ITS ADMINISTRATION OF THE PLANNING GRANT
23 PROGRAM, THE DIVISION SHALL PROVIDE ASSISTANCE TO LOCAL
24 GOVERNMENTS ON BEST LAND USE PRACTICES AND TOOLS AND SHALL
25 UPDATE AND PUBLISH MODEL COUNTY AND MUNICIPAL LAND USE CODES
26 FOR THE BENEFIT OF LOCAL GOVERNMENTS ACROSS THE STATE.

27 (6) (a) ON OR BEFORE SEPTEMBER 1, 2021, THE EXECUTIVE

1 DIRECTOR OF THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE
2 SHALL ADOPT POLICIES, PROCEDURES, AND GUIDELINES FOR THE HOUSING
3 INCENTIVES GRANT PROGRAM AND PLANNING GRANT PROGRAM THAT
4 INCLUDE, WITHOUT LIMITATION:

5 (I) PROCEDURES AND TIMELINES BY WHICH AN ELIGIBLE RECIPIENT
6 MAY APPLY FOR A GRANT;

7 (II) CRITERIA FOR DETERMINING THE AMOUNT OF GRANT AWARDS;

8 (III) PERFORMANCE CRITERIA FOR GRANT RECIPIENTS' PROJECTS;

9 AND

10 (IV) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

11 (b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,
12 THE AMOUNT OF ANY GRANT AWARD UNDER EITHER THE HOUSING
13 DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING GRANT
14 PROGRAM AND ANY RESTRICTIONS OR CONDITIONS PLACED UPON THE USE
15 OF GRANT MONEY AWARDED IS WITHIN THE DISCRETION OF THE DIVISION
16 IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION.

17 (c) TO THE EXTENT APPLICABLE, AND UNLESS OTHERWISE
18 REQUIRED BY THIS SECTION, REQUIREMENTS GOVERNING THE PROCESS OF
19 AWARDED A COLORADO HERITAGE PLANNING GRANT UNDER PART 32 OF
20 THIS TITLE 24 GOVERN THE PROCESS FOR OBTAINING A GRANT FROM THE
21 HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING
22 GRANT PROGRAM UNDER THIS SECTION.

23 (7) ALL FUNDING OF ANY GRANTS AWARDED UNDER EITHER THE
24 HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE PLANNING
25 GRANT PROGRAM MUST BE MADE ENTIRELY OUT OF THE MONEY
26 TRANSFERRED FROM THE GENERAL FUND TO THE COLORADO HERITAGE
27 COMMUNITIES FUND CREATED IN SECTION 24-32-3207(1) IN ACCORDANCE

1 WITH SECTION 24-32-3207 (6). ALL COSTS INCURRED BY THE DIVISION IN
2 ADMINISTERING EITHER THE HOUSING DEVELOPMENT INCENTIVES GRANT
3 PROGRAM OR THE PLANNING GRANT PROGRAM MUST BE PAID OUT OF THE
4 MONEY TRANSFERRED UNDER SECTION 24-32-3207 (6). THE DIVISION MAY
5 USE UP TO EIGHT PERCENT OF ANY MONEY TRANSFERRED TO IT UNDER THIS
6 SECTION TO COVER ITS ADMINISTRATIVE COSTS IN ADMINISTERING EITHER
7 THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM OR THE
8 PLANNING GRANT PROGRAM. ALL MONEY TRANSFERRED INTO THE
9 COLORADO HERITAGE COMMUNITIES FUND IN ACCORDANCE WITH SECTION
10 24-32-3207 (6) MUST BE EXPENDED BY JULY 1, 2024. ANY MONEY
11 TRANSFERRED INTO THE FUND IN ACCORDANCE WITH THIS SUBSECTION (7)
12 THAT IS NOT EXPENDED OR ENCUMBERED FROM ANY APPROPRIATION AT
13 THE END OF ANY FISCAL YEAR IS AVAILABLE FOR EXPENDITURE BY JULY 1,
14 2024, WITHOUT FURTHER APPROPRIATION.

15 (8) (a) ON OR BEFORE NOVEMBER 1, 2022, AND ON OR BEFORE
16 NOVEMBER 1, 2023, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR
17 THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL PUBLISH A REPORT
18 SUMMARIZING THE USE OF ALL MONEY THAT WAS AWARDED AS GRANTS
19 FROM THE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM IN THE
20 PRECEDING FISCAL YEAR. AT A MINIMUM, THE REPORT MUST SPECIFY THE
21 NUMBER OF LOCAL GOVERNMENTS THAT APPLIED FOR A GRANT AWARD,
22 INCLUDING THE NUMBER OF LOCAL GOVERNMENTS THAT WERE NOT
23 AWARDED A GRANT; THE POLICY OR REGULATORY TOOLS ADOPTED BY THE
24 LOCAL GOVERNMENTS THAT QUALIFIED FOR A GRANT AWARD; THE
25 AMOUNT OF GRANT MONEY DISTRIBUTED TO EACH GRANT RECIPIENT; AND
26 A DESCRIPTION OF EACH GRANT RECIPIENT'S USE OF THE GRANT MONEY. IN
27 THE REPORT, THE DIVISION SHALL ALSO PROVIDE ITS RECOMMENDATIONS

1 CONCERNING FUTURE ADMINISTRATION OF THE GRANT PROGRAM. THE
2 REPORT MUST BE SHARED WITH THE GENERAL ASSEMBLY AND POSTED ON
3 THE DEPARTMENT'S WEBSITE.

4 (b) ON OR BEFORE NOVEMBER 1, 2022, AND ON OR BEFORE
5 NOVEMBER 1, 2023, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR
6 THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL PUBLISH A REPORT
7 SUMMARIZING THE USE OF ALL MONEY THAT WAS AWARDED AS GRANTS
8 FROM THE PLANNING GRANT PROGRAM IN THE PRECEDING FISCAL YEAR.
9 AT A MINIMUM, THE REPORT MUST SPECIFY THE AMOUNT OF GRANT
10 MONEY DISTRIBUTED TO EACH GRANT RECIPIENT AND A DESCRIPTION OF
11 EACH GRANT RECIPIENT'S USE OF THE GRANT MONEY. IN THE REPORT, THE
12 DIVISION SHALL ALSO PROVIDE ITS RECOMMENDATIONS CONCERNING
13 FUTURE ADMINISTRATION OF THE GRANT PROGRAM. THE REPORT MUST BE
14 SHARED WITH THE GENERAL ASSEMBLY AND POSTED ON THE
15 DEPARTMENT'S WEBSITE.

16 **SECTION 4.** In Colorado Revised Statutes, 24-32-705, **add** (5)
17 as follows:

18 **24-32-705. Functions of division.** (5) THE DIVISION SHALL
19 ADMINISTER THE AFFORDABLE HOUSING GUIDED TOOLKIT AND LOCAL
20 OFFICIALS GUIDE PROGRAM IN ACCORDANCE WITH SECTION 24-32-721.5.

21 **SECTION 5.** In Colorado Revised Statutes, 24-32-721, **amend**
22 (1); and **add** (5) as follows:

23 **24-32-721. Colorado affordable housing construction grants**
24 **and loans - housing development grant fund - creation - housing**
25 **assistance for persons with behavioral, mental health, or substance**
26 **use disorders - cash fund - appropriation - report to general assembly**
27 **- rules - definitions - repeal.** (1) There is hereby created in the state

1 treasury the housing development grant fund, which fund is administered
2 by the division and is referred to in this section as the "fund". The fund
3 consists of money credited to the fund in accordance with section
4 39-26-123 (3)(b); money transferred to the fund in accordance with
5 section 24-22-118 (2); money appropriated to the fund by the general
6 assembly; all money transferred to the fund from the marijuana tax cash
7 fund created in section 39-28.8-501 (1) and any other cash fund
8 maintained by the state; ALL MONEY TRANSFERRED TO THE FUND FROM
9 THE GENERAL FUND PURSUANT TO SUBSECTION (5) OF THIS SECTION; all
10 money collected by the division for purposes of this section from federal
11 grants, from other contributions, gifts, grants, and donations received
12 from any other organization, entity, or individual, public or private; and
13 from any fees or interest earned on such money. The division is hereby
14 authorized and directed to solicit, accept, expend, and disburse all money
15 collected for the fund from the sources specified in this subsection (1) for
16 the purpose of making grants, ~~or~~ loans, OR OTHER FORMS OF ASSISTANCE
17 THAT MAY BE AWARDED UNDER SECTION 24-32-721.5 and for program
18 administration as provided in this section. All such money must be
19 transmitted to the state treasurer to be credited to the fund. The money in
20 the fund is continuously appropriated to the division for the purposes of
21 this section.

22 (5) ON THE EFFECTIVE DATE OF THIS SUBSECTION (5), THE STATE
23 TREASURER SHALL TRANSFER ONE MILLION SIX HUNDRED THOUSAND
24 DOLLARS FROM THE GENERAL FUND TO THE HOUSING DEVELOPMENT
25 GRANT FUND CREATED IN SUBSECTION (1) OF THIS SECTION. THE DIVISION
26 SHALL USE THE MONEY TRANSFERRED PURSUANT TO THIS SUBSECTION (5)
27 FOR THE AFFORDABLE HOUSING GUIDED TOOLKIT AND LOCAL OFFICIALS

1 GUIDE PROGRAM CREATED IN SECTION 24-32-721.5.

2 **SECTION 6.** In Colorado Revised Statutes, **add** 24-32-721.5 as
3 follows:

4 **24-32-721.5. Affordable housing guided toolkit and local**
5 **officials guide program - creation.** (1) (a) THERE IS HEREBY CREATED
6 WITHIN THE DIVISION THE AFFORDABLE HOUSING GUIDED TOOLKIT AND
7 LOCAL OFFICIALS GUIDE PROGRAM, REFERRED TO IN THIS SECTION AS THE
8 "HOUSING TOOLKIT PROGRAM". THE PURPOSE OF THE HOUSING TOOLKIT
9 PROGRAM IS TO AWARD FUNDING TO QUALIFIED COUNTIES,
10 MUNICIPALITIES, AND TRIBAL COMMUNITIES WITHIN THE STATE SELECTED
11 IN A COMPETITIVE PROCESS WHO COMMIT TO THE ADOPTION OF BEST LAND
12 USE PRACTICES WITH DEMONSTRATED SUCCESS IN THE DEVELOPMENT OF
13 AFFORDABLE HOUSING. UNDER THE HOUSING TOOLKIT PROGRAM,
14 TECHNICAL ASSISTANCE WILL BE PROVIDED BY CONSULTANTS AND
15 RELATED PROFESSIONALS TO LOCAL GOVERNMENTS WHO DEMONSTRATE
16 AN UNDERSTANDING OF THE HOUSING NEEDS OF THEIR COMMUNITIES,
17 TAKE STEPS TO ENGAGE THEIR ENTIRE COMMUNITIES IN THIS PROCESS,
18 MAKE CHANGES TO THEIR LAND USE CODES AND RELATED PROCESSES THAT
19 PROVIDE INCENTIVES AND REDUCE BARRIERS TO THE DEVELOPMENT OF
20 AFFORDABLE HOUSING, OBTAIN AND SUPPORT VIABLE SITES IN THEIR
21 COMMUNITIES FOR THE DEVELOPMENT OF AFFORDABLE HOUSING, AND
22 ATTRACT DEVELOPERS COMMITTED TO MAKING SUCH INVESTMENTS IN
23 THEIR COMMUNITIES. THE DIVISION SHALL ADMINISTER THE HOUSING
24 TOOLKIT PROGRAM.

25 (b) ALL FUNDING OF ANY ASSISTANCE AWARDED UNDER THE
26 HOUSING TOOLKIT PROGRAM MUST BE MADE ENTIRELY OUT OF THE MONEY
27 TRANSFERRED FROM THE GENERAL FUND TO THE HOUSING DEVELOPMENT

1 GRANT FUND CREATED IN SECTION 24-32-721 (1) IN ACCORDANCE WITH
2 SECTION 24-32-721 (5). ALL COSTS INCURRED BY THE DIVISION IN
3 ADMINISTERING THE HOUSING TOOLKIT PROGRAM MUST BE PAID OUT OF
4 THE MONEY TRANSFERRED IN ACCORDANCE WITH SECTION 24-32-721 (5).
5 THE DIVISION MAY USE UP TO EIGHT PERCENT OF ANY MONEY
6 APPROPRIATED TO IT UNDER THIS SECTION TO COVER ITS ADMINISTRATIVE
7 COSTS IN ADMINISTERING THE HOUSING TOOLKIT PROGRAM. ALL MONEY
8 TRANSFERRED TO THE HOUSING DEVELOPMENT GRANT FUND IN
9 ACCORDANCE WITH SECTION 24-32-721 (5) MUST BE EXPENDED OVER THE
10 SUBSEQUENT THREE STATE FISCAL YEARS.

11 (2) (a) IN EVALUATING APPLICATIONS FOR TECHNICAL ASSISTANCE
12 UNDER THE HOUSING TOOLKIT PROGRAM, THE DIVISION SHALL PRIORITIZE
13 PROJECTS BASED UPON WHETHER THE APPLICATION WILL, IN THE
14 DISCRETION OF THE DIVISION, CREATE THE MAXIMUM IMPACT ON THE
15 DEVELOPMENT OF AFFORDABLE HOUSING IN THE AREAS OF GREATEST NEED
16 ACROSS THE STATE AND WILL SATISFY ONE OR MORE OF THE FACTORS
17 SPECIFIED IN SUBSECTION (1) OF THIS SECTION. THE DIVISION SHALL
18 CONSULT WITH THE DIVISION OF LOCAL GOVERNMENT IN CONNECTION
19 WITH THE CREATION AND ADMINISTRATION OF THE HOUSING TOOLKIT
20 PROGRAM.

21 (b) ON OR BEFORE SEPTEMBER 1, 2021, THE EXECUTIVE DIRECTOR
22 OF THE DEPARTMENT OF LOCAL AFFAIRS OR THE EXECUTIVE DIRECTOR'S
23 DESIGNEE SHALL ADOPT POLICIES AND PROCEDURES FOR THE HOUSING
24 TOOLKIT PROGRAM THAT INCLUDE, WITHOUT LIMITATION:

25 (I) PROCEDURES AND TIME LINES BY WHICH AN ELIGIBLE RECIPIENT
26 MAY APPLY FOR ASSISTANCE UNDER THE HOUSING TOOLKIT PROGRAM;

27 (II) CRITERIA FOR DETERMINING THE AMOUNT OR NATURE OF THE

1 ASSISTANCE AWARDED;
2 (III) PERFORMANCE CRITERIA FOR GRANT RECIPIENTS' PROJECTS;
3 AND
4 (IV) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.
5 (c) ON OR BEFORE NOVEMBER 1, 2022, AND ON OR BEFORE
6 NOVEMBER 1, 2023, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OR
7 THE EXECUTIVE DIRECTOR'S DESIGNEE SHALL PUBLISH A REPORT
8 SUMMARIZING THE USE OF ALL ASSISTANCE THAT WAS AWARDED FROM
9 THE HOUSING TOOLKIT PROGRAM IN THE PRECEDING FISCAL YEAR. IN THE
10 REPORT, THE DIVISION SHALL ALSO PROVIDE ITS RECOMMENDATIONS
11 CONCERNING FUTURE ADMINISTRATION OF THE HOUSING TOOLKIT
12 PROGRAM. THE REPORT MUST BE SHARED WITH THE GENERAL ASSEMBLY
13 AND POSTED ON THE DEPARTMENT'S WEBSITE.

14 **SECTION 7.** In Colorado Revised Statutes, 24-32-3202, **amend**
15 (7); and **repeal** (6) as follows:

16 **24-32-3202. Definitions.** As used in this part 32, unless the context
17 otherwise requires:

18 (6) ~~"Growth" means changes in population that impact land use,~~
19 ~~infrastructure development, and the surrounding environment.~~

20 (7) "Local government" means any county, city and county, city,
21 town, or special district created pursuant to article 1 of title 32. ~~C.R.S.~~
22 ~~except that, for purposes of this part 32 in connection with section~~
23 ~~24-32-3203 (3)(c)(I), "local government" shall be deemed to include an~~
24 ~~irrigation district, ditch company, or conservancy district.~~

25 **SECTION 8.** In Colorado Revised Statutes, 24-32-3203, **amend**
26 (3)(c) and (3)(d); and **repeal** (3)(a) as follows:

27 **24-32-3203. Office of smart growth - creation - powers and**

1 **duties of executive director.** (3) The executive director shall have the
2 following powers and duties in administering this part 32:

3 (a) ~~To designate areas within Colorado as Colorado heritage~~
4 ~~communities. Areas designated as Colorado heritage communities shall~~
5 ~~be eligible for a Colorado heritage planning grant by the office out of~~
6 ~~moneys in the fund created by section 24-32-3207 in accordance with the~~
7 ~~provisions of this part 32.~~

8 (c) To review and approve applications for Colorado heritage
9 planning grants awarded by the office out of ~~moneys~~ MONEY in the fund
10 in accordance with the requirements of this part 32, and to determine the
11 amount of money to be awarded under each such grant. An application for
12 such a grant shall MUST:

13 (I) ~~Be submitted jointly by the governing bodies of at least two~~
14 ~~local governments; except that applications regarding water banking~~
15 ~~pursuant to subparagraph (II) of this paragraph (c) may also be submitted~~
16 ~~singly or in combination by the governing body of a local government or~~
17 ~~by an irrigation district, ditch company, or conservancy district; and~~

18 (II) Address critical planning issues, including, without limitation,
19 land use and development patterns, AFFORDABLE HOUSING, transportation
20 planning, mitigation of environmental hazards, water banking pursuant
21 to article 80.5 of title 37, ~~C.R.S.~~, and energy use.

22 (d) To review and approve applications for grants awarded by the
23 office out of ~~moneys~~ MONEY in the fund to assist a local government, as
24 applicable, in developing a master plan in conformity with section
25 30-28-106 or 31-23-206; ~~C.R.S.~~, and to ~~determine the amount of money~~
26 ~~to be awarded under each such grant pursuant to section 24-32-3207 (2);~~

27 **SECTION 9.** In Colorado Revised Statutes, 24-32-3207, **amend**

1 (1); **repeal** (2); and **add** (6) as follows:

2 **24-32-3207. Colorado heritage communities fund - creation -**
3 **source of funds.** (1) There is hereby created in the state treasury the
4 Colorado heritage communities fund, which fund ~~shall be~~ IS administered
5 by the director and which ~~shall consist~~ CONSISTS of all ~~moneys~~ MONEY
6 appropriated to ~~said~~ THE fund by the general assembly, MONEY
7 TRANSFERRED FROM THE GENERAL FUND TO THE FUND PURSUANT TO
8 SUBSECTION (6) OF THIS SECTION, and all other ~~moneys~~ MONEY collected
9 by the office for the fund from federal grants or other contributions,
10 grants, gifts, bequests, or donations received from other agencies of state
11 government, individuals, private organizations, or foundations. Such
12 ~~moneys~~ MONEY shall be transmitted to the state treasurer to be credited to
13 the fund.

14 (2) ~~Not more than an amount equal to thirty percent of any~~
15 ~~moneys in the fund as of the beginning of any given fiscal year shall be~~
16 ~~made available before the end of that same fiscal year to local~~
17 ~~governments in grant moneys for the development of master plans~~
18 ~~pursuant to section 24-32-3203 (3)(d).~~

19 (6) (a) ON THE EFFECTIVE DATE OF THIS SUBSECTION (6), OR AS
20 SOON AS PRACTICABLE THEREAFTER, THE STATE TREASURER SHALL
21 TRANSFER NINE MILLION THREE HUNDRED THOUSAND DOLLARS FROM THE
22 GENERAL FUND TO THE COLORADO HERITAGE COMMUNITIES FUND
23 CREATED IN SUBSECTION (1) OF THIS SECTION. THE DIVISION OF LOCAL
24 GOVERNMENT IN THE DEPARTMENT SHALL USE THE MONEY TRANSFERRED
25 PURSUANT TO THIS SUBSECTION (6)(a) FOR THE CREATION,
26 IMPLEMENTATION, AND ADMINISTRATION OF THE LOCAL GOVERNMENT
27 AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM

1 CREATED IN SECTION 24-32-130 (2) IN ACCORDANCE WITH THE
2 REQUIREMENTS OF SECTION 24-32-130.

3 (b) ON THE EFFECTIVE DATE OF THIS SUBSECTION (6), OR AS SOON
4 AS PRACTICABLE THEREAFTER, THE STATE TREASURER SHALL TRANSFER
5 TWO MILLION ONE HUNDRED THOUSAND DOLLARS FROM THE GENERAL
6 FUND TO THE COLORADO HERITAGE COMMUNITIES FUND CREATED IN
7 SUBSECTION (1) OF THIS SECTION. THE DIVISION OF LOCAL GOVERNMENT
8 IN THE DEPARTMENT SHALL USE THE MONEY TRANSFERRED PURSUANT TO
9 THIS SUBSECTION (6)(b) FOR THE CREATION, IMPLEMENTATION, AND
10 ADMINISTRATION OF THE LOCAL GOVERNMENT PLANNING GRANT
11 PROGRAM CREATED IN SECTION 24-32-130 (5) IN ACCORDANCE WITH THE
12 REQUIREMENTS OF SECTION 24-32-130.

13 **SECTION 10.** In Colorado Revised Statutes, 24-32-3208, **add** (3)
14 as follows:

15 **24-32-3208. Additional sources of funding.** (3) AS MONEY
16 BECOMES AVAILABLE, THE OFFICE OF SMART GROWTH CREATED IN
17 SECTION 24-32-3203 (1) MAY PROVIDE GRANTS OR OTHER FORMS OF
18 ASSISTANCE TO COUNTIES AND MUNICIPALITIES FOR PURPOSES CONSISTENT
19 WITH SECTION 24-32-3203 (3)(c)(II), INCLUDING, WITHOUT LIMITATION,
20 THE HIRING OF CONSULTANTS AND RELATED FORMS OF PROFESSIONAL
21 EXPERTISE; UPDATING PLANS, POLICIES, CODES, AND RELATED LAND
22 DEVELOPMENT REVIEW PROCESSES; AND OFFERING GRANTS, LOANS, OR
23 OTHER FORMS OF ASSISTANCE AS INCENTIVES FOR THE DEVELOPMENT OF
24 AFFORDABLE HOUSING, WHICH FORMS OF ASSISTANCE MAY INCLUDE THE
25 ACQUISITION OF PROPERTY, THE PROVISION OF INFRASTRUCTURE, OR THE
26 DEVELOPMENT OF COMMUNITY AMENITIES. THE OFFICE SHALL CREATE
27 GUIDELINES TO SPECIFY THE ACTIVITIES ON THE PART OF LOCAL

1 GOVERNMENTS THAT WILL QUALIFY FOR GRANT FUNDING OR OTHER FORMS
2 OF ASSISTANCE UNDER THIS SUBSECTION (3). THE OFFICE MAY ALSO USE
3 AVAILABLE MONEY TO IMPLEMENT OR FACILITATE GRANT AND OTHER
4 INCENTIVE PROGRAMS BY HIRING STAFF, CREATING TECHNICAL RESOURCES
5 FOR LOCAL GOVERNMENTS, HIRING CONSULTANTS AND RELATED FORMS OF
6 PROFESSIONAL EXPERTISE, AND OTHERWISE ADMINISTERING THE
7 COLORADO HERITAGE GRANT PROGRAM IN ACCORDANCE WITH THIS PART
8 32. THE OFFICE MAY USE A PORTION OF ANY SUCH MONEY FOR HIRING AND
9 MAINTAINING STAFF, DEFRAYING OPERATIONAL EXPENSES, AND
10 ADMINISTRATION ASSOCIATED WITH THE PROVISION OF GRANTS AND
11 OTHER FORMS OF INCENTIVES UNDER THIS SUBSECTION (3).

12 **SECTION 11.** In Colorado Revised Statutes, **repeal** 24-32-3206.

13 **SECTION 12. Appropriation.** (1) For the 2021-22 state fiscal
14 year, \$9,300,000 is appropriated to the department of local affairs for use
15 by the division of local government. This appropriation is from the
16 Colorado heritage communities fund and is based on an assumption that
17 the division will require an additional 3.0 FTE to administer the money.
18 To implement this act, the division shall use this appropriation for the
19 affordable housing development incentives grant program created in
20 section 24-32-130 (2), C.R.S.

21 (2) For the 2021-22 state fiscal year, \$2,100,000 is appropriated
22 to the department of local affairs for use by the division of local
23 government. This appropriation is from the Colorado heritage
24 communities fund and is based on an assumption that the division will
25 require an additional 2.0 FTE. To implement this act, the division shall
26 use this appropriation for the local government planning grant program
27 created in section 24-32-130 (5), C.R.S.

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SECTION 13. Safety clause. The general assembly hereby finds,

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determines, and declares that this act is necessary for the immediate

4

preservation of the public peace, health, or safety.