

Affordable Housing 2019 Bill Concepts April 15, 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.

HB 19-1322: Expand Supply Affordable Housing

Reps. Roberts, Will & Sens. Moreno, Coram

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.

HB 19-1319: Flexible Funding Opportunities and Incentives for Developers

Reps. Bird, McKean & Sens. Winter, Hisey

Two policy changes to support private and nonprofit developers in initiating and sustaining affordable housing projects. Affordable housing developers are having difficulty obtaining financing from lenders because the claw back gives lenders too much discomfort. So, even though they are ready to build affordable units, developers cannot obtain the necessary financing to begin projects.

- *Require an inventory of Public Lands Suitable for Affordable Housing Development.*

- *Limit claw back of property tax exemption fund for affordable housing projects. This will alleviate lenders' concerns which hinder development of sorely needed affordable and attainable housing.*

HB 19-1228:Expansion of the State Low-Income Housing Tax Credit (LIHTC)

Reps. Bird, Titone & Sens. Zenzinger, Tate

- *Raise the cap of total allowed state tax credits for the program from the current \$5 million to \$10 million.*
- *The tax credit raises private sector equity needed to support the development and preservation of affordable housing.*

HB 19-1075:Tax Credit Employer-Assisted Housing Pilot Program

Reps. Jim Wilson & Shannon Bird

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

SEEKING ADMINSTRATIVE ACTION

Stakeholders request that Governor Polis work with the group to identify long-term solutions to the state's housing crisis the group has recommended this be accomplished through creation of a **Strategic Planning Group on Affordable Workforce Housing Solutions**

- *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.*

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