

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

PREAMENDED

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

LLS NO. 24-0710.01 Megan McCall x4215

HOUSE BILL 24-1308

HOUSE SPONSORSHIP

Frizell and Lindstedt,

SENATE SPONSORSHIP

(None),

House Committees

Transportation, Housing & Local Government
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING PROVISIONS TO FACILITATE THE EFFECTIVE**
102 **IMPLEMENTATION OF PROGRAMS FOR AFFORDABLE HOUSING,**
103 **AND, IN CONNECTION THEREWITH, ADDING ANNUAL REPORTING**
104 **REQUIREMENTS BY THE DIVISION OF HOUSING CONCERNING**
105 **APPLICATIONS FOR AFFORDABLE HOUSING PROGRAMS AND**
106 **MONEY IN AND ISSUED FROM THE HOUSING DEVELOPMENT**
107 **GRANT FUND AND CREATING A PROCESS FOR REVIEWING AND**
108 **APPROVING APPLICATIONS FOR ALL AFFORDABLE HOUSING**
109 **PROGRAMS BY THE DIVISION OF HOUSING.**

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

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

applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

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

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

After a final decision approving an application, the division shall issue an award letter that includes information on the timeline for issuing money to the applicant, any terms for a loan or grant period, and any conditions that must be met before a contract in connection with the approval is executed. The division shall also provide a draft contract to the approved applicant within 30 days of the application being approved. Within 90 days of the division receiving a substantially complete post-award due diligence package from an approved applicant, the division shall execute any required contracts for the affordable housing program and send it to the approved applicant within 10 days of execution.

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

Under current law, a local government or tribal government desiring to receive funding from the statewide affordable housing fund or

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

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

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

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

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

7 (b) The goals of the division of housing's grant and loan programs
8 should be to address housing needs throughout the state, serve
9 populations with the greatest unmet need, optimize the housing stability
10 of households served, and promote the sustainability of affordable
11 housing development projects rather than maximizing financial returns to
12 the state;

13 (c) The division of housing should seek to find balance in
14 providing project subsidy levels that support the overall health, resiliency,
15 and ability to advance the work of mission-based organizations without
16 over-subsidizing projects or strictly forcing these organizations to

1 maximize debt leverage or functionally eliminate cash flow;

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

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

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

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

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

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

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

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

6 **24-32-705. Functions of division.** (1) The division has the
7 following functions:

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

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

23 **24-32-705.5. Annual public report on funding of affordable**
24 **housing preservation and production - definitions - repeal.**

25 (1) Commencing in 2021 and every year thereafter, as part of the
26 department's presentation to its joint committees of reference at a hearing
27 held pursuant to section 2-7-203 (2)(a) of the "State Measurement for

1 Accountable, Responsive, and Transparent (SMART) Government Act",
2 in accordance with this section, the division shall prepare a public report
3 that specifies the total amount of money that:

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

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

12 (d) THE DIVISION USES OF EXISTING STATE AND FEDERAL FUNDS TO
13 PROVIDE THE BEST USE OF SUBSIDIES TO MAXIMIZE UNIT PRODUCTION
14 INCLUDING DEVELOPMENTS IN HIGH-NEED, DIFFICULT-TO-DEVELOP AREAS,
15 AND CONFIRMATION OF RULES AND PRACTICES THAT ENSURE
16 DEVELOPMENTS ARE NOT DISQUALIFIED FROM FURTHER SUPPORT FROM
17 THE DIVISION OR THE OFFICE OF ECONOMIC DEVELOPMENT BASED ON PRIOR
18 RECEIPT OF MONEY PURSUANT TO ARTICLE 32 OF TITLE 29.

19 (1.3) FOR THE PUBLIC REPORT REQUIRED PURSUANT TO
20 SUBSECTION (1) OF THIS SECTION, FOR 2025 AND EACH YEAR THEREAFTER,
21 THE DIVISION SHALL INCLUDE THE FOLLOWING INFORMATION CONCERNING
22 ANY AFFORDABLE HOUSING PROGRAM ADMINISTERED BY THE DIVISION IN
23 THE YEAR PRECEDING THE YEAR IN WHICH THE PUBLIC REPORT IS
24 PRESENTED:

25 (a) THE NUMBER OF APPLICATIONS, BY PROGRAM, SUBMITTED TO
26 THE DIVISION;

27 (b) THE NUMBER OF APPLICATIONS APPROVED BY THE DIVISION, BY

1 PROGRAM;

2 (c) THE NUMBER OF APPLICATIONS DENIED BY THE DIVISION, BY
3 PROGRAM;

4 (d) THE AGGREGATE AMOUNT OF MONEY AWARDED FOR ALL
5 APPROVED APPLICATIONS;

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

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

11 (1.5) (a) FOR THE PUBLIC REPORT REQUIRED PURSUANT TO
12 SUBSECTION (1) OF THIS SECTION, FOR 2025 AND EACH YEAR THEREAFTER,
13 THE DIVISION SHALL INCLUDE THE FOLLOWING INFORMATION CONCERNING
14 THE FUND:

15 (I) THE TOTAL AMOUNT OF REVENUE IN THE FUND AND AN
16 IDENTIFICATION OF EACH SOURCE OF ALL REVENUE IN THE FUND
17 CATEGORIZED BY THE AMOUNT OF REVENUE THAT IS ATTRIBUTABLE TO
18 EACH SOURCE;

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

20 (III) THE AGGREGATE AMOUNT OF MONEY IN THE FUND
21 ENCUMBERED BY AN AWARD LETTER AND THE AGGREGATE AMOUNT OF
22 MONEY IN THE FUND ENCUMBERED BY AN EXECUTED CONTRACT FOR
23 GRANTS FROM THE FUND;

24 (IV) THE AGGREGATE AMOUNT OF MONEY IN THE FUND
25 ENCUMBERED IN THE YEAR PRIOR TO THE YEAR IN WHICH THE PUBLIC
26 REPORT IS PREPARED THAT WAS UNENCUMBERED IN ANY YEAR PRIOR TO
27 THE REPORTING YEAR;

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

3 (VI) THE AMOUNT OF MONEY TRANSFERRED FROM THE FUND TO
4 ANY OTHER FUND IN THE YEAR PRIOR TO THE YEAR IN WHICH THE PUBLIC
5 REPORT IS PREPARED AND AN IDENTIFICATION OF THE FUNDS TO WHICH
6 MONEY FROM THE FUND WAS TRANSFERRED;

7 (VII) THE NUMBER OF CONTRACTS DRAFTED AND EXECUTED FOR
8 LOANS OR GRANTS FROM THE FUND AND THE NUMBER OF DAYS IT TOOK TO
9 EXECUTE EACH CONTRACT. IF THE AVERAGE NUMBER OF DAYS TO
10 EXECUTE CONTRACTS INCLUDED IN THE REPORT IS MORE THAN NINETY
11 DAYS, THE DIVISION SHALL INCLUDE AN EXPLANATION REGARDING THIS
12 AVERAGE AND A PLAN TO REDUCE THE AVERAGE TO NINETY DAYS OR LESS.

13 (VIII) THE AVERAGE NUMBER OF DAYS TO PRODUCE PRELIMINARY
14 VERSIONS OF CONTRACTS AFTER MONEY IN THE FUND IS AWARDED TO
15 RECIPIENTS. IF THE AVERAGE NUMBER OF DAYS TO PRODUCE PRELIMINARY
16 VERSIONS OF CONTRACTS INCLUDED IN THE REPORT IS MORE THAN THIRTY
17 DAYS, THE DIVISION SHALL INCLUDE AN EXPLANATION REGARDING THIS
18 AVERAGE AND A PLAN TO REDUCE THE AVERAGE TO THIRTY DAYS OR LESS.

19 (IX) THE AVERAGE NUMBER OF DAYS FOR RECIPIENTS TO RECEIVE
20 SIGNED CONTRACTS AFTER THE CONTRACTS ARE APPROVED AND TERMS
21 ARE FINALIZED BY THE DIVISION AND THE RECIPIENT. IF THE AVERAGE
22 NUMBER OF DAYS FOR RECIPIENTS TO RECEIVE SIGNED CONTRACTS AFTER
23 THE CONTRACTS ARE APPROVED AND TERMS ARE FINALIZED IS MORE THAN
24 TEN DAYS, THE DIVISION SHALL INCLUDE AN EXPLANATION REGARDING
25 THIS AVERAGE AND A PLAN TO REDUCE THE AVERAGE TO TEN DAYS OR
26 LESS.

27 (b) AS USED IN THIS SUBSECTION (1.5), UNLESS THE CONTEXT

1 OTHERWISE REQUIRES, "FUND" MEANS THE HOUSING DEVELOPMENT GRANT
2 FUND CREATED IN SECTION 24-32-721 (1).

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

5 **24-32-705.7. Application process for all affordable housing**
6 **programs administered by the division of housing - rules - definitions.**

7 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
8 REQUIRES:

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

11 (b) "AFFORDABLE HOUSING PROGRAM" MEANS:


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

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

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

18 (IV) THE LOCAL INVESTMENTS IN TRANSFORMATIONAL
19 AFFORDABLE HOUSING GRANT PROGRAM CREATED IN SECTION 24-32-729
20 (2)(a);

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

23 
24 (VI) ANY OTHER PROGRAM ADMINISTERED OR IMPLEMENTED BY
25 THE DIVISION THAT IS RELATED TO AFFORDABLE HOUSING DEVELOPMENT.

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

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

5 (3) (a) THE DIVISION SHALL RECEIVE APPLICATIONS FOR
6 AFFORDABLE HOUSING PROGRAMS ONCE PER MONTH OR ON A ROLLING
7 BASIS BUT NOT LESS THAN ONCE PER MONTH. IF THE DIVISION HAS
8 INSUFFICIENT REVENUE TO PROVIDE FUNDING FOR ANY AFFORDABLE
9 HOUSING PROGRAM IT RECEIVES APPLICATIONS FOR, THE DIVISION SHALL
10 POST NOTICE OF THIS ON THE DIVISION'S WEBSITE. NOT LATER THAN TEN
11 CALENDAR DAYS FROM THE DATE THAT A MONTHLY APPLICATION PERIOD
12 CLOSES, THE DIVISION SHALL COMPLETE THE REVIEWING OF ALL
13 APPLICATIONS SUBMITTED IN THE APPLICATION PERIOD FOR
14 COMPLETENESS AND ISSUE ANY REQUESTS FOR ADDITIONAL INFORMATION,
15 FORMS, OR QUESTIONS TO THE APPLICANTS, AS NECESSARY.

16 (b) (I) WITHIN FORTY-FIVE CALENDAR DAYS AFTER A
17 COMPLETE APPLICATION IS RECEIVED BY THE DIVISION, AND NO MORE
18 THAN FORTY-FIVE CALENDAR DAYS AFTER THE SEVENTEENTH CALENDAR
19 DAY FOLLOWING THE DATE AN APPLICATION IS SUBMITTED, THE DIVISION
20 SHALL COMPLETE ANY ADDITIONAL REVIEW OF AN APPLICATION THAT MAY
21 BE REQUIRED AFTER ITS INITIAL REVIEW REQUIRED BY SUBSECTION (3)(a)
22 OF THIS SECTION AND EITHER SEND ALL APPLICATIONS IT DEEMS COMPLETE
23 TO THE BOARD FOR FINAL DECISION OR MAKE A FINAL DECISION ON
24 APPLICATIONS IT DEEMS COMPLETE, AS APPLICABLE. IF THE DIVISION IS
25 UNABLE TO SEND AN APPLICATION TO THE BOARD WITHIN FORTY-FIVE
26 DAYS, THE DIVISION SHALL NOTIFY THE APPLICANT OF THE DELAY WITH AN
27 EXPLANATION FOR THE DELAY AND THE DATE THAT THE DIVISION WILL

1 SEND THE APPLICATION TO THE BOARD.

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

5
6 (c) (I) IF THE FINAL DECISION ON AN APPLICATION IS APPROVAL OF
7 THE APPLICATION BY THE BOARD OR THE DIVISION, AS APPLICABLE, THE
8 DIVISION SHALL NOTIFY THE APPROVED APPLICANT IN WRITING IN
9 ACCORDANCE WITH SUBSECTION (3)(c)(II) OF THIS SECTION AND WITHIN
10 THIRTY CALENDAR DAYS PROVIDE THE APPROVED APPLICANT WITH A
11 PRELIMINARY DRAFT OF ANY REQUIRED CONTRACTS FOR LOANS OR
12 GRANTS AWARDED PURSUANT TO AN AFFORDABLE HOUSING PROGRAM, IF
13 APPLICABLE. THE DIVISION SHALL FINALIZE ANY TERMS AND CONDITIONS
14 OF APPROVED LOANS OR GRANTS PURSUANT TO AN AFFORDABLE HOUSING
15 PROGRAM AND FINALIZE AND EXECUTE ANY REQUIRED CONTRACTS WITHIN
16 NINETY CALENDAR DAYS FROM THE DATE THE DIVISION RECEIVES A
17 SUBSTANTIALLY COMPLETE POST-AWARD DUE DILIGENCE PACKAGE FROM
18 THE APPROVED APPLICANT. THE DIVISION SHALL PROVIDE EXECUTED
19 CONTRACTS TO AN APPROVED APPLICANT WITHIN TEN CALENDAR DAYS OF
20 FINALIZING THE CONTRACT.

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

23 (A) THE TIMELINE FOR ISSUANCE OF MONEY AS APPROVED BY THE
24 DIVISION OR THE BOARD PURSUANT TO THE AFFORDABLE HOUSING
25 PROGRAM;

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

27 (C) ANY CONDITIONS THAT THE APPROVED APPLICANT MUST MEET

1 OR PROVIDE PRIOR TO THE EXECUTION OF CONTRACTS FOR THE LOAN OR
2 GRANT PURSUANT TO THE AFFORDABLE HOUSING PROGRAM, INCLUDING
3 CLOSING OR CURING ANY OUTSTANDING AWARDS UNDER OTHER
4 AFFORDABLE HOUSING PROGRAMS.

5 (d) (I) ANY CHANGES TO THE TERMS OF AN APPROVED LOAN OR
6 GRANT PURSUANT TO AN AFFORDABLE HOUSING PROGRAM BY THE
7 DIVISION MUST BE MADE TO AN APPROVED APPLICANT WITHIN TEN
8 CALENDAR DAYS OF THE DATE THE DIVISION ISSUES A LETTER OF
9 APPROVAL REQUIRED PURSUANT TO SUBSECTION (3)(c)(I) OF THIS
10 SECTION.

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

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

23
24 **SECTION 5.** In Colorado Revised Statutes, 24-32-717, **add** (3.7)
25 as follows:

26 **24-32-717. Housing investment trust fund - loans - definitions.**
27 (3.7) IF APPLICATIONS ARE REQUIRED FOR LOANS PURSUANT TO THIS

1 SECTION, THE APPLICATION PROCESS MUST BE IN ACCORDANCE WITH THE
2 PROCESS SET FORTH IN SECTION 24-32-705.7.

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

5 **24-32-721. Colorado affordable housing construction grants**
6 **and loans - housing development grant fund - creation - housing**
7 **assistance for persons with behavioral, mental health, or substance**
8 **use disorders - cash fund - appropriation - report to general assembly**
9 **- rules - definitions - repeal.** (2) (e) In determining how best to allocate
10 money to promote the various purposes specified in subsection (2)(d) of
11 this section, the division shall consult with stakeholders from urban and
12 rural communities and representatives from populations of different
13 income levels with diverse housing needs and shall award funding to
14 meet the needs of local communities that will optimize the ~~return on~~
15 ~~money invested in a particular program or for a particular use~~
16 ~~SOCIO-ECONOMIC AND HOUSING STABILITY OF OUTCOMES OF HOUSEHOLDS~~
17 ~~SERVED;~~ ~~OPTIMIZE~~ THE CREATION, OPERATION, AND AFFORDABILITY
18 LENGTH OF AFFORDABLE HOUSING STOCK ~~CREATED;~~ ~~OPTIMIZE~~ THE
19 PRESERVATION OF NATURALLY OCCURRING AND SUBSIDIZED AFFORDABLE
20 HOUSING; ~~CONSIDER THE IMPACT OF AWARD TERMS ON THE FINANCIAL~~
21 ~~STABILITY OF THE ORGANIZATIONS DELIVERING THESE DEVELOPMENT~~
22 ~~PROJECTS AND RESIDENT SERVICES;~~ leverage OR BE LEVERAGED BY other
23 available ~~PUBLIC OR PRIVATE~~ sources of money; ~~BELAYERED WITH OTHER~~
24 ~~FUNDS ADMINISTERED BY THE STATE;~~ address housing needs throughout
25 the state; and serve populations with the greatest unmet need. ~~THE~~
26 ~~DIVISION MAY EVALUATE AND AWARD FUNDING OPPORTUNITIES AT ALL~~
27 ~~STAGES OF A PROJECT, INCLUDING PREDEVELOPMENT AND FIRST-IN~~

1 **CATALYTIC FUND COMMITMENTS.**

2

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

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

8 **24-32-721.7. Affordable housing guided toolkit and local**
9 **officials guide program - creation.** (1) (c) THE PROCESS FOR
10 APPLICATIONS REQUIRED PURSUANT TO THIS SECTION MUST BE IN
11 ACCORDANCE WITH THE PROCESS SET FORTH IN SECTION 24-32-705.7.

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

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

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

25 **24-32-731. Revolving loan fund - eligible projects - report -**
26 **definitions - legislative declaration.** (5) **Loan program policies -**
27 **eligibility for loan funding.** (a.5) THE APPLICATION PROCESS FOR THE

1 LOAN PROGRAM MUST BE IN ACCORDANCE WITH THE PROCESS SET FORTH
2 IN SECTION 24-32-705.7. ON OR BEFORE SEPTEMBER 1, 2024, THE DIVISION
3 SHALL AMEND ANY POLICIES, PROCEDURES, AND GUIDELINES FOR THE
4 GRANT PROGRAM THAT ARE NOT CONSISTENT WITH THE APPLICATION
5 PROCESS SET FORTH IN SECTION 24-32-705.7.

6 **SECTION 10. No appropriation.** The general assembly
7 has determined that this act can be implemented within existing
8 appropriations, and therefore no separate appropriation of state money is
9 necessary to carry out the purposes of this act.

10 **SECTION 11. Act subject to petition - effective date -**
11 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
12 the expiration of the ninety-day period after final adjournment of the
13 general assembly; except that, if a referendum petition is filed pursuant
14 to section 1 (3) of article V of the state constitution against this act or an
15 item, section, or part of this act within such period, then the act, item,
16 section, or part will not take effect unless approved by the people at the
17 general election to be held in November 2024 and, in such case, will take
18 effect on the date of the official declaration of the vote thereon by the
19 governor.

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

25