

**Affordable Housing
Possible 2019 Bill Concepts
March 21, 2019**

In October 2018, State Representatives KC Becker (D-HD 13, Boulder) and Jim Wilson (R-HD 60, Salida) and Senators Don Coram (R-SD 6, Montrose) and Dominick Moreno (D-SD 32, Commerce City), convened a broad and diverse group of housing stakeholders for a time-limited process.

The explicit goal of the project and its process was to identify policies that could be supported by a broad cross-section of stakeholders, thus increasing the likelihood for success.

STAKEHOLDERS

In all, more than 80 stakeholders participated in this process. They included representatives of:

- 9 to 5
- Advantage Capital
- Bell Policy Center
- Boulder County
- CO Apartment Association
- CO Association of Homebuilders
- CO Bankers Association
- CO Counties Inc
- CO Division of Housing (Dept. of Local Affairs)
- CO Fiscal Institute
- CO Health Foundation
- CO Housing and Finance Authority
- CO Mortgage Lenders Association
- CO Municipal League
- CO Association of Realtors
- CO Coalition for the Homeless
- Counties and Commissioners Acting Together (CCAT)
- Economic Development Council of Colorado
- Enterprise Community Partners
- Hotel and Lodging Association of CO
- Housing CO
- CO Workforce Development Council
- Denver Urban Renewal Authority
- Gunnison County
- Habitat for Humanity CO
- Habitat for Humanity MetroDenver
- Rocky Mountain Home Association
- Root Policy Research
- San Miguel County
- Ski Country USA
- Tourism Industry Association of CO
- Unison Housing Partners
- Urban Land Conservancy
- Weld County Board of Commissioners

The outcome of this effort is the following bill package for state-level policy and/or budget solutions that a broad group of stakeholders will support in 2019.

Bill I: Establish Fund for Affordable Workforce Housing Initiatives

Rep. Roberts, Speaker Becker & Senator Moreno

Establish in the Division of Housing a new state fund to provide on-going and sustainable funding for programs and projects that improve, preserve, or expand the supply of affordable workforce housing in Colorado. Possible revenue sources include General Fund, Unclaimed Property Trust Fund, Marijuana Cash Funds and Gifts, Grants and Donations. There have also been discussions with the Attorney General about designation of custodial funds.

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Bill 2: Flexible Funding Opportunities and Incentives for Developers

Representative Shannon Bird

An omnibus bill with a range of consensus policy changes to support private and nonprofit developers in initiating and sustaining affordable housing projects.

- a. *Require an inventory of Public Lands Suitable for Affordable Housing Development*
- b. *Limit claw back of property tax exemption fund for affordable housing projects*

Bill 3: Expand First Time Home Buyer Savings Accounts

Sen. Williams & Rep. Kraft-Tharp

- *Allow an account holder to make pre-tax contributions to the savings account and allow an account holder's employer to make pre-tax matching contribution.*
- *Create a tax credit for an employer equal to 5% of the employee contribution.*
- *Increase the maximum annual contribution allowed to \$50,000 and increase the overall cap from \$150,000 to \$200,000.*
- *Estimated \$2 million additional in tax credits provided.*

Bill 4: Strategic Planning Group on Affordable Workforce Housing Solutions - Possible Executive Order

Create a leadership body with authority and capacity to elevate and coordinate affordable housing issues, needs and solutions with attention to regional needs. Empower this body to ensure affordable housing policy solutions remain an ongoing matter of importance for legislators, the Administration, local leaders and the public at large.

Bill 5: [HB 19-1228](#), Expansion of the State Low-Income Housing Tax Credit (LIHTC)

Reps. Shannon Bird, Titone & Sens. Zenzinger & Tate
Scheduled in House Finance Committee on March 21, 2019

Raise the cap of total allowed state tax credits for the program from the current \$5 million to \$10 million.

Pending Bills introduced independent of stakeholder process

[HB 19-1075](#), Tax Credit Employer-Assisted Housing Pilot Program

Rep. Jim Wilson

Creates a pilot tax credit for donations to nonprofit sponsors of employer assisted housing projects in rural areas of the state (defined as a nonmetropolitan county with 50,000 or fewer residents). Sets a maximum of \$400 for the credit.

[Fiscal Note](#) assumes reduction in revenue (credits claimed) of \$218K in FY 19/20 and \$436K in FY 20/21. Set up and ongoing cost to the Department of Revenue are \$88K

HB 19-1245, Affordable Housing Funding from Vendor Fee Changes

Rep. Mike Weissman

Diverts 1/3 of new revenue generated from a vendor fee changes to the Housing Development Grant Fund in the Division of Housing. Limited to projects for populations at 30% or less Area Median Income (AMI).

The fiscal note has not yet been drafted and the bill not yet calendared for hearing in the House Finance Committee. We have alerted the Speaker and anticipate a meeting with all sponsors very soon to be sure these bills are compatible and perhaps even combine the efforts.