

# Proposition 123: Dedicate Revenue for Affordable Housing Programs

*Placed on the ballot by citizen initiative • Passes with a majority vote*

1 **Proposition 123 proposes amending the Colorado statutes to:**

- 2       • set aside a portion of annual state income tax revenue for affordable housing  
3       programs;
- 4       • exempt that money from the state’s revenue limit, thereby reducing the  
5       amount of money collected above the limit that is returned to taxpayers; and
- 6       • establish eligible uses for this money.

7 **What Your Vote Means**

**YES**

8 A “yes” vote on  
9 Proposition 123 sets aside

10 money for new affordable housing  
11 programs and exempts this money from  
12 the state’s revenue limit.

13

**NO**

A “no” vote on Proposition 123 means that state revenue will continue to be spent on priorities as determined by the state legislature or returned to taxpayers, as under current law.

## Summary and Analysis for Proposition 123

### 1 What does the measure do?

2 The measure sets aside a portion of annual income tax revenue from the state  
3 General Fund, up to 0.1 percent of taxable income each year, for affordable  
4 housing programs administered by the state Office of Economic Development  
5 and International Trade (OEDIT) and the Colorado Department of Local Affairs  
6 (DOLA). This amount, which the measure exempts from the state's constitutional  
7 revenue limit, is estimated to be \$145 million in state budget year 2022-23 and  
8 \$290 million in state budget year 2023-24 and beyond. The measure specifies  
9 the uses for the dedicated funds, including:

- 10 • grants and loans to local governments and nonprofit organizations to  
11 acquire and preserve land for affordable housing development;
- 12 • assistance to develop affordable, multi-family rental housing;
- 13 • equity investments in affordable housing projects, including a program to  
14 share home equity with tenants;
- 15 • home ownership programs and down payment assistance for first-time  
16 homebuyers;
- 17 • a program addressing homelessness through rental assistance and  
18 eviction defense; and
- 19 • grants to increase the capacity of local government planning  
20 departments.

21 The measure requires that this funding add to, and not replace, existing state  
22 funds spent on affordable housing.

### 23 What is affordable housing?

24 The measure defines affordable housing based on two factors: household  
25 income and housing costs. For certain programs, a household's income is  
26 compared to the area median income, or the midpoint of what households in a  
27 specific area earn. As defined in the measure, affordable housing means  
28 housing for renters making up to 60 percent of the area median income, or  
29 homeowners making up to 100 percent of the area median income. Some of the  
30 new programs may benefit households at higher income levels. Table 1 shows  
31 examples of area median income for several areas in Colorado.

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**Table 1**  
**Examples of Area Median Income in Colorado for a Four-Person Household**

<b>Area (County or Metro Area)</b>	<b>Median Income</b>	<b>60% of Median</b>
Boulder County	\$125,400	\$75,200
Denver-Aurora-Lakewood	\$117,800	\$70,700
Mesa County	\$83,500	\$50,100
Pueblo County	\$68,600	\$41,200
Alamosa County	\$53,400	\$32,000

*Source: FY 2022 Rounded MFI Estimate, U.S. Department of Housing and Urban Development.*

For a housing unit or project to qualify as affordable housing, housing costs must not exceed 30 percent of the household's income. Housing costs typically consist of rent or mortgage payments, but may include other costs such as utilities.

### **What is the state currently doing to support affordable housing?**

The state partners with local communities to increase and preserve Colorado's affordable housing stock, manage rental assistance vouchers, and address homelessness. The DOLA serves households with varied income levels and circumstances with grants and loans to provide developers, community organizations, public housing authorities, and local governments with money to acquire, modernize, and build housing and to assist buyers with down payments for homes. The current budget for the department's affordable housing initiatives is about \$200 million, about half of which is from state sources, with the rest coming from federal sources.

Since 2021, the state has allocated over \$1.2 billion from the federal American Rescue Plan Act (ARPA) of 2021 for affordable housing and services that address housing insecurity, lack of affordable and workforce housing, or homelessness. These are one-time funds that will be spent over the next several years specifically on:

- emergency rental assistance;
- homeowner mortgage assistance;
- tax credits for developers;
- housing and infrastructure; and
- other housing solutions, such as manufactured homes.

### **How do the programs created by Proposition 123 work?**

The measure creates the following programs with a focus on higher density, environmentally sustainable projects serving households with a range of income levels. For projects to qualify for funding, the local governments where the projects are located must commit to increasing affordable housing by 3 percent each year and create a fast-track approval process for affordable housing projects. If a local government chooses not to meet these requirements, or if it

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1 fails to achieve its affordable housing goals, projects in that municipality or  
2 county will be temporarily ineligible for funding from these programs.

3 Table 2 describes each proposed program, including the state agency that  
4 oversees it and the amount of money the program will receive based on the  
5 estimated \$290 million set aside in state budget year 2023-24. Note that  
6 programs overseen by OEDIT are run by a third-party administrator. A range of  
7 funding is available for these programs, as shown in the table. Some of the  
8 money for each program will be used for administrative expenses.

9 **Table 2**

10 **Programs and Estimated Funding Created by Proposition 123**

<b>Land Banking</b>	<b>OEDIT</b>	<b>\$26.1 million - \$43.5 million</b>
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Provides grants to local governments and loans to nonprofit organizations with a history of providing affordable housing. The funds help buy land for affordable housing development.

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<b>Affordable Housing Equity</b>	<b>OEDIT</b>	<b>\$69.6 million - \$121.8 million</b>
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Invests in new and existing low- and middle-income, multi-family rental units. Provides renters living in these units for at least a year with a share of the money made on the development, called a tenant equity vehicle. This money may be used for the renters' future purchase of a home, such as a down payment.

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<b>Concessionary Debt</b>	<b>OEDIT</b>	<b>\$26.1 million - \$60.9 million</b>
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Finances new and existing low- and middle-income multi-family rental units, projects that qualify for federal low-income housing tax credits, and modular and factory-built housing manufacturers.

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<b>Affordable Home Ownership</b>	<b>DOLA</b>	<b>up to \$58.0 million</b>
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Offers down payment assistance to first-time homebuyers. Makes grants or loans to nonprofits and community land trusts to support home ownership, and to mobile home owners' associations to help purchase mobile home parks.

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<b>Homelessness</b>	<b>DOLA</b>	<b>up to \$52.2 million</b>
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Provides rental assistance, housing vouchers, and eviction defense to people experiencing, or at risk of experiencing, homelessness. Makes grants or loans to support new and existing supportive housing for people experiencing homelessness.

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<b>Local Government Capacity Building</b>	<b>DOLA</b>	<b>up to \$5.8 million</b>
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Provides grants to local governments to support their planning departments in processing land use, permit, and zoning applications for housing projects.

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11 *OEDIT is the Office for Economic Development and International Trade.*  
12 *DOLA is the Department of Local Affairs.*

13 **How does the measure affect TABOR refunds?**

14 The income tax revenue that is set aside under the measure is considered a  
15 voter-approved revenue change and is therefore not subject to the state's  
16 constitutional revenue limit, also called the Taxpayer's Bill of Rights (TABOR)  
17 limit. TABOR limits state government revenue to an amount adjusted annually  
18 for inflation and population growth. Revenue collected under the limit may be  
19 spent or saved. Revenue collected over the limit must be returned to taxpayers  
20 unless voters approve a measure allowing the government to keep it.

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1 In years where state revenue exceeds the TABOR limit, the measure reduces the  
2 money returned to taxpayers by the amount of income tax revenue that that the  
3 measure allows the state to keep. In years where state revenue is below the  
4 TABOR limit, the measure does not impact TABOR refunds, but may reduce the  
5 amount of money available for the rest of the state budget. In this case, the  
6 measure allows the state legislature to reduce part of the new funding to the  
7 affordable housing programs to balance the state budget. The state currently  
8 expects to return money collected above the limit through at least the 2023-24  
9 budget year.

*For information on those issue committees that support or oppose the measures on the ballot at the November 8, 2022, election, go to the Colorado Secretary of State's elections center web site hyperlink for ballot and initiative information:*

<http://www.sos.state.co.us/pubs/elections/Initiatives/InitiativesHome.html>

## 10 **Arguments For Proposition 123**

- 11 1) The measure creates a sustainable source of funds to tackle housing issues  
12 without raising tax rates, and gives local communities the flexibility to respond  
13 to their specific needs. The state and local governments are not doing  
14 enough to keep Colorado affordable.
- 15 2) Colorado's housing prices make it too hard for many households to afford  
16 rent or to buy their own home. The new programs help Coloradans  
17 participate in the housing market now and in the future. Creating more  
18 homes will allow residents and essential workers to remain in their  
19 communities.

## 20 **Arguments Against Proposition 123**

- 21 1) Many of these programs do not address the underlying causes of high  
22 housing costs. Pumping money into the market may distort it further, and the  
23 real beneficiaries will be landlords and housing developers. This is neither  
24 the role of government nor the best use of public resources.
- 25 2) The measure is unnecessary and will reduce Coloradans' future TABOR  
26 refunds. The state already provides resources to support affordable housing,  
27 including over \$1 billion in federal stimulus funds allocated in recent years.  
28 Plus, the new programs will be limited if local governments cannot or will not  
29 meet the requirements.

## 30 **Fiscal Impact for Proposition 123**

31 Proposition 123 increases state government spending by transferring money  
32 from the state General Fund to pay for affordable housing programs. While the  
33 measure does not change state revenue, it reduces the amount returned to  
34 taxpayers in years when state revenue is over the TABOR revenue limit. These

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1 impacts are discussed below. The state budget year runs from July 1 through  
2 June 30.

3 **Transfers of state funds.** Proposition 123 transfers an estimated \$145 million  
4 in the 2022-23 budget year and \$290 million in the 2023-24 budget year and later  
5 years. These amounts are divided between programs in the Office of Economic  
6 Development and International Trade, which receives 60 percent, and the  
7 Department of Local Affairs, which receives 40 percent.

8 **State spending.** The money transferred under Proposition 123 is required to be  
9 spent for affordable housing programs and for administration of those programs.  
10 Programs are funded the year after the transfer occurs. For example, the money  
11 transferred in the 2022-23 budget year pays for programs in the 2023-24 budget  
12 year, and so on.

- 13 • **Office of Economic Development and International Trade.** Sixty  
14 percent of total transfers are paid to the Affordable Housing Financing  
15 Fund, estimated at \$87 million in the 2022-23 budget year and \$174  
16 million in the 2023-24 budget year. Money in the fund is spent for the  
17 land banking program, the affordable housing equity program, and the  
18 concessionary debt program. A third party administrator is allowed to  
19 keep 2 percent of funds for its administrative costs.
- 20 • **Department of Local Affairs.** Forty percent of total transfers are paid to  
21 the Affordable Housing Support Fund, estimated at \$58 million in the  
22 2022-23 budget year and \$116 million in the 2023-24 budget year.  
23 Money in the fund is spent for the affordable homeownership program,  
24 the homelessness program, and the local capacity development program.  
25 The department is allowed to keep 5 percent of funds for its  
26 administrative costs.

27 **Taxpayer impacts.** Proposition 123 will decrease the amount to be returned to  
28 taxpayers for years when state revenue is over the TABOR revenue limit. Based  
29 on forecasts from June 2022, Proposition 123 is expected to decrease the  
30 amount returned by \$145 million in tax year 2023 and \$290 million in tax year  
31 2024. The impacts on taxpayers depend on how this money would be returned.  
32 Based on the number of income tax returns for tax year 2018, Proposition 123 is  
33 estimated to decrease the amount returned by \$43 per taxpayer in tax year 2023  
34 and \$86 per taxpayer in tax year 2024.

# Proposition ? : Dedicate Revenue for Affordable Housing Programs

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1 **Proposition ? proposes amending the Colorado statutes to:**

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5       amount of money collected above the limit that is returned to taxpayers; and
- 6       • establish eligible uses for this money.

7 **What Your Vote Means**

**YES**

8 A “yes” vote on  
9 Proposition ? sets aside

10 money for new affordable housing  
11 programs and exempts this money from  
12 the state’s revenue limit.

13

**NO**

A “no” vote on Proposition ? means that state revenue will continue to be spent on priorities as determined by the state legislature or returned to taxpayers, as under current law.

**Summary and Analysis for Proposition ?**

**1 What does the measure do?**

2 The measure sets aside a portion of annual income tax revenue from the state  
3 General Fund, up to 0.1 percent of taxable income each year, for affordable  
4 housing programs administered by the state Office of Economic Development  
5 and International Trade (OEDIT) and the Colorado Department of Local Affairs  
6 (DOLA). This amount, which the measure exempts from the state’s constitutional  
7 revenue limit, is estimated to be \$145 million in state budget year 2022-23 and  
8 \$290 million in state budget year 2023-24 and beyond. The measure specifies  
9 the uses for the dedicated funds, including:

- 10 • grants to local governments and nonprofit organizations;
- 11 • assistance to develop affordable, multi-family rental housing;
- 12 • equity investments in affordable housing projects, including tenant equity  
13 sharing;
- 14 • home ownership programs and down payment assistance for first-time  
15 homebuyers;
- 16 • a program addressing homelessness through rental assistance and eviction  
17 defense; and
- 18 • local government planning and zoning support.

19 The measure requires that this funding add to, and not replace, existing state  
20 funds spent on affordable housing.

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22 The measure defines affordable housing based on two factors: household  
23 income and housing costs. For certain programs, a household’s income is  
24 compared to the area median income, or the midpoint of what households in a  
25 specific area earn. In general, these programs apply to renters making up to 60  
26 percent of the area median income, or homeowners making up to 100 percent of  
27 the area median income. Table 1 shows examples of area median income for  
28 several areas in Colorado.

29 **Table 1**  
30 **Examples of Area Median Income in Colorado for a Four-Person Household**

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2 not exceed 30 percent of the household's income. Housing costs typically  
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13 is about \$200 million, about half of which is from state sources, with the rest coming  
14 from federal sources.

15 Since 2021, the state has allocated over \$1.2 billion from the federal American  
16 Rescue Plan Act (ARPA) of 2021 for affordable housing and services that address  
17 housing insecurity, lack of affordable and workforce housing, or homelessness.  
18 These are one-time funds that will be spent over the next several years specifically  
19 on:

- 20 • emergency rental assistance;
- 21 • homeowner mortgage assistance;
- 22 • tax credits for developers;
- 23 • housing and infrastructure; and
- 24 • other housing solutions, such as manufactured homes.

25 **How do the programs created by Proposition ? work?**

26 The measure creates the following programs with a focus on higher density,  
27 environmentally sustainable projects serving households with a range of income  
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29 projects are located must commit to increasing affordable housing by 3 percent  
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32 fails to achieve its affordable housing goals, projects in that municipality or  
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4 their specific needs. The state and local governments are not doing enough  
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18 new programs will be limited if local governments cannot or will not meet the  
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20 future TABOR refunds.

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22 Proposition ? increases state government spending by transferring money from the  
23 state General Fund to pay for affordable housing programs. While the measure does  
24 not change state revenue, it reduces the amount returned to taxpayers in years when  
25 state revenue is over the TABOR revenue limit. These impacts are discussed below.  
26 The state budget year runs from July 1 through June 30.

27 **Transfers of state funds.** Proposition ? transfers an estimated \$145 million in the  
28 2022-23 budget year and \$290 million in the 2023-24 budget year and later years.  
29 These amounts are divided between programs in the Office of Economic  
30 Development and International Trade, which receives 60 percent, and the  
31 Department of Local Affairs, which receives 40 percent.

32 **State spending.** The money transferred under Proposition ? is required to be spent  
33 for affordable housing programs and for administration of those programs. Programs  
34 are funded the year after the transfer occurs. For example, the money transferred in  
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19 decrease the amount returned by \$43 per taxpayer in tax year 2023 and \$86 per  
20 taxpayer in tax year 2024.

# Last Draft Comments from Interested Parties

## **Proposition 123 Dedicate Revenue for Affordable Housing Programs**

### **Penn Pfiffner, representing himself:**

Arguments FOR the measure include the statement “without raising taxes.” That is simply fallacious and Legislative Council staff should not be part of a blatant lie. If you order a \$6 sandwich for lunch, and pay with a \$20 bill but the order taker refuses to return the change, you have not paid \$6 for the sandwich. You paid \$20 for it. Similarly, if the State retains a tax rebate, then taxpayers have paid higher taxes. I am aware that tax increase proponents have stated the same disinformation before, but it should appear in campaign materials, not in the neutral Blue Book. At the very least, you must change the wording by adding one word, to say “without raising tax RATES.”

Thank you for including information that this measure is not the first program to fund affordable housing. A second observation is that a lot more annual subsidies come (off-budget) through the Colorado Housing Finance Authority and that is a large missing source that should be mentioned.

### **Luke Teater, representing the proponents:**

Page 1:

- Line 2 - add “existing” in front of “annual state income tax revenue” to clarify that this is not new revenue and to more closely align with the ballot language approved by the Title Board.
- Lines 8-12, NO - Recommend clarifying that this means there would be no dedicated funding source for affordable housing.

Page 2:

- Line 2 - add “existing” in front of “annual income tax revenue” to clarify that this is not new revenue and more closely align with the ballot language approved by the Title Board.
- Lines 10-18 As written, the spending categories listed in lines 10-18 are rather confusing and unclear to the proponents and authors of this measure, let alone to ordinary voters. We recommend replacing the current bullets with the following bullets to make this overview as clear and simple as possible to voters:
  - i. (Combining lines 10 and 11 in the 2nd draft) Grants and loans to local governments and nonprofit organizations to finance the development of affordable mixed-income multi-family rental housing; (note: since the administrator is instructed to prioritize funding for mixed-income housing projects, we think it is important for voters to be

# Last Draft Comments from Interested Parties

## Luke Teater, representing the proponents (Cont.):

aware that these funds will finance housing across a wide range of income levels, not just low- and middle-income housing.)

ii. Equity investments in affordable mixed-income housing projects, including tools to support renter wealth building (note: we must use a more plain-language term than 'tenant equity sharing' or 'tenant equity vehicle' because nobody knows what those mean);

iii. Home ownership programs and down payment assistance for first-time and first-generation homebuyers;

iv. A program addressing homelessness through rental assistance and eviction defense (no change)

v. Grants to increase the capacity of local government planning departments.

- Lines 25-26 - This sentence gives the inaccurate impression that only renters making less than 60% AMI or homeowners making less than 100% will benefit from these programs. In reality, the largest programs in this measure will benefit a wide range of income levels, not just those below 60% or 100% AMI. The homeownership assistance program assists households all the way up to 120% AMI. The equity financing program funds projects with an average rent affordable at 90% AMI and is instructed to prioritize mixed-income projects (so for example, a project with half of its units affordable at 30% AMI and half of its units at affordable at 150% AMI would not only be eligible for funding, but would be prioritized for funding over a project that had 100% of its units affordable at 90% AMI). The concessionary debt program does fund projects at a 60% AMI threshold, but this is again only the average rent for the project, with the explicit direction to prioritize mixed-income projects. It is important that voters be aware that the benefits of this program are not limited to Coloradans below 60% or 100% of AMI - in reality, these programs will finance the construction of substantial numbers of housing units for households above those income levels, and we fully expect some units to be built under this measure for households up to 200% AMI. We explicitly designed this measure to benefit Coloradans of a wide range of income levels and across the housing spectrum, and that is lost in this sentence.

Page 3:

- Line 1 - Recommend removing "or project" from this sentence, since this sentence is only describing household-level affordability. As described above, the standard for projects to qualify as affordable housing under this measure is very nuanced.

- Lines 12-14 - This sentence is misleading. The FY23 Appropriations report lists DOH's total budget at \$186M, the vast majority of which is either federal funds or one-time ARPA funds that are already accounted for in the following paragraph (SB 22-146 and SB 22-211). State funding (that is, not ARPA funding, not federal funding) for DOH is only \$47M. The entire purpose of this measure is to increase state funding for

# Last Draft Comments from Interested Parties

## Luke Teater, representing the proponents (Cont.):

affordable housing, so it's critical that voters be aware of the current level of state (not federal, not ARPA) funding for affordable housing.

- Lines 15-17 - This sentence is inaccurate. Most of this \$1.2B was federal spending within the state that the state legislature did not allocate. The state did allocate \$550M in one-time ARPA funds for affordable housing through the Affordable Housing and Home Ownership Cash Fund.

- Lines 15-19 - This paragraph is likely to be misleading to voters. These ARPA funds were emergency relief and stimulus meant to support the economy through an unprecedented crisis, and they were successful as evidenced by the low level of evictions and high level of economic growth experienced since. They were not designed or intended to be a solution to the housing affordability crisis that this measure is intended to address. They were temporary funds that have already been allocated and cannot be continued or replenished by the state. Finally, we recommend changing (and shortening) the first sentence so that it ends with "...of 2021 for temporary housing security and economic relief."

- Line 30 - Recommend changing "fast track approval" to "prioritized review" to align with the terminology used with voters and stakeholders during the campaign and reduce confusion. We want it to be clear to voters that this process is not required to result in permit approval.

Page 4:

- Table 2, several places - The phrase "new and existing affordable housing" is vague and potentially misleading, recommend using the phrase "development and preservation of affordable housing" instead. Voters may read this as saying that the measure will just sink more money into existing affordable housing, when really it is preventing it from becoming unaffordable, as "development and preservation" makes clear.

- Table 2, several places - As discussed extensively above, the affordable housing equity and concessionary debt programs will finance much more than just low- and middle-income housing units - we fully expect that some units will be built through these programs for households up to 200% AMI. Recommend saying "mixed-income" rather than "low- and middle-income" multi-family rental units to clarify this.

- Line 6 - Recommend adding "existing" before "income tax revenue" to clarify that this is not new revenue and to more closely align with the ballot language approved by the Title Board.

Page 5:

- Lines 1-10, Arguments For:

# Last Draft Comments from Interested Parties

## **Luke Teater, representing the proponents (Cont.):**

i. Without raising taxes, this measure will help local communities tap into existing state funds to create more housing that all Coloradans can afford both now and in the future. The measure puts power in the hands of local governments to address our housing crisis by giving them the flexibility and resources to meet local community needs.

ii. Over the last 50 years, wages in Colorado have not kept pace with housing costs. As a result, hardworking Coloradans like firefighters, teachers and nurses are being priced out of the communities that depend on them. This measure would unlock \$6 billion to build 170,000 new homes over the next 20 years.

- Line 12 - Recommend removing the argument that these programs do not address the underlying causes of high housing costs. The underlying cause of high housing costs is a severe shortage of affordable housing, and the explicit purpose of this measure is to increase the supply of affordable housing.

- Line 16 - Recommend adding the word “sufficient” as in “the state already provides sufficient resources to support affordable housing”, since the root question posed by this measure is whether current state funding levels are sufficient or whether we need to increase state funding for affordable housing.

- Lines 22-25 - Since TABOR refunds are state expenditures (as in Table 1 of the revenue forecast), this measure does not increase state government spending, but merely dedicates more of that spending to affordable housing. Recommend deleting the phrase about increasing state government spending so that the paragraph instead reads “Proposition ? transfers money from the state General Fund to pay for affordable housing programs. While the measure does not change state revenue or expenditures, it reduces the amount refunded to taxpayers in years when state revenue is over the TABOR revenue limit.”



**Proposition 123**  
**Dedicate Revenue for Affordable Housing Programs**  
**Contact List**

<b>Interested Party</b>	<b>Organization Name</b>	<b>Email Address</b>
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**Initiative #108**  
**Dedicate Revenue for Affordable Housing Programs**  
**Contact List (Cont.)**

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**Proposition 123**  
**Dedicate Revenue for Affordable Housing Programs**

**1 Ballot Title:**

2 Shall there be a change to the Colorado Revised Statutes concerning statewide funding for  
3 additional affordable housing, and, in connection therewith, dedicating state revenues collected  
4 from an existing tax of one-tenth of one percent on federal taxable income of every individual,  
5 estate, trust, and corporation, as defined in law, for affordable housing and exempting the  
6 dedicated revenues from the constitutional limitation on state fiscal year spending; allocating  
7 60% of the dedicated revenues to affordable housing financing programs that will reduce rents,  
8 purchase land for affordable housing development, and build assets for renters; allocating 40%  
9 of the dedicated revenues to programs that support affordable home ownership, serve persons  
10 experiencing homelessness, and support local planning capacity; requiring local governments  
11 that seek additional affordable housing funding to expedite development approvals for  
12 affordable housing projects and commit to increasing the number of affordable housing units by  
13 3% annually; and specifying that the dedicated revenues shall not supplant existing  
14 appropriations for affordable housing programs?

**15 Text of Measure:**

16 *Be it enacted by the People of the State of Colorado:*

17 **SECTION 1.** In Colorado Revised Statutes, **add** article 32 to title 29 as follows:

**18 ARTICLE 32**

**19 Statewide Affordable Housing Fund**

20 **29-32-101. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

21 (1) "ADMINISTRATOR" MEANS A POLITICAL SUBDIVISION OF THE STATE OF COLORADO ESTABLISHED  
22 FOR THE PURPOSES, AMONG OTHERS, OF INCREASING THE SUPPLY OF DECENT, SAFE, AND SANITARY  
23 HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES, OR OTHER THIRD PARTY ESTABLISHED FOR  
24 SUCH PURPOSES, SELECTED BY THE OFFICE TO ADMINISTER CERTAIN AFFORDABLE HOUSING  
25 PROGRAMS CREATED IN SECTION 29-32-104.

26 (2) "AFFORDABLE HOUSING" MEANS RENTAL HOUSING AFFORDABLE TO A HOUSEHOLD WITH AN  
27 ANNUAL INCOME OF AT OR BELOW SIXTY PERCENT OF THE AREA MEDIAN INCOME, AND THAT COSTS  
28 THE HOUSEHOLD LESS THAN THIRTY PERCENT OF ITS MONTHLY INCOME. "AFFORDABLE HOUSING"  
29 ALSO MEANS FOR-SALE HOUSING THAT COULD BE PURCHASED BY A HOUSEHOLD WITH AN ANNUAL  
30 INCOME OF AT OR BELOW ONE HUNDRED PERCENT OF THE AREA MEDIAN INCOME, FOR WHICH THE  
31 MORTGAGE PAYMENT COSTS THE HOUSEHOLD LESS THAN THIRTY PERCENT OF ITS MONTHLY INCOME.  
32 TARGETS SET FOR THE LOCAL GOVERNMENTS UNDER SECTION 29-32-105 FOR AFFORDABLE  
33 HOUSING SHALL BE BASED ON THE AVERAGE OF THE AREA MEDIAN INCOME. IF A LOCAL GOVERNMENT  
34 DETERMINES THAT APPLICATION OF THIS DEFINITION OF AFFORDABLE HOUSING WOULD CAUSE  
35 IMPLEMENTATION OF THIS ARTICLE IN A MANNER INCONSISTENT WITH HOUSING AND WORKFORCE

1 NEEDS WITHIN THE JURISDICTION, IT MAY PETITION THE DIVISION FOR LEAVE TO USE THE  
2 CALCULATION APPLICABLE TO AN ADJACENT JURISDICTION OR THE STATE MEDIAN INCOME THAT  
3 BETTER REFLECTS LOCAL NEEDS.

4 (3) "AREA MEDIAN INCOME" MEANS THE MEDIAN HOUSEHOLD INCOME OF HOUSEHOLDS OF A GIVEN  
5 SIZE IN THE MUNICIPALITY, OR METROPOLITAN STATISTICAL AREA ENCOMPASSING A MUNICIPALITY, OR  
6 COUNTY IN WHICH THE HOUSING IS LOCATED, AS CALCULATED AND PUBLISHED FOR A GIVEN YEAR BY  
7 THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

8 (4) "DIVISION" MEANS THE DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN  
9 SECTION 24-32-704 (1).

10 (5) "SUPPORT FUND" MEANS THE AFFORDABLE HOUSING SUPPORT FUND CREATED IN SECTION 29-32-  
11 103(1).

12 (6) "FUND" MEANS THE STATE AFFORDABLE HOUSING FUND CREATED IN SECTION 29-32-102 (1).

13 (7) "LOCAL GOVERNMENT" MEANS A MUNICIPALITY, WHETHER HOME RULE OR STATUTORY; A COUNTY,  
14 WHETHER HOME RULE OR STATUTORY; A CITY AND COUNTY; OR A LOCAL HOUSING AUTHORITY.

15 (8) "OFFICE" MEANS THE OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101.

16 (9) "FINANCING FUND" MEANS THE AFFORDABLE HOUSING FINANCING FUND CREATED IN SECTION 29-  
17 32-103(2).

18 **29-32-102. State affordable housing fund.** (1) THE STATE AFFORDABLE HOUSING FUND IS  
19 HEREBY CREATED IN THE STATE TREASURY. COMMENCING ON JANUARY 1, 2023, ALL STATE  
20 REVENUES COLLECTED FROM AN EXISTING TAX ON ONE-TENTH OF ONE PERCENT ON FEDERAL  
21 TAXABLE INCOME, AS MODIFIED BY LAW, OF EVERY INDIVIDUAL, ESTATE, TRUST, AND CORPORATION,  
22 AS DEFINED IN LAW, AS CALCULATED PURSUANT TO SUBSECTION (4) OF THIS SECTION, SHALL BE  
23 DEPOSITED IN THE FUND BY THE STATE TREASURER. THE REVENUE DEPOSITED INTO THE FUND  
24 PURSUANT TO THIS SUBSECTION (1) SHALL NOT BE SUBJECT TO THE LIMITATION ON FISCAL YEAR  
25 SPENDING SPECIFIED IN SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

26 (2) THE FUND SHALL CONSIST OF MONEY DEPOSITED INTO THE FUND UNDER SUBSECTION (1) OF THIS  
27 SECTION; ANY MONEY APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY; AND ANY GIFTS,  
28 GRANTS, OR DONATIONS FROM ANY PUBLIC OR PRIVATE SOURCES, INCLUDING GOVERNMENTAL  
29 ENTITIES, THAT THE DIVISION AND THE OFFICE ARE HEREBY AUTHORIZED TO SEEK AND ACCEPT.

30 (3) ALL MONEY NOT EXPENDED OR ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR  
31 DEPOSIT OF MONEY IN THE FUND, SHALL REMAIN IN THE FUND AND SHALL NOT REVERT TO THE  
32 GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR.

33 (4)(a) THE LEGISLATIVE COUNCIL, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND  
34 BUDGETING, SHALL CALCULATE THE AMOUNT OF REVENUES TO BE DEPOSITED IN THE FUND FOR THE  
35 PERIOD COMMENCING JANUARY 1, 2023 AND ENDING JUNE 30, 2023, AND FOR EACH STATE FISCAL  
36 YEAR COMMENCING ON OR AFTER JULY 1, 2023. THE LEGISLATIVE COUNCIL AND THE OFFICE OF  
37 STATE PLANNING AND BUDGETING SHALL RELY UPON THE QUARTERLY STATE REVENUE ESTIMATES  
38 ISSUED BY THE LEGISLATIVE COUNCIL IN CALCULATING SUCH AMOUNTS AND SHALL UPDATE ITS

1 CALCULATIONS NOT LATER THAN FIVE DAYS FOLLOWING THE ISSUANCE OF EACH QUARTERLY STATE  
2 REVENUE ESTIMATE.

3 (b) TO ENSURE THAT ALL FUND REVENUES ARE TRANSFERRED TO THE FUND AND THAT OTHER STATE  
4 REVENUES ARE NOT ERRONEOUSLY TRANSFERRED TO THE FUND:

5 (I) NO LATER THAN TWO DAYS AFTER CALCULATING OR RECALCULATING THE AMOUNT OF FUND  
6 REVENUES FOR THE PERIOD COMMENCING JANUARY 1, 2023 AND ENDING JUNE 30, 2023, AND FOR  
7 ANY FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2023, THE LEGISLATIVE COUNCIL, IN  
8 CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, SHALL CERTIFY TO THE  
9 DEPARTMENT OF REVENUE THE AMOUNT OF FUND REVENUES THAT THE DEPARTMENT SHALL  
10 TRANSFER TO THE STATE TREASURER FOR DEPOSIT INTO THE FUND ON THE FIRST DAY OF EACH OF  
11 THE THREE SUCCEEDING CALENDAR MONTHS AS REQUIRED BY PARAGRAPH (c) OF THIS SUBSECTION  
12 (4);

13 (II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (b), NO LATER  
14 THAN MAY 25 OF 2023 AND OF ANY STATE FISCAL YEAR COMMENCING ON OR AFTER JULY 1, 2023,  
15 THE LEGISLATIVE COUNCIL, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING,  
16 MAY CERTIFY TO THE DEPARTMENT OF REVENUE AN ADJUSTED AMOUNT FOR ANY TRANSFER TO BE  
17 MADE ON THE FIRST BUSINESS DAY OF THE IMMEDIATELY SUCCEEDING JUNE; AND

18 (III) SUBJECT TO REVIEW BY THE STATE AUDITOR, THE LEGISLATIVE COUNCIL, IN CONSULTATION WITH  
19 THE OFFICE OF STATE PLANNING AND BUDGETING, MAY CORRECT ANY ERROR IN THE TOTAL AMOUNT  
20 OF STATE AFFORDABLE HOUSING REVENUES TRANSFERRED DURING ANY STATE FISCAL YEAR BY  
21 ADJUSTING THE AMOUNT OF ANY TRANSFER TO BE MADE DURING THE NEXT STATE FISCAL YEAR.

22 (c) ON THE FIRST BUSINESS DAY OF EACH CALENDAR MONTH THAT COMMENCES AFTER JANUARY 5,  
23 2023, THE DEPARTMENT OF REVENUE SHALL TRANSFER TO THE STATE TREASURER FOR DEPOSIT  
24 INTO THE FUND REVENUES IN AN AMOUNT CERTIFIED TO THE DEPARTMENT BY THE LEGISLATIVE  
25 COUNCIL, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, PURSUANT TO  
26 PARAGRAPH (b) OF THIS SUBSECTION (4).

27 **29-32-103. Transfers of money - permitted uses of the fund - continuous appropriation.**

28 (1) THE AFFORDABLE HOUSING SUPPORT FUND IS HEREBY CREATED IN THE STATE TREASURY. THE  
29 SUPPORT FUND SHALL CONSIST OF MONEY DEPOSITED INTO IT UNDER SUBSECTION (3) OF THIS  
30 SECTION. THE DIVISION SHALL ADMINISTER THE SUPPORT FUND AND EXPEND THE MONEYS IN THE  
31 SUPPORT FUND ONLY FOR THE PURPOSES SET FORTH IN SECTION 29-32-104(3). ALL MONEY NOT  
32 EXPENDED OR ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY  
33 IN THE SUPPORT FUND, SHALL REMAIN IN THE SUPPORT FUND AND SHALL NOT REVERT TO THE  
34 GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. ALL MONEY TRANSFERRED TO  
35 THE SUPPORT FUND PURSUANT TO SUBSECTION (3) OF THIS SECTION IS CONTINUOUSLY  
36 APPROPRIATED TO THE DIVISION FOR THE PURPOSES SET FORTH IN SECTION 29-32-104(3).

37 (2) THE AFFORDABLE HOUSING FINANCING FUND IS HEREBY CREATED IN THE STATE TREASURY. THE  
38 FINANCING FUND SHALL CONSIST OF MONEY DEPOSITED INTO IT UNDER SUBSECTION (3) OF THIS  
39 SECTION. THE OFFICE SHALL ADMINISTER THE FINANCING FUND AND EXPEND THE MONEYS IN THE  
40 FINANCING FUND ONLY FOR THE PURPOSES SET FORTH IN SECTION 29-32-104(1). ALL MONEY NOT  
41 EXPENDED OR ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY  
42 IN THE FINANCING FUND, SHALL REMAIN IN THE FINANCING FUND AND SHALL NOT REVERT TO THE

1 GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. ALL MONEY TRANSFERRED TO  
2 THE FINANCING FUND PURSUANT TO SUBSECTION (3) OF THIS SECTION IS CONTINUOUSLY  
3 APPROPRIATED TO THE OFFICE FOR THE PURPOSES SET FORTH IN SECTION 29-32-104(1).

4 (3) ON JULY 1, 2023, OR AS SOON AS PRACTICABLE THEREAFTER, AND ON JULY 1 OF EACH STATE  
5 FISCAL YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER FORTY PERCENT OF THE  
6 BALANCE OF THE FUND ON THE DATE OF THE TRANSFER TO THE SUPPORT FUND AND SIXTY PERCENT  
7 OF THE BALANCE OF THE FUND ON THE DATE OF THE TRANSFER TO THE FINANCING FUND.

8 **29-32-104. Permissible expenditures – affordable housing programs.** (1) THE OFFICE SHALL  
9 CONTRACT WITH THE ADMINISTRATOR. THE OFFICE MAY SELECT AN ADMINISTRATOR WITHOUT A  
10 COMPETITIVE PROCUREMENT PROCESS BUT SHALL ANNOUNCE THE CONTRACT OPENING PUBLICLY  
11 AND SELECT THE ADMINISTRATOR IN A MEETING THAT IS OPEN TO THE PUBLIC, NO LESS THAN  
12 SEVENTY-TWO HOURS AFTER NOTICE OF SUCH MEETING IS PUBLICLY AVAILABLE. NO SINGLE  
13 CONTRACT MAY EXCEED FIVE YEARS IN DURATION. UPON THE EXPIRATION OF ANY CONTRACT TERM,  
14 THE OFFICE MAY RENEW THE CONTRACT WITH THE SAME ADMINISTRATOR OR MAY SELECT ANOTHER  
15 ADMINISTRATOR. THE ADMINISTRATOR SELECTED BY THE OFFICE SHALL EXPEND THE MONEY  
16 TRANSFERRED TO THE FINANCING FUND IN SECTION 29-32-103(2) TO SUPPORT THE FOLLOWING  
17 PROGRAMS ONLY:

18 (a) A LAND BANKING PROGRAM TO BE ADMINISTERED BY THE ADMINISTRATOR. THE PROGRAM SHALL  
19 PROVIDE GRANTS TO LOCAL GOVERNMENTS AND LOANS TO NON-PROFIT ORGANIZATIONS WITH A  
20 DEMONSTRATED HISTORY OF PROVIDING AFFORDABLE HOUSING TO ACQUIRE AND PRESERVE LAND  
21 FOR THE DEVELOPMENT OF AFFORDABLE HOUSING. MIXED USE DEVELOPMENT IS AN ALLOWABLE USE  
22 OF LAND PURCHASED UNDER THIS PROGRAM IF THE PREDOMINATE USE OF THE LAND IS AFFORDABLE  
23 HOUSING. LOANS MADE BY THE PROGRAM SHALL BE FORGIVEN IF LAND ACQUIRED WITH THE  
24 ASSISTANCE OF THE PROGRAM IS PROPERLY ZONED WITH AN ACTIVE PLAN FOR THE DEVELOPMENT OF  
25 AFFORDABLE HOUSING WITHIN 5 YEARS OF DATE THE LOAN IS MADE AND IF THE DEVELOPMENT IS  
26 PERMITTED AND FUNDED WITHIN 10 YEARS. THE LENDER AND BORROWER MAY ESTABLISH  
27 ADDITIONAL TERMS IF NEEDED. IF LAND ACQUIRED WITH THE ASSISTANCE OF THE PROGRAM IS NOT  
28 DEVELOPED WITHIN THE TIMELINE ABOVE, THE LOAN MUST BE REPAYED, WITH INTEREST, AS SOON AS  
29 PRACTICAL, BUT NOT MORE THAN SIX MONTHS AFTER EXPIRATION OF SAID TIMELINE. LAND ACQUIRED  
30 WITH THE ASSISTANCE OF THE PROGRAM THAT IS NOT DEVELOPED WITHIN THE TIMELINE ABOVE MAY  
31 BE USED BY THE OWNER FOR ANY PURPOSE UPON PAYMENT OF THE LOAN WITH INTEREST OR, IN  
32 EXCHANGE FOR A WAIVER OF INTEREST, CONVEYED TO A STATE AGENCY OR OTHER ENTITY FOR THE  
33 DEVELOPMENT OF AFFORDABLE HOUSING WITH THE APPROVAL OF THE ADMINISTRATOR. ALL  
34 PRINCIPAL AND INTEREST PAYMENTS ON LOANS MADE UNDER THIS PARAGRAPH (a) SHALL BE PAID TO  
35 THE ADMINISTRATOR AND USED BY THE ADMINISTRATOR FOR THE PURPOSES SET FORTH IN THIS  
36 SUBSECTION (1). AS DETERMINED BY THE ADMINISTRATOR, A MINIMUM OF 15% AND A MAXIMUM OF  
37 25% OF MONIES TRANSFERRED TO THE OFFICE FROM THE FUND ANNUALLY MAY BE USED FOR THE  
38 PROGRAM. THE ADMINISTRATOR MAY UTILIZE UP TO TWO PERCENT OF THE FUNDS IT RECEIVES FROM  
39 THE OFFICE FOR THE PROGRAM ANNUALLY TO PAY FOR THE COSTS OF ADMINISTERING THE PROGRAM.

40 (b) AN AFFORDABLE HOUSING EQUITY PROGRAM TO BE ADMINISTERED BY THE ADMINISTRATOR. THE  
41 PROGRAM SHALL MAKE EQUITY INVESTMENTS IN LOW- AND MIDDLE-INCOME MULTI-FAMILY RENTAL  
42 DEVELOPMENTS. THE PROGRAM SHALL ALSO MAKE EQUITY INVESTMENTS IN EXISTING AFFORDABLE  
43 HOUSING PROJECTS WHICH INCLUDE MULTI-FAMILY RENTAL UNITS FOR THE PURPOSE OF ENSURING  
44 THAT SAID PROJECTS REMAIN AFFORDABLE. THE AVERAGE OF RENTS FOR PROJECTS FUNDED BY THE  
45 PROGRAM (CALCULATED BY ADDING TOGETHER THE MONTHLY RENT FOR ALL UNITS IN A PROJECT AND

1 DIVIDING BY THE NUMBER OF UNITS IN THE PROJECT) MUST BE AND REMAIN PERMANENTLY  
2 AFFORDABLE SUCH THAT A PARTICIPATING HOUSEHOLD SHALL NOT BE REQUIRED TO SPEND MORE  
3 THAN 30% OF HOUSEHOLD INCOME ON RENT FOR HOUSEHOLDS THAT ARE AT OR BELOW 90% OF THE  
4 AREA MEDIAN INCOME OF HOUSEHOLDS OF THAT SIZE IN THE TERRITORY OR JURISDICTION OF LOCAL  
5 GOVERNMENT IN WHICH THE HOUSING IS LOCATED, AS CALCULATED AND PUBLISHED FOR A GIVEN  
6 YEAR BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT. THE PROGRAM  
7 SHALL INCLUDE A TENANT EQUITY VEHICLE, MEANING, IN PROJECTS FUNDED BY THE PROGRAM,  
8 TENANTS WHO RESIDE IN THE PROJECT FOR AT LEAST ONE YEAR SHALL BE ENTITLED TO A SHARE OF  
9 THE EQUITY GROWTH IN THE PROJECT, IF ANY, IN THE FORM OF FUNDING FROM THE PROGRAM FOR A  
10 DOWN-PAYMENT ON HOUSING OR RELATED PURPOSES, IN AN AMOUNT DETERMINED BY THE  
11 ADMINISTRATOR. EQUITY INVESTMENTS MADE BY THE PROGRAM SHALL BE MADE WITH THE  
12 EXPECTATION OF RETURNS THAT ARE BELOW THE PREVAILING MARKET RETURNS. RETURNS ON  
13 PROGRAM INVESTMENTS UP TO THE AMOUNT OF THE PROGRAM'S INITIAL INVESTMENT SHALL BE  
14 RETAINED IN THE PROGRAM AND REINVESTED. RETURNS ON PROGRAM INVESTMENTS GREATER THAN  
15 THE PROGRAM'S INITIAL INVESTMENT SHALL BE RETAINED IN THE PROGRAM TO FUND THE TENANT  
16 EQUITY VEHICLE. IN SELECTING INVESTMENTS UNDER THIS PROGRAM, THE ADMINISTRATOR SHALL  
17 PRIORITIZE HIGH-DENSITY HOUSING, MIXED-INCOME HOUSING, AND PROJECTS CONSISTENT WITH THE  
18 GOAL OF ENVIRONMENTAL SUSTAINABILITY. AS DETERMINED BY THE ADMINISTRATOR, A MINIMUM OF  
19 40% OF MONIES AND A MAXIMUM OF 70% OF MONIES TRANSFERRED TO THE OFFICE FROM THE FUND  
20 ANNUALLY MAY BE USED FOR THE PROGRAM. THE ADMINISTRATOR MAY UTILIZE UP TO TWO PERCENT  
21 OF THE FUNDS IT RECEIVES FROM THE OFFICE FOR THE PROGRAM ANNUALLY TO PAY FOR THE COSTS  
22 OF ADMINISTERING THE PROGRAM.

23 (c) A CONCESSIONARY DEBT PROGRAM TO BE ADMINISTERED BY THE ADMINISTRATOR. THE PROGRAM  
24 SHALL:

25 (I) PROVIDE DEBT FINANCING OF LOW- AND MIDDLE-INCOME MULTI-FAMILY RENTAL DEVELOPMENTS,

26 (II) PROVIDE GAP FINANCING IN THE FORM OF SUBORDINATE DEBT AND PRE- DEVELOPMENT LOANS  
27 FOR PROJECTS THAT QUALIFY FOR FEDERAL LOW INCOME HOUSING TAX CREDITS,

28 (III) PROVIDE DEBT FINANCING OF EXISTING AFFORDABLE HOUSING PROJECTS FOR THE PURPOSE OF  
29 PRESERVING EXISTING AFFORDABLE MULTI-FAMILY RENTAL UNITS, AND

30 (IV) PROVIDE DEBT FINANCING FOR MODULAR AND FACTORY BUILD HOUSING MANUFACTURERS.

31 THE AVERAGE OF RENTS FOR PROJECTS FUNDED BY THE PROGRAM (CALCULATED BY ADDING  
32 TOGETHER THE MONTHLY RENT FOR ALL UNITS IN A PROJECT AND DIVIDING BY THE NUMBER OF UNITS  
33 IN THE PROJECT) MUST BE AND REMAIN PERMANENTLY AFFORDABLE (MEANING THAT A HOUSEHOLD  
34 SHALL NOT BE REQUIRED TO SPEND MORE THAN 30% OF HOUSEHOLD INCOME ON RENT AND BASIC  
35 UTILITIES) FOR HOUSEHOLDS THAT ARE AT OR BELOW 60% OF THE AREA MEDIAN INCOME OF  
36 HOUSEHOLDS OF THAT SIZE IN THE TERRITORY OR JURISDICTION OF LOCAL GOVERNMENT IN WHICH  
37 THE HOUSING IS LOCATED, AS CALCULATED AND PUBLISHED FOR A GIVEN YEAR BY THE UNITED  
38 STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (THE AFFORDABILITY THRESHOLD);  
39 EXCEPT THAT WHERE THE PROGRAM IS A SECONDARY SOURCE OF FUNDING, THE AFFORDABILITY  
40 THRESHOLD REQUIRED BY THE PRIMARY FUNDING SOURCE, IF ANY, MAY BE OPERATIVE. DEBT  
41 FINANCING AND LOANS MADE BY THE PROGRAM SHALL BE MADE AT BELOW MARKET INTEREST RATES  
42 AS DETERMINED BY THE ADMINISTRATOR. RETURNS ON PROGRAM INVESTMENTS UP TO THE AMOUNT  
43 OF THE PROGRAM'S INITIAL INVESTMENT SHALL BE RETAINED IN THE PROGRAM AND REINVESTED BY  
44 THE ADMINISTRATOR IN THE PROGRAM ESTABLISHED IN THIS PARAGRAPH (C). RETURNS ON PROGRAM

1 INVESTMENTS GREATER THAN THE PROGRAM'S INITIAL INVESTMENT SHALL BE RETAINED IN THE  
2 PROGRAM TO FUND THE TENANT EQUITY VEHICLE OF THE AFFORDABLE HOUSING EQUITY PROGRAM  
3 CREATED IN SUBSECTION (1)(b) OF THIS SECTION. AS DETERMINED BY THE ADMINISTRATOR, A  
4 MINIMUM OF 15% OF MONIES AND A MAXIMUM OF 35% OF MONIES TRANSFERRED TO THE OFFICE  
5 FROM THE FUND ANNUALLY MAY BE USED FOR THE PROGRAM. THE ADMINISTRATOR MAY UTILIZE UP  
6 TO TWO PERCENT OF THE FUNDS IT RECEIVES FROM THE OFFICE FOR THE PROGRAM ANNUALLY TO  
7 PAY FOR THE COSTS OF ADMINISTERING THE PROGRAM.

8 (2) IN SELECTING INVESTMENTS TO BE MADE BY THE PROGRAMS OF SUBSECTION (1) OF THIS  
9 SECTION, THE ADMINISTRATOR SHALL PRIORITIZE PROJECTS THAT ACHIEVE HIGH-DENSITY HOUSING,  
10 MIXED-INCOME HOUSING, AND PROJECTS CONSISTENT WITH THE GOAL OF ENVIRONMENTAL  
11 SUSTAINABILITY, AS APPROPRIATE.

12 (3) THE DIVISION SHALL EXPEND THE MONEY TRANSFERRED TO THE SUPPORT FUND IN SECTION 29-  
13 32-103(1) TO SUPPORT THE FOLLOWING PROGRAMS ONLY:

14 (a) AN AFFORDABLE HOME OWNERSHIP PROGRAM ADMINISTERED BY THE DIVISION OR ONE OR MORE  
15 CONTRACTORS OF THE DIVISION. THE PROGRAM SHALL OFFER HOME OWNERSHIP DOWN-PAYMENT  
16 ASSISTANCE TO FIRST-TIME HOMEBUYERS AND SHALL PRIORITIZE ASSISTANCE, TO THE EXTENT  
17 PRACTICABLE, TO FIRST-GENERATION HOMEBUYERS. THE ASSISTANCE SHALL BE PROVIDED TO  
18 HOUSEHOLDS WITH INCOME LESS THAN OR EQUAL TO 120% OF THE AREA MEDIAN INCOME OF  
19 HOUSEHOLDS OF THAT SIZE IN THE TERRITORY OR JURISDICTION OF LOCAL GOVERNMENT IN WHICH  
20 THE HOUSING IS LOCATED, AS CALCULATED AND PUBLISHED FOR A GIVEN YEAR BY THE UNITED  
21 STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT. THE PROGRAM SHALL ALSO MAKE  
22 GRANTS OR LOANS TO NON-PROFITS AND COMMUNITY LAND TRUSTS TO SUPPORT AFFORDABLE HOME  
23 OWNERSHIP AND TO GROUPS OR ASSOCIATIONS OF MOBILE HOME OWNERS TO ASSIST THEM WITH THE  
24 PURCHASE OF A MOBILE HOME PARK PURSUANT TO SECTION 38-12-217. SAID GRANTS AND LOANS  
25 SHALL BE USED TO SUPPORT AFFORDABLE HOME OWNERSHIP FOR HOUSEHOLDS WITH INCOME LESS  
26 THAN OR EQUAL TO 100% OF THE AREA MEDIAN INCOME OF HOUSEHOLDS OF THAT SIZE IN THE  
27 TERRITORY OR JURISDICTION OF LOCAL GOVERNMENT IN WHICH THE HOUSEHOLDS ARE LOCATED, AS  
28 CALCULATED AND PUBLISHED FOR A GIVEN YEAR BY THE UNITED STATES DEPARTMENT OF HOUSING  
29 AND URBAN DEVELOPMENT. ALL PRINCIPAL AND INTEREST PAYMENTS ON LOANS MADE UNDER THIS  
30 PARAGRAPH (a) SHALL BE PAID TO THE DIVISION AND USED BY THE ADMINISTRATOR FOR THE  
31 PURPOSES SET FORTH IN THIS SUBSECTION (3). UP TO 50% OF MONIES TRANSFERRED TO THE  
32 DIVISION FROM THE FUND ANNUALLY MAY BE USED FOR THE PROGRAM. THE DIVISION SHALL  
33 DETERMINE HOW MUCH OF THE AVAILABLE FUNDING SHALL BE ALLOCATED TO EACH ASPECT OF THE  
34 PROGRAM. THE DIVISION MAY UTILIZE UP TO 5% OF THE FUNDS IT RECEIVES FROM THE FUND FOR THE  
35 PROGRAM ANNUALLY TO PAY FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THE  
36 PROGRAM.

37 (b) A PROGRAM SERVING PERSONS EXPERIENCING HOMELESSNESS TO BE ADMINISTERED BY THE  
38 DIVISION. THE PROGRAM SHALL PROVIDE RENTAL ASSISTANCE, HOUSING VOUCHERS, AND EVICTION  
39 DEFENSE ASSISTANCE, INCLUDING LEGAL, FINANCIAL, AND CASE MANAGEMENT, TO PERSONS  
40 EXPERIENCING HOMELESSNESS OR AT RISK OF EXPERIENCING HOMELESSNESS. THE PROGRAM SHALL  
41 ALSO MAKE GRANTS OR LOANS TO NON-PROFIT ORGANIZATIONS, LOCAL GOVERNMENTS OR PRIVATE  
42 ENTITIES TO SUPPORT THE DEVELOPMENT AND PRESERVATION OF SUPPORTIVE HOUSING FOR  
43 PERSONS EXPERIENCING HOMELESSNESS, AND OTHER HOMELESSNESS RELATED ACTIVITIES THE  
44 DIVISION DETERMINES CONTRIBUTE TO THE RESOLUTION OF OR PREVENTION OF HOMELESSNESS,  
45 INCLUDING HOUSING PROGRAMS PAID FOR BY NON-PROFIT ORGANIZATIONS, LOCAL GOVERNMENTS



1 OR PRIVATE ENTITIES ON A PAY FOR SUCCESS BASIS, MEANING AN ORGANIZATION, LOCAL  
2 GOVERNMENT OR PRIVATE ENTITY WOULD RECEIVE FINANCIAL SUPPORT FROM THE PROGRAM UPON  
3 ACHIEVING OBJECTIVES CONTRACTUALLY AGREED UPON WITH THE DIVISION. ALL PRINCIPAL AND  
4 INTEREST PAYMENTS ON LOANS MADE UNDER THIS PARAGRAPH (b) SHALL BE PAID TO THE DIVISION  
5 AND USED BY THE ADMINISTRATOR FOR THE PURPOSES SET FORTH IN THIS SUBSECTION (3). UP TO  
6 45% OF MONIES TRANSFERRED TO THE DIVISION FROM THE FUND ANNUALLY MAY BE USED FOR THE  
7 PROGRAM. THE DIVISION MAY UTILIZE UP TO 5% OF THE FUNDS IT RECEIVES FROM THE FUND FOR THE  
8 PROGRAM ANNUALLY TO PAY FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THE  
9 PROGRAM.

10 (c) A LOCAL PLANNING CAPACITY DEVELOPMENT PROGRAM ADMINISTERED BY THE DIVISION. THE  
11 PROGRAM SHALL PROVIDE GRANTS TO LOCAL GOVERNMENTS TO INCREASE THE CAPACITY OF LOCAL  
12 GOVERNMENT PLANNING DEPARTMENTS RESPONSIBLE FOR PROCESSING LAND USE, PERMITTING AND  
13 ZONING APPLICATIONS FOR HOUSING PROJECTS. UP TO 5% OF MONIES TRANSFERRED TO THE  
14 DIVISION FROM THE FUND ANNUALLY MAY BE USED FOR THE PROGRAM. THE DIVISION MAY UTILIZE UP  
15 TO 5% OF THE FUNDS IT RECEIVES FROM THE FUND FOR THE PROGRAM ANNUALLY TO PAY FOR THE  
16 DIRECT AND INDIRECT COSTS OF ADMINISTERING THE PROGRAM.

17 (5) IF THE LEGISLATIVE COUNCIL STAFF'S MARCH ECONOMIC AND REVENUE FORECAST IN ANY  
18 GIVEN YEAR PROJECTS REVENUE FOR THE NEXT STATE FISCAL YEAR WILL FALL BELOW THE REVENUE  
19 LIMIT IMPOSED UNDER SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, THE GENERAL  
20 ASSEMBLY MAY REDUCE THE FUNDING ALLOCATED TO THE OFFICE REQUIRED BY THIS SECTION FOR  
21 THE NEXT STATE FISCAL YEAR IN ORDER TO BALANCE THE STATE BUDGET FOR SAID STATE FISCAL  
22 YEAR.

23 **29-32-105. Local government affordable housing commitments – three-year commitment**  
24 **cycle - expedited development approval process - eligibility for assistance from the fund.**

25 (1) (a) NOT LATER THAN NOVEMBER 1, 2023, THE GOVERNING BODY OF EACH LOCAL GOVERNMENT,  
26 OTHER THAN LOCAL HOUSING AUTHORITIES, DESIRING TO RECEIVE FUNDING UNDER THIS SECTION OR  
27 DESIRING TO MAKE AFFORDABLE HOUSING PROJECTS WITHIN ITS TERRITORIAL BOUNDARIES ELIGIBLE  
28 FOR FUNDING UNDER THIS SECTION SHALL MAKE AND FILE WITH THE DIVISION A COMMITMENT  
29 SPECIFYING HOW, BY DECEMBER 31, 2026, THE COMBINED NUMBER OF NEWLY CONSTRUCTED  
30 AFFORDABLE HOUSING UNITS AND EXISTING UNITS CONVERTED TO AFFORDABLE HOUSING, WITHIN ITS  
31 TERRITORIAL BOUNDARIES SHALL BE INCREASED BY THREE PERCENT EACH YEAR OVER THE BASELINE  
32 NUMBER OF AFFORDABLE HOUSING UNITS WITHIN ITS TERRITORIAL BOUNDARIES, DETERMINED AS  
33 PROVIDED IN SUBSECTION (1)(c) OF THIS SECTION.

34 (b) IN THE CASE OF A COUNTY, THE REQUIREMENTS OF THIS SUBSECTION (1) ONLY APPLY TO THE  
35 UNINCORPORATED AREAS OF THE COUNTY.

36 (c) THE BASELINE NUMBER OF AFFORDABLE HOUSING UNITS WITHIN THE TERRITORIAL BOUNDARIES  
37 OF A LOCAL GOVERNMENT, AS REFERENCED IN THIS SUBSECTION (1), SHALL BE DETERMINED BY THE  
38 LOCAL GOVERNMENT BY REFERENCE TO:

39 (I) THE 2017-2021 AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES PUBLISHED BY THE UNITED  
40 STATES CENSUS BUREAU. THE BASELINE NUMBER SHALL RESET FOR 2027, BASED ON THE 2020-  
41 2024 AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES, EXPECTED TO BE PUBLISHED IN THE  
42 SPRING OF 2026 AND EVERY THIRD YEAR THEREAFTER WITH THE PUBLICATION OF THE  
43 CORRESPONDING AMERICAN COMMUNITY SURVEY 5-YEAR ESTIMATES; OR

1 (II) THE MOST RECENTLY AVAILABLE COMPREHENSIVE HOUSING AFFORDABILITY STRATEGIES  
2 ESTIMATES PUBLISHED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN  
3 DEVELOPMENT; OR

4 (III) A WEB-BASED SYSTEM CREATED, MAINTAINED, AND UPDATED BY THE DIVISION WITH THE  
5 ESTIMATES SPECIFIED IN SUBSECTION (1)(C)(I) OF THIS SECTION, OR IF THE DIVISION FINDS THAT THE  
6 ESTIMATES SPECIFIED IN SAID SUBSECTION (1)(C)(I) WOULD BE IMPRACTICAL OR DELETERIOUS TO  
7 THE EFFICACIOUS IMPLEMENTATION OF THIS SECTION, AN ALTERNATIVE SOURCE OF ESTIMATES THAT  
8 THE DIVISION FINDS TO BE APPROPRIATE.

9 (d) BY NOVEMBER 1, 2026 AND BY NOVEMBER 1ST OF EACH SUBSEQUENT YEAR IN WHICH THE  
10 BASELINE RESETS, THE GOVERNING BODY OF EACH LOCAL GOVERNMENT, OTHER THAN LOCAL  
11 HOUSING AUTHORITIES, DESIRING TO RECEIVE FUNDING UNDER THIS SECTION OR DESIRING TO MAKE  
12 AFFORDABLE HOUSING PROJECTS WITHIN ITS TERRITORIAL BOUNDARIES ELIGIBLE FOR FUNDING  
13 UNDER THIS SECTION SHALL MAKE AND FILE WITH THE DIVISION A COMMITMENT SPECIFYING HOW, BY  
14 DECEMBER 31 OF THE THIRD YEAR THEREAFTER, THE COMBINED NUMBER OF NEWLY CONSTRUCTED  
15 AFFORDABLE HOUSING UNITS AND EXISTING UNITS CONVERTED TO AFFORDABLE HOUSING, WITHIN ITS  
16 TERRITORIAL BOUNDARIES SHALL BE INCREASED BY THREE PERCENT EACH YEAR OVER THE BASELINE  
17 NUMBER OF AFFORDABLE HOUSING UNITS WITHIN ITS TERRITORIAL BOUNDARIES DETERMINED AS  
18 PROVIDED IN SUBSECTION (1)(c) OF THIS SECTION.

19 (e) IN DRAFTING AND ENACTING COMMITMENTS UNDER THIS SUBSECTION (1) LOCAL GOVERNMENTS  
20 SHOULD PRIORITIZE HIGH-DENSITY HOUSING, MIXED-INCOME HOUSING, AND PROJECTS CONSISTENT  
21 WITH THE GOAL OF ENVIRONMENTAL SUSTAINABILITY, WHEN APPROPRIATE, AND SHOULD PRIORITIZE  
22 AFFORDABLE HOUSING IN COMMUNITIES IN WHICH LOW CONCENTRATIONS OF AFFORDABLE HOUSING  
23 EXIST.

24 (2)(a) IN ORDER TO RECEIVE FINANCIAL ASSISTANCE UNDER THIS ARTICLE, OR FOR AFFORDABLE  
25 HOUSING PROJECTS WITHIN A MUNICIPALITY, A CITY AND COUNTY, OR THE UNINCORPORATED AREA OF  
26 A COUNTY TO BE ELIGIBLE FOR FUNDING, THE LOCAL GOVERNMENT, OTHER THAN A LOCAL  
27 AFFORDABLE HOUSING AUTHORITY, MUST ESTABLISH PROCESSES TO ENABLE IT TO PROVIDE A FINAL  
28 DECISION ON ANY APPLICATION FOR A SPECIAL PERMIT, VARIANCE, OR OTHER DEVELOPMENT PERMIT,  
29 EXCLUDING SUBDIVISIONS, OF A DEVELOPMENT PROJECT FOR WHICH FIFTY PERCENT OR MORE OF  
30 THE RESIDENTIAL UNITS IN THE DEVELOPMENT CONSTITUTE AFFORDABLE HOUSING NOT MORE THAN  
31 NINETY CALENDAR DAYS AFTER SUBMISSION OF A COMPLETE APPLICATION, REFERRED TO HEREIN AS  
32 A "FAST-TRACK APPROVAL PROCESS."

33 (b) A LOCAL GOVERNMENT'S FAST-TRACK APPROVAL PROCESS MAY INCLUDE AN OPTION TO EXTEND  
34 THE REVIEW PERIOD FOR AN ADDITIONAL NINETY DAYS AT THE REQUEST OF A DEVELOPER, FOR  
35 COMPLIANCE WITH STATE LAW OR COURT ORDER, OR FOR A REVIEW PERIOD REQUIRED BY ANOTHER  
36 LOCAL GOVERNMENT OR AGENCY, WITHIN THE LOCAL GOVERNMENT OR OUTSIDE, FOR ANY  
37 COMPONENT OF THE APPLICATION REQUIRING THAT GOVERNMENT'S OR AGENCY'S APPROVAL.

38 (c) A LOCAL GOVERNMENT'S FAST-TRACK APPROVAL PROCESS MAY INCLUDE EXTENSIONS TO ALLOW  
39 FOR THE SUBMISSION OF ADDITIONAL INFORMATION OR REVISIONS TO AN APPLICATION IN RESPONSE  
40 TO REQUESTS FROM THE LOCAL GOVERNMENT. SUCH EXTENSIONS SHALL NOT EXCEED THE AMOUNT  
41 OF TIME FROM THE REQUEST TO THE SUBMISSION OF THE APPLICANT'S RESPONSE PLUS THIRTY DAYS.  
42 APPLICANTS SHALL PROVIDE SUCH ADDITIONAL INFORMATION OR RESPONSES PROMPTLY AND SHALL,

1      WHENEVER PRACTICABLE, PROVIDE A RESPONSE WITHIN FIVE BUSINESS DAYS.

2      (d) NOTHING IN THIS SUBSECTION (2) SHALL BE INTERPRETED AS REQUIRING AN AFFORDABLE  
3      HOUSING DEVELOPER TO UTILIZE A FAST-TRACK APPROVAL PROCESS.

4      (3) (a) BEGINNING IN 2027, TO BE ELIGIBLE UNDER THIS ARTICLE FOR DIRECT FUNDING, OR FOR  
5      AFFORDABLE HOUSING PROJECTS WITHIN A LOCAL GOVERNMENT’S TERRITORIAL BOUNDARIES TO BE  
6      ELIGIBLE FOR FUNDING, LOCAL GOVERNMENTS, OTHER THAN LOCAL HOUSING AUTHORITIES, MUST  
7      SATISFY BOTH THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION TO COMMIT TO AND ACHIEVE  
8      ANNUAL INCREASES IN THE NUMBER OF AFFORDABLE HOUSING UNITS WITHIN THEIR TERRITORIAL  
9      BOUNDARIES, AND THE REQUIREMENTS OF SUBSECTION (2) OF THIS SECTION TO IMPLEMENT A  
10     SYSTEM TO EXPEDITE THE DEVELOPMENT APPROVAL PROCESS FOR AFFORDABLE HOUSING  
11     PROJECTS.

12     (b)(I) IF A LOCAL GOVERNMENT MAKES AND FILES WITH THE DIVISION THE COMMITMENT REQUIRED BY  
13     SUBSECTION (1) OF THIS SECTION BY NOVEMBER 1, 2023, IT SHALL BE DEEMED TO HAVE SATISFIED  
14     THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION THROUGH DECEMBER 31, 2026.

15     (II) IF A LOCAL GOVERNMENT MAKES AND FILES WITH THE DIVISION THE COMMITMENT REQUIRED BY  
16     SUBSECTION (1) OF THIS SECTION BY NOVEMBER 1, 2026, OR BY NOVEMBER 1ST OF A SUBSEQUENT  
17     YEAR IN WHICH THE BASELINE RESETS, AND IT MET ITS COMMITMENT TO INCREASE AFFORDABLE  
18     HOUSING MADE UNDER SUBSECTION (1) OF THIS SECTION FOR THE PREVIOUS THREE-YEAR CYCLE, IT  
19     SHALL BE DEEMED TO HAVE SATISFIED THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION  
20     THROUGH THE END OF THE CURRENT THREE-YEAR CYCLE.

21     (III) IF A LOCAL GOVERNMENT, OTHER THAN A LOCAL HOUSING AUTHORITY, FAILS TO MAKE AND FILE  
22     WITH THE DIVISION THE COMMITMENT REQUIRED BY SUBSECTION (1) OF THIS SECTION BY NOVEMBER  
23     1, 2023, OR BY NOVEMBER 1ST OF A SUBSEQUENT YEAR IN WHICH THE BASELINE RESETS, IT SHALL  
24     BE INELIGIBLE TO RECEIVE FINANCIAL ASSISTANCE FROM THE DIVISION OR ADMINISTRATOR DURING  
25     THE FOLLOWING CALENDAR YEAR.

26     (IV) IF A LOCAL GOVERNMENT FAILS TO MEET ITS COMMITMENT TO INCREASE AFFORDABLE HOUSING  
27     MADE AND FILED PURSUANT TO SUBSECTION (1) OF THIS SECTION FOR ANY THREE-YEAR CYCLE, IT  
28     SHALL BE INELIGIBLE TO RECEIVE FINANCIAL ASSISTANCE FROM THE DIVISION OR ADMINISTRATOR  
29     DURING THE FIRST CALENDAR YEAR OF THE NEXT THREE-YEAR CYCLE.

30     (V) AN INELIGIBLE LOCAL GOVERNMENT MAY APPLY FOR A SUBSEQUENT YEAR WITH A NEW  
31     COMMITMENT UNDER SUBSECTION (1) OF THIS SECTION FOR THE BALANCE OF THE THEN-CURRENT  
32     THREE-YEAR CYCLE.

33     (VI) A DEVELOPER, WHETHER FOR-PROFIT OR NONPROFIT, OR A LOCAL GOVERNMENT DEVELOPING  
34     AN AFFORDABLE HOUSING PROJECT WITHIN THE TERRITORIAL BOUNDARIES OF A LOCAL GOVERNMENT  
35     THAT FAILS TO MEET THE REQUIREMENTS OF SUBSECTION (1) OR (2) OF THIS SECTION SHALL BE  
36     INELIGIBLE TO RECEIVE FINANCIAL ASSISTANCE FROM THE DIVISION OR ADMINISTRATOR.  
37     NOTWITHSTANDING THIS RESTRICTION, A PROJECT WITHIN THE TERRITORIAL BOUNDARIES OF AN  
38     ELIGIBLE MUNICIPALITY SHALL BE ELIGIBLE FOR FUNDING EVEN IF THE COUNTY IN WHICH THE PROJECT  
39     IS LOCATED IS INELIGIBLE.

40     (VII) INELIGIBLE LOCAL GOVERNMENTS AND DEVELOPERS OF PROJECTS IN INELIGIBLE LOCAL

1 GOVERNMENT JURISDICTIONS SHALL NOT BE REQUIRED TO PAY BACK TO THE DIVISION OR THE  
2 ADMINISTRATOR MONEY PAID TO THEM UNDER THIS ARTICLE PRIOR TO INELIGIBILITY.

3 (d) THE DIVISION SHALL BE RESPONSIBLE FOR DETERMINING COMPLIANCE WITH THIS SECTION. FOR  
4 THE PURPOSE OF CALCULATING WHETHER A LOCAL GOVERNMENT HAS MET THE REQUIREMENTS OF  
5 SUBSECTION (1) OF THIS SECTION, A NEW RESIDENTIAL HOUSING UNIT IS TO BE COUNTED AT THE TIME  
6 IT IS PERMITTED RATHER THAN THE TIME IT IS CONSTRUCTED. AN EXISTING HOUSING UNIT NEWLY  
7 QUALIFYING AS AFFORDABLE HOUSING IS TO BE COUNTED AT THE TIME IT IS PERMITTED AND FULLY  
8 FUNDED RATHER THAN AT THE TIME THE CONVERSION IS COMPLETED. FOR THE PURPOSE OF  
9 CALCULATING WHETHER A LOCAL GOVERNMENT HAS MET THE REQUIREMENTS OF SUBSECTION (1) OF  
10 THIS SECTION, IN ADDITION TO AFFORDABLE HOUSING GROWTH ACHIEVED THROUGH THE PROGRAMS  
11 IN THIS ARTICLE, ANY NEW DEED RESTRICTED AFFORDABLE HOUSING, NEWLY CONSTRUCTED OR  
12 CONVERTED TO AFFORDABLE, WITHIN A LOCAL GOVERNMENT'S TERRITORIAL BOUNDARIES SHALL BE  
13 COUNTED TOWARD THE LOCAL GOVERNMENT'S GROWTH REQUIREMENT. AFFORDABLE HOUSING  
14 GROWTH IN ANOTHER JURISDICTION RESULTING DIRECTLY FROM A LOCAL GOVERNMENT'S FUNDING  
15 OF SUCH AFFORDABLE HOUSING IN COOPERATION WITH ANOTHER LOCAL GOVERNMENT SHALL BE  
16 ATTRIBUTED TO A LOCAL GOVERNMENT IN PROPORTION TO THE FUNDING PROVIDED BY THE LOCAL  
17 GOVERNMENT TO SUCH HOUSING.

18 **29-32-106. Maintenance of effort.** FOR ANY STATE FISCAL YEAR IN WHICH MONEY IS  
19 APPROPRIATED FROM THE FUND IN ACCORDANCE WITH THE REQUIREMENTS OF THIS ARTICLE, ANY  
20 SUCH MONEY APPROPRIATED MUST SUPPLEMENT AND SHALL NOT SUPPLANT THE LEVEL OF GENERAL  
21 FUND AND CASH FUND APPROPRIATIONS FOR AFFORDABLE HOUSING PROGRAMS AS OF STATE FISCAL  
22 YEAR 2022-23.