

Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

**PREAMENDED**

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

LLS NO. 22-0811.01 Bob Lackner x4350

**HOUSE BILL 22-1304**

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**HOUSE SPONSORSHIP**

**Roberts and Bradfield**, Jodeh, Woodrow

**SENATE SPONSORSHIP**

**Coleman and Gonzales**,

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**House Committees**

Transportation & Local Government  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING STATE GRANTS FOR INVESTMENTS IN AFFORDABLE**  
102            **HOUSING AT THE LOCAL LEVEL, AND, IN CONNECTION**  
103            **THEREWITH, CREATING THE LOCAL INVESTMENTS IN**  
104            **TRANSFORMATIONAL AFFORDABLE HOUSING GRANT PROGRAM**  
105            **AND THE INFRASTRUCTURE AND STRONG COMMUNITIES GRANT**  
106            **PROGRAM TO INVEST IN INFILL INFRASTRUCTURE PROJECTS**  
107            **THAT SUPPORT AFFORDABLE HOUSING.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)*

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

The bill creates 2 state grant programs:

- The local investments in transformational affordable housing grant program (affordable housing grant program), administered by the division of housing (DOH) in the department of local affairs (department); and
- The infrastructure and strong communities grant program (strong communities grant program), administered by the division of local government (DLG) in the department.

The affordable housing grant program provides grants to local governments and nonprofit organizations to enable such entities to make investments in their communities or regions of the state in transformational affordable housing and housing related matters. The strong communities grant program provides grants to eligible local governments to enable local governments to invest in infill infrastructure projects that support affordable housing.

The strong communities grant program portion of the bill requires a multi-agency group, comprised of DLG, the state energy office, and the department of transportation, with the assistance of stakeholders, to develop a list of sustainable land use best practices that will accomplish the goals of the grant program and improve a local government's viability in being considered for a grant award.

The bill requires both DOH and DLG to develop policies, procedures, and guidelines governing the administration of the respective grant programs. The bill specifies how grant funding is to be prioritized and eligible uses of grant money awarded under the grant programs.

The bill creates 2 funds in the state treasury: The local investments in transformational affordable housing fund and the infrastructure and strong communities grant program fund. The bill specifies requirements pertaining to the administration of these funds.

Both funds are initially supported with a transfer of a specified amount of money from different funds.

Both grant programs are subject to reporting requirements specified in the bill, and both grant programs are repealed by a date specified in the bill.

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

2 **SECTION 1. Legislative declaration - intent - definitions.**

3 (1) The general assembly hereby finds, determines, and declares that:

4 (a) Though it has been exacerbated by the COVID-19 pandemic,  
5 the housing crisis that Colorado faces is not new. For decades, the lack of

1 affordable housing has upended the lives of thousands who face  
2 homelessness in the Denver metropolitan area and across the state,  
3 shuttered Colorado businesses, hindered working-class employment  
4 because of a lack of workforce housing, and exacerbated inequities for  
5 communities of color.

6 (b) Currently, Colorado has a shortage of nearly 121,000  
7 affordable rental units, and the Colorado housing and finance authority  
8 reports that nearly half of all Colorado renters are considered cost  
9 burdened, with an additional 24% being severely cost burdened. The  
10 average home price in the state increased 130% from 2011 to 2021.  
11 Statewide, the median price increased an additional 7% from January to  
12 February 2022 and the median price is now \$555,540, a 90% increase  
13 over March 2021. The town home and condominium market also reached  
14 a new pricing level in February 2022 and now stands at \$402,390, which  
15 is an increase of 17% from February 2021. Six out of ten Colorado  
16 households are unable to afford the average priced home. As used in this  
17 section, "cost-burdened" means that more than 30% percent of a  
18 household's monthly income is expended on housing and "severely  
19 cost-burdened means" that more than 50% of a household's monthly  
20 income is expended on housing.

21 (c) On March 11, 2021, the federal government enacted the  
22 "American Rescue Plan Act of 2021", Pub.L. 117-2, referred to in this  
23 section as "ARPA", pursuant to which Colorado has received  
24 \$3,828,761,790 from the federal coronavirus state fiscal recovery fund,  
25 referred to in this section as the "SFRF", to be used for certain specified  
26 purposes;

27 (d) These specified purposes include providing programs,

1 services, or other assistance for populations disproportionately impacted  
2 by the COVID-19 pandemic;

3 (e) More specifically, federal regulations and guidance construing  
4 dictating allocation of the SFRF promulgated by the United States  
5 treasury identify a nonexclusive list of uses that address the  
6 disproportionate negative economic effects of the COVID-19 pandemic,  
7 including building stronger communities through investments in housing  
8 and neighborhoods. Services in this category alleviate the immediate  
9 economic impact of the COVID-19 pandemic on housing insecurity while  
10 addressing conditions that contributed to poor public health and economic  
11 outcomes during the pandemic, namely concentrated areas with limited  
12 economic opportunity and inadequate or poor quality housing.

13 (f) Under these regulations, SFRF money may be used for  
14 programs or services that address housing insecurity, lack of affordable  
15 and workforce housing, or homelessness, including:

16 (I) Supportive housing or other programs or services to improve  
17 access to stable, affordable housing among unhoused individuals;

18 (II) The development of affordable housing to increase the supply  
19 of affordable housing units that are livable, vibrant, and driven by  
20 community benefits; and

21 (III) Housing vouchers and assistance to allow individuals to  
22 relocate in neighborhoods with high levels of economic opportunity and  
23 to reduce concentrated areas of low economic opportunity;

24 (g) In House Bill 21-1329, enacted in 2021, the general assembly  
25 created the affordable housing task force, referred to in this section as the  
26 "task force", to develop recommendations to take advantage of this  
27 once-in-a-lifetime spending opportunity presented by ARPA to bring

1 transformative policies to Colorado's housing sector that will provide  
2 immediate, sweeping, and long-lasting change. ARPA provided the  
3 impetus to bring together the legislative and executive branches of state  
4 government, as well as a diverse group of stakeholders made up of  
5 affordable housing practitioners and experts, to tackle the affordable  
6 housing crisis and determine which investments would make the biggest  
7 impact. The 16-member task force was made up of a bipartisan group of  
8 ten members of the general assembly and six agency directors. A  
9 15-member subpanel of diverse affordable housing experts was also  
10 appointed to advise the task force. The task force and subpanel undertook  
11 a deliberative, iterative, and transparent process. Ultimately, the task force  
12 came to near unanimous consensus on its funding recommendations and  
13 allocations, as well as broad agreement on several policy concepts.

14 (h) The recommendations of the task force are intended to take  
15 advantage of this once-in-a-lifetime funding opportunity, specifically, a  
16 one-time investment of \$400 million, to institute transformational housing  
17 policies and programs that will allow the state to better meet the challenge  
18 of providing affordable housing, from addressing homelessness to  
19 supporting housing for Colorado's workforce; and

20 (i) The recommendations made by the task force will not solve  
21 Colorado's affordable housing crisis completely but will be a  
22 transformational step forward in achieving that objective. Once  
23 implemented at the local level across the state, these policies will make  
24 significant strides in increasing access to flexible capital sources,  
25 fostering innovation, strengthening the social safety net, enhancing  
26 market stability, and ultimately promoting more broad and equitable  
27 ownership and rental housing for Coloradans in every corner of the state.

1 These investments will result in more affordable housing being built  
2 across the state and will help to maintain existing housing stock that is at  
3 risk of becoming unsafe or unaffordable. The recommendations will help  
4 reduce disparities and address homelessness and will assist many  
5 Coloradans in purchasing homes that were previously out of financial  
6 reach, which will help build intergenerational wealth across the state.

7 (2) The general assembly further finds, determines, and declares  
8 that the programs and services funded by the transfers in this act are  
9 appropriate uses of the money transferred to Colorado under the SFRF  
10 and subsequently transferred into the affordable housing and home  
11 ownership cash fund created in section 24-75-229 (3)(a), C.R.S. This  
12 money will be put to expeditious and efficient use in building stronger  
13 communities across the state by making grants to community partners and  
14 local governments across the state to assist these entities in making  
15 investments in housing for populations, households, or geographic areas  
16 disproportionately affected by the COVID-19 pandemic.

17 (3) By this act, the general assembly is focusing a portion of the  
18 SFRF money that it has received from the federal government to begin to  
19 ameliorate the affordable housing crisis in Colorado by creating and  
20 administering a program to provide direct, flexible, and timely grant  
21 funding to community-based nonprofit organizations and local  
22 governments that have or are pursuing measures to facilitate affordable  
23 housing development or the purchase of land or buildings for and the  
24 development of supportive, rental, transitional, and for-sale housing  
25 targeted at populations and communities disproportionately impacted by  
26 the COVID-19 pandemic.

27 (4) The general assembly intends that the grants made under this

1 act will be made to community-based and nonprofit organizations for  
2 housing navigation and rehousing support, timely deployment of  
3 assistance, and technical and legal assistance. The general assembly  
4 intends that funds should be made available to local and regional groups  
5 and governments to be used for a variety of needs as specified in this act.

6 (5) The general assembly additionally intends that the grant  
7 program ensure flexibility of funding that will allow for operating grants  
8 to be made to community-based nonprofit organizations and qualified  
9 local governments, particularly in small, rural, and mountain resort  
10 communities that can best meet their own development needs.

11 (6) The potential uses of SFRF money directed by this act are in  
12 alignment with the priority articulated by the governor and legislators  
13 representing both major political parties of investing in strong  
14 communities. Such potential uses include funding for local infill  
15 infrastructure needs to help support and catalyze affordable housing  
16 development and further Colorado's sustainable development patterns,  
17 provide community benefits, ensure multimodal connectivity, reduce  
18 greenhouse gas emissions, strengthen social and environmental equity,  
19 and improve quality of life and community resilience.

20 (7) The general assembly further intends that the structure of  
21 funding criteria for the grant program created by this act encourage the  
22 use of public policies that allow for the development of affordable  
23 housing on a local basis congruent with local needs and conditions. To  
24 achieve the greatest transformation possible, funding criteria should also  
25 aim to support and promote the leveraging of local funding resources.  
26 When appropriate, such funds should be aligned with loan funds from  
27 other public and private sources and priority should be given to projects

1 that significantly leverage other funding sources. As part of the assistance  
2 provided by this act, the general assembly intends that additional funds be  
3 directed to eviction legal defense, given the ongoing challenges of  
4 evictions caused by the COVID-19 pandemic.

5 (8) The general assembly further declares that the programs and  
6 services described in this act are important government services.

7 **SECTION 2.** In Colorado Revised Statutes, **add** 24-32-726 as  
8 follows:

9 **24-32-726. Transformational affordable housing through local**  
10 **investments - grant program - investments eligible for funding -**  
11 **report - definitions - repeal. (1) Definitions.** AS USED IN THIS SECTION,  
12 UNLESS THE CONTEXT OTHERWISE REQUIRES:

13 **(a)** "COMMUNITY PARTNER" MEANS A NONPROFIT ORGANIZATION  
14 THAT UNDERTAKES ANY OF THE ACTIVITIES OR SERVICES DESCRIBED IN  
15 SUBSECTION (2)(b) OF THIS SECTION.

16 **(b)** "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

17 **(c)** "ELIGIBLE RECIPIENT" MEANS A LOCAL GOVERNMENT OR A  
18 COMMUNITY PARTNER THAT APPLIES FOR A GRANT THROUGH THE GRANT  
19 PROGRAM.

20 **(d)** "FUND" MEANS THE LOCAL INVESTMENTS IN  
21 TRANSFORMATIONAL AFFORDABLE HOUSING FUND CREATED IN  
22 SUBSECTION (4)(a) OF THIS SECTION.

23 **(e)** "GRANT PROGRAM" MEANS THE LOCAL INVESTMENTS IN  
24 TRANSFORMATIONAL AFFORDABLE HOUSING GRANT PROGRAM CREATED  
25 IN SUBSECTION (2)(a) OF THIS SECTION.

26 **(f)** "LOCAL GOVERNMENT" MEANS A COUNTY, MUNICIPALITY, CITY  
27



1 AND COUNTY, TRIBAL GOVERNMENT, SPECIAL DISTRICT ORGANIZED UNDER  
2 TITLE 32, SCHOOL DISTRICT, DISTRICT, HOUSING AUTHORITY, COUNCIL OF  
3 GOVERNMENTS, A REGIONAL PLANNING COMMISSION ORGANIZED UNDER  
4 TITLE 30, OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE.

5 (g) "MATCH" MEANS MONETARY AND NONMONETARY  
6 CONTRIBUTIONS TO A PROJECT.

7

8 (2) **Creation of the grant program - projects or programs**

9 **eligible for funding.** (a) THERE IS CREATED IN THE DIVISION THE LOCAL  
10 INVESTMENTS IN TRANSFORMATIONAL AFFORDABLE HOUSING GRANT  
11 PROGRAM TO PROVIDE GRANTS TO ELIGIBLE RECIPIENTS TO ENABLE SUCH  
12 ENTITIES TO MAKE INVESTMENTS IN THEIR COMMUNITIES OR REGIONS OF  
13 THE STATE IN TRANSFORMATIONAL AFFORDABLE HOUSING AND HOUSING  
14 RELATED MATTERS IN ACCORDANCE WITH THE REQUIREMENTS OF THIS  
15 SECTION. THE DIVISION SHALL ADMINISTER THE GRANT PROGRAM.

16 (b) THE DIVISION MAY AWARD GRANTS UNDER THE GRANT  
17 PROGRAM TO SUPPORT INVESTMENTS BY ELIGIBLE RECIPIENTS IN PROJECTS  
18 OR PROGRAMS THAT:

19 (I) DEVELOP AND INTEGRATE INFRASTRUCTURE TIED TO AN  
20 AFFORDABLE HOUSING DEVELOPMENT, INCLUDING FUNDING FOR CAPITAL  
21 CONSTRUCTION AND THE COST OF INFRASTRUCTURE DESIGN;

22 (II) PROVIDE GAP FINANCING FOR HOUSING DEVELOPMENT  
23 PROJECTS INCLUDING BUT NOT LIMITED TO TRANSACTIONS UNDER THE  
24 FEDERAL LOW-INCOME HOUSING TAX CREDIT AND THE AFFORDABLE  
25 HOUSING TAX CREDIT CREATED IN SECTION 39-22-2102 (1) AND FOR THE  
26 PURCHASE OR CONVERSION OF EXISTING AFFORDABLE HOUSING AND  
27 MULTI-FAMILY DEVELOPMENTS, LAND, AND BUILDINGS, PARTICULARLY IN

1 COMMUNITIES WHERE EFFORTS HAVE BEEN MADE TO ENCOURAGE  
2 AFFORDABLE HOUSING DEVELOPMENT OR IN COMMUNITIES IN WHICH LOW  
3 CONCENTRATIONS OF AFFORDABLE HOUSING EXIST;

4 (III) INCREASE NEW AFFORDABLE FOR-SALE HOUSING STOCK BY  
5 PROVIDING FUNDING TO ASSIST WITH THE COSTS OF CONSTRUCTION,  
6 INCLUDING BUT NOT LIMITED TO CONSTRUCTION COSTS, LAND  
7 ACQUISITION COSTS, TAP FEES, BUILDING PERMITS, AND IMPACT FEES;

8 (IV) MAINTAIN EXISTING AFFORDABLE HOUSING THROUGH  
9 FUNDING FOR PRESERVATION, RESTORATION THROUGH REHABILITATION,  
10 RETROFITTING, RENOVATION, CAPITAL IMPROVEMENTS, THE REPAIR OF  
11 CURRENT AFFORDABLE HOUSING STOCK, INCLUDING HOUSING MADE  
12 AVAILABLE UNDER 42 U.S.C. SEC. 1437f, AND PUBLIC HOUSING FOR  
13 POPULATIONS AND HOUSEHOLDS DISPROPORTIONATELY IMPACTED BY THE  
14 COVID-19 PANDEMIC WITH COMMITMENTS FOR LONG-TERM  
15 AFFORDABILITY. THESE INVESTMENTS MAY INCLUDE BUT ARE NOT LIMITED  
16 TO:

- 17 (A) SENIOR HOUSING;
- 18 (B) REMEDIATION OF LOW-QUALITY AND CONDEMNED PROPERTIES;
- 19 (C) HOUSING UNITS THAT ARE INTEGRATED INTO NONSEGREGATED  
20 HOUSING UNITS THAT ARE SPECIFICALLY DESIGNED FOR PEOPLE LIVING  
21 WITH DISABILITIES;

22 (D) THE PURCHASE AND TRANSITION OF CURRENT HOUSING STOCK,  
23 INCLUDING PROPERTIES CURRENTLY IN USE ON A SHORT-TERM RENTAL  
24 BASIS, INTO AFFORDABLE HOUSING ON A LONG-TERM BASIS; AND

25 (E) THE PROVISION OF TIME-LIMITED RENTAL ASSISTANCE FOR  
26 HOUSEHOLDS DISPROPORTIONATELY IMPACTED BY THE COVID-19  
27 PANDEMIC AND AT-RISK OF LOSING THEIR HOME OR IN NEED OF RAPID

1 RE-HOUSING, INCLUDING FUNDING FOR OUTREACH, HOUSING NAVIGATION  
2 ASSISTANCE, AND LEGAL SERVICES.

3 (V) FINANCE ENERGY IMPROVEMENTS IN SINGLE-FAMILY AND  
4 MULTI-FAMILY AFFORDABLE HOUSING THAT WILL PROVIDE FUNDING FOR  
5 INCREMENTAL, UP-FRONT COSTS FOR EFFICIENT, ELECTRIC MEASURES AND  
6 RENEWABLE ENERGY SYSTEMS FOR BOTH EXISTING HOMES AND RENTAL  
7 UNITS AND NEW HOUSING CONSTRUCTION.

8 (VI) PROVIDE OR MAINTAIN PROPERTY CONVERSION FOR  
9 TRANSITIONAL OR LONG-TERM HOUSING;

10 (VII) PROVIDE OR MAINTAIN PERMANENT SUPPORTIVE HOUSING  
11 AND SUPPORTIVE SERVICES;

12 (VIII) PROVIDE OR MAINTAIN LAND BANKING AND LAND TRUST  
13 STRATEGIES FOR LONG-TERM AFFORDABLE HOUSING PLANNING AND  
14 DEVELOPMENT; AND

15 (IX) PROVIDE OR MAINTAIN FUNDING FOR EVICTION LEGAL  
16 DEFENSE.

17 (3) **Policies, procedures, and guidelines.** (a) ON OR BEFORE  
18 SEPTEMBER 1, 2022, THE DIVISION SHALL ADOPT POLICIES, PROCEDURES,  
19 AND GUIDELINES FOR THE GRANT PROGRAM THAT INCLUDE, WITHOUT  
20 LIMITATION:

21 (I) THE PROCESS BY WHICH A LOCAL GOVERNMENT OR COMMUNITY  
22 PARTNER APPLIES FOR A GRANT AWARD AND THE CRITERIA USED TO  
23 DETERMINE ELIGIBILITY FOR A GRANT AWARD;

24 (II) PROCEDURES AND TIME LINES BY WHICH AN ELIGIBLE  
25 RECIPIENT MAY APPLY FOR A GRANT;

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

27 (IV) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS; AND

1 (V) REQUIREMENTS FOR GRANT RECIPIENTS TO OFFER A MATCH IN  
2 RESOURCES.

3 (b) IN AWARDING GRANTS, THE DIVISION SHALL PRIORITIZE  
4 PROJECTS OR PROGRAMS THAT, TO THE GREATEST EXTENT PRACTICABLE,  
5 PROMOTE ONE OR MORE OF THE FOLLOWING GOALS AND OBJECTIVES:

6 (I) INCREASE THE SUPPLY OF HOUSING IN URBAN, RURAL, AND  
7 RURAL RESORT COMMUNITIES ACROSS THE STATE THAT IS PROPORTIONAL  
8 TO EACH COMMUNITY'S DEMONSTRATED NEED THROUGH:

9 (A) A PREFERENCE FOR MIXED-INCOME PROJECTS IN WHICH A  
10 PERCENTAGE OF UNITS, PROPORTIONAL TO THE DEMONSTRATED HOUSING  
11 NEEDS OF THE LOCAL COMMUNITY, WITHIN A PARTICULAR DEVELOPMENT  
12 HAVE RESTRICTED AVAILABILITY TO HOUSEHOLDS AT AND BELOW THE  
13 INCOME LEVELS SPECIFIED IN SUBSECTION (3)(c) OF THIS SECTION. THE  
14 PERCENTAGE OF RESTRICTED UNITS AND AFFORDABILITY LEVELS MUST  
15 COMPLY WITH LAWS ENACTED BY LOCAL GOVERNMENTS PROMOTING THE  
16 DEVELOPMENT OF NEW AFFORDABLE HOUSING UNITS PURSUANT TO  
17 SECTION 29-20-104 (1);

18 (B) DEVELOPMENTS IN WHICH HOUSING UNITS ARE RESTRICTED AT  
19 INCOME LEVELS DEMONSTRATED BY LOCAL COMMUNITY NEEDS AS  
20 SPECIFIED IN SUBSECTION (3)(c)(I) OF THIS SECTION;

21 (C) TRANSIT ORIENTED DEVELOPMENT;

22 (D) THE INCLUSION OF HOUSING UNITS THAT ARE RESTRICTED FOR  
23 RENTAL USAGE TO PERSONS WITH DISABILITIES OR THAT INCLUDE  
24 UNIVERSAL DESIGN FEATURES THAT ALLOW INDIVIDUALS TO CONTINUE TO  
25 RESIDE IN THEIR DWELLING UNITS AS THEY AGE; OR

26 (E) HOUSING THAT IS RESTRICTED TO THE VICTIMS OF DOMESTIC  
27 VIOLENCE OR SEXUAL ASSAULT;

1 (II) LEVERAGE CAPITAL AND OPERATING SUBSIDIES FROM VARIOUS  
2 PUBLIC AND PRIVATE SOURCES;

3 (III) CREATE OPPORTUNITIES TO BUILD INTERGENERATIONAL  
4 WEALTH FOR FAMILIES;

5 (IV) PROMOTE THE LONG-TERM AFFORDABILITY OF ANY  
6 DEVELOPMENTS OR PROJECTS THAT ARE FUNDED BY THE GRANT PROGRAM;

7 (V) INVOLVE THE PURCHASE OF REAL PROPERTY NECESSARY TO  
8 SECURE LAND AREAS NEEDED FOR FUTURE DEVELOPMENT; OR

9 (VI) REPRESENT A ONE-TIME FUNDING PROPOSAL TO THE STATE  
10 WITH MINIMAL OR NO MULTI-YEAR FINANCIAL OBLIGATIONS AND  
11 CONTRIBUTE TO THE OVERALL WELL-BEING AND PROFESSIONAL AND  
12 RECREATIONAL NEEDS OF THE LOCAL WORKFORCE AND POPULATION.

13 (c) THE RENTAL AND HOME OWNERSHIP TARGETS APPLICABLE TO  
14 LOCAL COMMUNITIES ACROSS THE STATE AS REQUIRED BY SUBSECTION  
15 (3)(b)(I) OF THIS SECTION ARE SPECIFIED IN SUBSECTION (3)(c)(I) OF THIS  
16 SECTION IN ACCORDANCE WITH THE FOLLOWING:

17 (I) (A) FOR RENTAL HOUSING IN URBAN COUNTIES, HOUSING MUST  
18 BE TARGETED TO HOUSEHOLDS WITH AN ANNUAL INCOME THAT IS AT OR  
19 BELOW EIGHTY PERCENT OF THE AREA MEDIAN INCOME OF HOUSEHOLDS  
20 OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS LOCATED.

21 (B) FOR RENTAL HOUSING IN RURAL COUNTIES, HOUSING MUST BE  
22 TARGETED TO HOUSEHOLDS WITH AN ANNUAL INCOME THAT IS AT OR  
23 BELOW ONE HUNDRED FORTY PERCENT OF THE AREA MEDIAN INCOME OF  
24 HOUSEHOLDS OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS  
25 LOCATED.

26 (C) FOR RENTAL HOUSING IN RURAL RESORT COUNTIES, HOUSING  
27 MUST BE TARGETED TO HOUSEHOLDS WITH AN ANNUAL INCOME THAT IS AT

1 OR BELOW ONE HUNDRED SEVENTY PERCENT OF THE AREA MEDIAN INCOME  
2 OF HOUSEHOLDS OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS  
3 LOCATED.

4 (D) FOR HOME OWNERSHIP HOUSING IN ANY AREA OF THE STATE,  
5 HOUSING MUST BE TARGETED TO HOUSEHOLDS WITH AN ANNUAL INCOME  
6 THAT IS AT OR BELOW ONE HUNDRED FORTY PERCENT OF THE AREA  
7 MEDIAN INCOME OF HOUSEHOLDS OF THAT SIZE IN THE COUNTY IN WHICH  
8 THE HOUSING IS LOCATED.

9 (II) NOT LATER THAN SEPTEMBER 1, 2022, THE DIVISION SHALL  
10 CLASSIFY EACH COUNTY IN THE STATE AS "URBAN", "RURAL", OR "RURAL  
11 RESORT" BASED UPON DEFINITIONS OF THE TERMS AS SPECIFIED IN THE  
12 FINAL REPORT OF THE COLORADO STRATEGIC HOUSING WORKING GROUP  
13 FINAL REPORT DATED JULY 6, 2021. THE DIVISION SHALL REGULARLY  
14 UPDATE AND PUBLISH MODIFICATION OF THE INITIAL CLASSIFICATION OF  
15 A PARTICULAR COUNTY AS IT RECEIVES INFORMATION DOCUMENTING  
16 CHANGES IN LOCAL ECONOMIC CIRCUMSTANCES AND HOUSING COST  
17 FACTORS MATERIALLY AFFECTING SUCH CLASSIFICATIONS.

18 (III) NOTWITHSTANDING SUBSECTION (3)(c)(I) OF THIS SECTION,  
19 ANY COUNTY MAY REQUEST FROM THE DIVISION:

20 (A) A DETERMINATION THAT A DIFFERENT INCOME RESTRICTION  
21 SHOULD APPLY TO THAT COUNTY FROM THE ONE MADE APPLICABLE TO THE  
22 COUNTY IN ACCORDANCE WITH SUBSECTION (3)(c)(I) OF THIS SECTION  
23 BASED UPON THE UNIQUE ECONOMIC AND HOUSING COST FACTORS  
24 PRESENT IN THE COUNTY. NOT LATER THAN SEPTEMBER 1, 2022, THE  
25 DIVISION SHALL PUBLISH ANY SUCH MODIFIED INCOME RESTRICTIONS AND  
26 THE BASIS FOR ANY MODIFICATION APPROVED.

27 (B) AT ANY TIME, A RECLASSIFICATION OF THE COUNTY FROM THE

1 CATEGORY IN WHICH THE COUNTY IS INITIALLY CLASSIFIED PURSUANT TO  
2 SUBSECTION (3)(c)(II) BASED UPON THE UNIQUE ECONOMIC AND HOUSING  
3 COST FACTORS PRESENT IN THE COUNTY.

4 (d) THE DIVISION SHALL EITHER CREATE OR UTILIZE AN EXISTING  
5 PROCESS THAT ENSURES THAT GRANTS ARE ONLY CONSIDERED AND  
6 AWARDED AFTER A FAIR AND RIGOROUS OPEN COMPETITION AMONG  
7 ELIGIBLE GRANT RECIPIENTS.

8 (e) IN DETERMINING GRANT AMOUNTS, THE DIVISION SHALL SEEK  
9 TO INCREASE INVESTMENTS IN FOR-SALE HOUSING STOCK. THE OBJECTIVE  
10 DESCRIBED IN THIS SUBSECTION (3)(e) MAY BE ACHIEVED BY PROVIDING  
11 GRANTS UNDER THE GRANT PROGRAM THAT ARE LAYERED WITH AWARDS  
12 UNDER EXISTING STATE GRANT PROGRAMS TO INCREASE SUBSIDIES ON A  
13 PER-UNIT BASIS.

14 (f) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION:

15 (I) THROUGH DECEMBER 31, 2023, THE DIVISION SHALL MAKE  
16 NOT MORE THAN FIFTY PERCENT OF THE MONEY AVAILABLE UNDER THE  
17 GRANT PROGRAM FOR GRANT APPLICATIONS, DEVELOPMENTS, OR  
18 PROGRAMS THAT ARE PROPOSED FOR RURAL OR RURAL RESORT COUNTIES  
19 ACROSS THE STATE AND SHALL MAKE NOT MORE THAN FIFTY PERCENT OF  
20 THE FUNDS AVAILABLE UNDER THE GRANT PROGRAM FOR GRANT  
21 APPLICATIONS, DEVELOPMENTS, OR PROGRAMS THAT ARE PROPOSED FOR  
22 URBAN COUNTIES ACROSS THE STATE.

23 (II) AFTER DECEMBER 31, 2023, ALL UNENCUMBERED MONEY  
24 AVAILABLE UNDER THE GRANT PROGRAM MAY BE EXPENDED IN  
25 ACCORDANCE WITH THIS SECTION IN ANY AREA OF THE STATE WITHOUT  
26 REGARD TO THE RESTRICTIONS SPECIFIED IN THIS SUBSECTION (3)(e).

27 (III) NOT LATER THAN JULY 15, 2023, THE DIVISION SHALL SUBMIT

1 A REPORT TO THE GENERAL ASSEMBLY SPECIFYING THE STATE OF  
2 ENCUMBERED MONEY UNDER THE GRANT PROGRAM AS OF JUNE 30, 2023,  
3 AND A LIST OF PROJECTS THAT HAVE BEEN APPROVED BUT THAT ARE  
4 AWAITING FUNDING AS OF JUNE 30, 2023.

5 (g) IN LIGHT OF DIFFERING NEEDS FOR PER HOUSING UNIT  
6 SUBSIDIES ACROSS DIFFERENT AREAS OF THE STATE, THE DIVISION MAY  
7 WAIVE PER UNIT SUBSIDY AMOUNTS THAT HAVE BEEN INITIALLY SET FOR  
8 PARTICULAR PROJECTS OR PROGRAMS TO ADJUST FOR MARKET FACTORS IF  
9 THE PURPOSE OF THE PROJECT HAS BEEN ACCOMPLISHED OR TO SATISFY  
10 THE INTENT OF THE GRANT AWARD.

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

16 (4) **Fund.** (a) THE LOCAL INVESTMENTS IN TRANSFORMATIONAL  
17 AFFORDABLE HOUSING FUND IS CREATED IN THE STATE TREASURY. THE  
18 FUND CONSISTS OF MONEY TRANSFERRED TO THE FUND PURSUANT TO  
19 SUBSECTION (4)(c) OF THIS SECTION; MONEY APPROPRIATED TO THE FUND  
20 BY THE GENERAL ASSEMBLY; AND ANY GIFTS, GRANTS, OR DONATIONS  
21 FROM ANY PUBLIC OR PRIVATE SOURCES, INCLUDING GOVERNMENTAL  
22 ENTITIES, THAT THE DIVISION IS AUTHORIZED TO SEEK AND ACCEPT.

23 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
24 INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEY IN THE  
25 FUND TO THE FUND. EXCEPT AS OTHERWISE REQUIRED BY THIS  
26 SUBSECTION (4)(b), ALL MONEY NOT EXPENDED OR ENCUMBERED, AND  
27 ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY IN THE



1 FUND, MUST REMAIN IN THE FUND AND SHALL NOT REVERT TO THE  
2 GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR.  
3 THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
4 DIVISION FOR THE PURPOSES OF THIS SECTION. ANY MONEY IN THE FUND  
5 THAT IS NOT EXPENDED OR ENCUMBERED BY DECEMBER 31, 2024,  
6 REVERTS TO THE GENERAL FUND. ANY MONEY TRANSFERRED INTO THE  
7 FUND IN ACCORDANCE WITH THIS SUBSECTION (4) THAT IS NOT EXPENDED  
8 OR ENCUMBERED FROM ANY APPROPRIATION AT THE END OF ANY FISCAL  
9 YEAR IS AVAILABLE FOR EXPENDITURE BY JULY 1, 2024, WITHOUT  
10 FURTHER APPROPRIATION.

11 (c) ON THE EFFECTIVE DATE OF THIS SECTION, OR AS SOON AS  
12 PRACTICABLE THEREAFTER, THE STATE TREASURER SHALL TRANSFER ONE  
13 HUNDRED FIFTY MILLION DOLLARS FROM THE AFFORDABLE HOUSING AND  
14 HOME OWNERSHIP CASH FUND CREATED IN SECTION 24-75-229 (3)(a) THAT  
15 ORIGINATES FROM MONEY THE STATE RECEIVED FROM THE FEDERAL  
16 CORONAVIRUS STATE FISCAL RECOVERY FUND TO THE FUND. THE MONEY  
17 TRANSFERRED PURSUANT TO THIS SUBSECTION (4) MUST ONLY BE USED  
18 FOR:

19 (I) MAKING GRANTS TO ELIGIBLE RECIPIENTS PURSUANT TO THE  
20 GRANT PROGRAM; AND

21 (II) THE COSTS OF ADMINISTERING THE GRANT PROGRAM AS MAY  
22 BE INCURRED BY THE DIVISION. THE DEPARTMENT MAY EXPEND UP TO FIVE  
23 PERCENT OF THE MONEY APPROPRIATED OR TRANSFERRED TO THE FUND TO  
24 PAY FOR ITS DIRECT AND INDIRECT COSTS IN ADMINISTERING THE GRANT  
25 PROGRAM. ALL SUCH ADMINISTRATIVE COSTS MUST BE PAID OUT OF THE  
26 MONEY TRANSFERRED TO THE FUND PURSUANT TO THIS SUBSECTION (4)(c).

27 (5) **Reporting.** (a) IN CONNECTION WITH THE PUBLIC REPORT THE

1 DIVISION PREPARED IN ACCORDANCE WITH SECTION 24-32-705.5 (1), FOR  
2 THE REPORT PREPARED IN 2023 AND 2024, THE DIVISION SHALL INCLUDE  
3 IN THE REPORT INFORMATION SUMMARIZING THE USE OF ALL OF THE  
4 MONEY THAT WAS AWARDED AS GRANTS FROM THE GRANT PROGRAM IN  
5 THE PRECEDING STATE FISCAL YEAR. AT A MINIMUM, THE INFORMATION  
6 INCLUDED IN THE REPORT PERTAINING TO THE GRANT PROGRAM MUST  
7 SPECIFY THE NUMBER OF LOCAL GOVERNMENTS OR COMMUNITY PARTNERS  
8 THAT APPLIED FOR A GRANT AWARD, INCLUDING THE NUMBER OF LOCAL  
9 GOVERNMENTS OR COMMUNITY PARTNERS THAT WERE NOT AWARDED A  
10 GRANT; THE AMOUNT OF GRANT MONEY DISTRIBUTED TO EACH GRANT  
11 RECIPIENT; A DESCRIPTION OF EACH GRANT RECIPIENT'S USE OF THE GRANT  
12 MONEY; AND HOW THE USE OF THE GRANT AWARDED FURTHERED THE  
13 VISION OF TRANSFORMATIONAL AFFORDABLE HOUSING DESCRIBED IN THE  
14 FINAL REPORT OF THE TASK FORCE ESTABLISHED IN SECTION 24-75-229  
15 (6)(a). THE DIVISION SHALL ALSO INCLUDE IN THE REPORT ITS  
16 RECOMMENDATIONS CONCERNING FUTURE ADMINISTRATION OF THE  
17 GRANT PROGRAM.

18 (b) THE DIVISION AND ANY PERSON THAT RECEIVES MONEY FROM  
19 THE DIVISION PURSUANT TO THE GRANT PROGRAM SHALL COMPLY WITH  
20 THE COMPLIANCE, REPORTING, RECORD-KEEPING, AND PROGRAM  
21 EVALUATION REQUIREMENTS ESTABLISHED BY THE OFFICE OF STATE  
22 PLANNING AND BUDGETING AND THE STATE CONTROLLER IN ACCORDANCE  
23 WITH SECTION 24-75-226 (5).

24 (6) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31,  
25 2026.

26 **SECTION 3.** In Colorado Revised Statutes, 24-32-705, **amend**  
27 (7) as follows:

1           **24-32-705. Functions of division.** (7) The division shall  
2 administer the:

3           (a) Affordable housing guided toolkit and local officials guide  
4 program in accordance with section 24-32-721.5; AND

5           (b) LOCAL INVESTMENTS IN THE TRANSFORMATIONAL AFFORDABLE  
6 HOUSING GRANT PROGRAM CREATED IN SECTION 24-32-726 (2)(a).

7           **SECTION 4.** In Colorado Revised Statutes, 24-32-705.5, **add**  
8 (3.5) as follows:

9           **24-32-705.5. Annual public report on funding of affordable**  
10 **housing preservation and production - definition.** (3.5) (a) FOR THE  
11 PUBLIC REPORT REQUIRED BY SUBSECTION (1) OF THIS SECTION THAT THE  
12 DIVISION IS REQUIRED TO PREPARE IN 2023 AND 2024, THE DIVISION SHALL  
13 INCLUDE IN THE REPORT FOR EACH YEAR THE INFORMATION REQUIRED TO  
14 BE INCLUDED IN THE REPORT IN ACCORDANCE WITH SECTION 23-32-726  
15 (5).

16           (b) THIS SUBSECTION (3.5) IS REPEALED, EFFECTIVE JULY 1, 2026.

17           **SECTION 5.** In Colorado Revised Statutes, **add** 24-32-132 as  
18 follows:

19           **24-32-132. Infrastructure and strong communities grant**  
20 **program - creation - fund - reporting - definitions - repeal.**

21 (1) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT  
22 OTHERWISE REQUIRES:

23           (a) "AFFORDABLE HOUSING" MEANS:

24           (I) FOR A HOUSEHOLD RESIDING IN HOUSING ON A RENTAL BASIS,  
25 ANNUAL INCOME OF THE HOUSEHOLD IS AT OR BELOW ONE HUNDRED  
26 FORTY PERCENT OF THE AREA MEDIAN INCOME OF HOUSEHOLDS OF THAT  
27 SIZE IN THE COUNTY IN WHICH THE HOUSING IS LOCATED; OR

1 (II) FOR A HOUSEHOLD RESIDING IN HOUSING ON A HOME  
2 OWNERSHIP BASIS, ANNUAL INCOME OF THE HOUSEHOLD AT OR BELOW ONE  
3 HUNDRED FORTY PERCENT OF THE AREA MEDIAN INCOME OF HOUSEHOLDS  
4 OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS LOCATED.

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

6 (c) "ELIGIBLE EXPENSES" INCLUDE PLANNING, ENGINEERING,  
7 INFRASTRUCTURE, AND LOCAL CAPACITY.

8 (d) "ELIGIBLE LOCAL GOVERNMENT" MEANS A MUNICIPALITY OR  
9 A COUNTY THAT HAS PARTNERED WITH A MUNICIPALITY.

10 (e) "FUND" MEANS THE INFRASTRUCTURE AND STRONG  
11 COMMUNITIES GRANT PROGRAM FUND CREATED IN SUBSECTION (5) OF THIS  
12 SECTION.

13 (f) "GRANT PROGRAM" MEANS THE INFRASTRUCTURE AND STRONG  
14 COMMUNITIES GRANT PROGRAM CREATED IN SUBSECTION (3)(a) OF THIS  
15 SECTION.

16 (g) "INFILL DEVELOPMENT" MEANS THE DEVELOPMENT OF UNUSED  
17 AND UNDERUTILIZED LAND WITHIN EXISTING DEVELOPMENT PATTERNS,  
18 TYPICALLY BUT NOT EXCLUSIVELY IN URBAN AREAS.

19 (h) "LOCAL GOVERNMENT" MEANS A COUNTY, MUNICIPALITY, OR  
20 A CITY AND COUNTY.

21 (i) "MULTI-AGENCY GROUP" MEANS THE DIVISION, THE COLORADO  
22 ENERGY OFFICE CREATED IN SECTION 24-38.5-101 (1), AND THE  
23 DEPARTMENT OF TRANSPORTATION CREATED IN SECTION 43-1-103 (1).

24 (j) "SUSTAINABLE DEVELOPMENT PATTERN" MEANS A  
25 DEVELOPMENT PATTERN THAT MAY BE EXTENDED IN A COST-EFFECTIVE  
26 WAY THAT MITIGATES HARM AND MINIMIZES THE NEED FOR ADDITIONAL  
27 RESOURCES TO MAINTAIN THE DEVELOPMENT OVER TIME.

1 (k) "TRANSIT-ORIENTED DEVELOPMENT" MEANS A DEVELOPMENT  
2 THAT IS WITHIN WALKING DISTANCE OF A TRANSIT OR OTHER ALTERNATIVE  
3 TRANSPORTATION FACILITY.

4 (2) **Multi-agency group - best practices.** (a) THE MULTI-AGENCY  
5 GROUP SHALL ENCOURAGE THE INVOLVEMENT OF LOCAL GOVERNMENTS  
6 ACROSS THE STATE IN THE GRANT PROGRAM. THE MULTI-AGENCY GROUP,  
7 WITH THE ASSISTANCE OF STAKEHOLDERS, SHALL DEVELOP A LIST OF  
8 SUSTAINABLE LAND USE BEST PRACTICES THAT WILL ACCOMPLISH THE  
9 GOALS OF THE GRANT PROGRAM AND IMPROVE A LOCAL GOVERNMENT'S  
10 VIABILITY IN BEING CONSIDERED FOR A GRANT AWARD.

11 (b) THE SUSTAINABLE LAND USE BEST PRACTICES REFERENCED IN  
12 SUBSECTION (2)(a) OF THIS SECTION WILL ADDRESS ONE OR MORE OF THE  
13 FOLLOWING, WITHOUT LIMITATION:

14 (I) ENABLING ACCESSORY DEVELOPMENT UNITS OR THE USE OF  
15 MULTIPLEXES BY RIGHT IN RESIDENTIAL ZONES;

16 (II) ZONING FOR MIXED-USE HIGHER DENSITY DEVELOPMENT IN  
17 DOWNTOWN AREAS OF MUNICIPALITIES AND AROUND TRANSIT STATIONS;

18 (III) ANNEXATION POLICIES;

19 (IV) INTERGOVERNMENTAL AGREEMENTS THAT COORDINATE  
20 FUTURE DEVELOPMENT;

21 (V) REDUCED PARKING REQUIREMENTS;

22 (VI) RELAXED OCCUPANCY RULES;

23 (VII) BUDGETING POLICIES;

24 (VIII) WATER RATE STRUCTURES;

25 (IX) ROAD STANDARDS;

26 (X) HAZARD RISK REDUCTION AND MITIGATION STANDARDS;

27 (XI) ENERGY EFFICIENT BUILDING CODES; AND

1 (XII) ZONING FOR INNOVATIVE HOUSING OPTIONS, INCLUDING BUT  
2 NOT LIMITED TO MODULAR, MANUFACTURED, AND PREFABRICATED HOMES.

3 (c) THE MULTI-AGENCY GROUP SHALL DISTRIBUTE THE  
4 SUSTAINABLE LAND USE PRACTICES DEVELOPED PURSUANT TO SUBSECTION  
5 (2)(b) OF THIS SECTION TO LOCAL GOVERNMENTS SO THAT LOCAL  
6 GOVERNMENTS MAY ANALYZE WHICH, IF ANY, OF THESE PRACTICES MIGHT  
7 HAVE A POSITIVE IMPACT IN THEIR COMMUNITIES, AND THEN DETERMINE  
8 HOW TO CUSTOMIZE THESE BEST PRACTICES AND ADOPT THEM IN THEIR  
9 COMMUNITIES AS APPROPRIATE.

10 (3) **Grant program - criteria for awarding grants.** (a) THE  
11 INFRASTRUCTURE AND STRONG COMMUNITIES GRANT PROGRAM IS HEREBY  
12 CREATED WITHIN THE DIVISION TO PROVIDE GRANTS TO ELIGIBLE LOCAL  
13 GOVERNMENTS TO ENABLE LOCAL GOVERNMENTS TO INVEST IN INFILL  
14 INFRASTRUCTURE PROJECTS THAT SUPPORT AFFORDABLE HOUSING.

15 (b) THE DIVISION SHALL ADMINISTER THE GRANT PROGRAM, IN  
16 CONSULTATION WITH THE COLORADO ENERGY OFFICE, CREATED IN  
17 SECTION 24-38.5-101 (1), AND THE DEPARTMENT OF TRANSPORTATION,  
18 CREATED IN SECTION 43-1-103 (1), AND, SUBJECT TO AVAILABLE  
19 APPROPRIATIONS, AWARD GRANTS IN ACCORDANCE WITH THE  
20 REQUIREMENTS OF THIS SECTION. SUBJECT TO AVAILABLE  
21 APPROPRIATIONS, GRANTS MUST BE PAID OUT OF THE FUND CREATED IN  
22 SUBSECTION (5) OF THIS SECTION.

23 (c) THE DIVISION SHALL DEVELOP POLICIES, PROCEDURES, AND  
24 GUIDELINES THAT ESTABLISH THE CRITERIA THAT THE DIVISION MUST  
25 CONSIDER IN AWARDING GRANTS PURSUANT TO THIS SECTION. AT A  
26 MINIMUM, THE CRITERIA MUST INCLUDE THE CONSIDERATION OF:

27 (I) THE POTENTIAL IMPACT OF A PROJECT THAT A LOCAL

1 GOVERNMENT WOULD FUND WITH A GRANT AWARD IN LIGHT OF THE GOALS  
2 OF THE GRANT PROGRAM; AND

3 (II) THE SUSTAINABLE LAND USE PRACTICES THAT THE LOCAL  
4 GOVERNMENT HAS ADOPTED TO SUPPORT GREATER INFILL HOUSING  
5 SUPPLY, MORE AFFORDABLE HOUSING, AND SUSTAINABLE DEVELOPMENT  
6 PATTERNS.

7 (4) **Policies, procedures, and guidelines governing use of grant**  
8 **funds.** (a) THE DIVISION SHALL DEVELOP POLICIES AND PROCEDURES TO  
9 DETERMINE HOW GRANTS FUNDED BY THE GRANT PROGRAM MAY BE USED.

10 (b) AT A MINIMUM, THE POLICIES, PROCEDURES, AND GUIDELINES  
11 DEVELOPED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION MUST  
12 REQUIRE THAT A GRANT AWARD BE USED, AT LEAST IN PART, TO FUND  
13 INFRASTRUCTURE PROJECTS THAT INCREASE THE SUPPLY OF AFFORDABLE  
14 HOUSING AND THAT ARE WITHIN OR ADJACENT TO EITHER A DOWNTOWN  
15 AREA, A CORE BUSINESS DISTRICT OF A MUNICIPALITY, OR A  
16 TRANSIT-ORIENTED DEVELOPMENT.

17 (c) A PORTION OF ANY GRANT AWARD MAY BE USED FOR PROJECT  
18 DELIVERY, PLANNING, AND COMMUNITY ENGAGEMENT.

19 (d) THE GENERAL ASSEMBLY HEREBY ENCOURAGES GRANT  
20 RECIPIENTS TO EXPEND A PORTION OF ANY GRANT AWARD, WHENEVER  
21 POSSIBLE, FOR FUNDING ACCESSIBILITY IMPROVEMENTS OR AMENITIES  
22 THAT MAKE THE SITE OF THE PROJECT AGE-FRIENDLY AND ACCESSIBLE FOR  
23 PERSONS WITH DISABILITIES.

24 (5) **Fund - administrative costs - permitted uses - gifts, grants,**  
25 **and donations.** (a) THE INFRASTRUCTURE AND STRONG COMMUNITIES  
26 GRANT PROGRAM FUND IS HEREBY CREATED IN THE STATE TREASURY. THE  
27 FUND CONSISTS OF ANY MONEY TRANSFERRED TO THE FUND, ANY MONEY

1 THAT THE GENERAL ASSEMBLY MAY APPROPRIATE TO THE FUND, AND ANY  
2 GIFTS, GRANTS, OR DONATIONS THAT THE DIVISION RECEIVES FOR THE  
3 GRANT PROGRAM PURSUANT TO SUBSECTION (5)(f) OF THIS SECTION. █

4 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
5 INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEY IN THE  
6 FUND TO THE FUND. ALL MONEY IN THE FUND THAT IS NOT EXPENDED OR  
7 ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR  
8 DEPOSIT OF MONEY IN THE FUND, REMAINS IN THE FUND AND SHALL NOT  
9 BE CREDITED, TRANSFERRED, OR REVERTED TO THE GENERAL FUND OR ANY  
10 OTHER FUND AT THE END OF ANY FISCAL YEAR. THE MONEY IN THE FUND  
11 IS CONTINUOUSLY APPROPRIATED TO THE DIVISION FOR THE PURPOSES OF  
12 THIS SECTION.

13 (c) THE DIVISION MAY ONLY USE THE MONEY IN THE FUND FOR ONE  
14 OR MORE OF THE FOLLOWING USES:

15 (I) THE COSTS OF ADMINISTERING THE GRANT PROGRAM AS MAY  
16 BE INCURRED BY THE DIVISION. THE DEPARTMENT MAY EXPEND UP TO  
17 FOUR PERCENT OF THE MONEY APPROPRIATED OR TRANSFERRED TO THE  
18 FUND TO PAY FOR ITS DIRECT AND INDIRECT COSTS IN CONNECTION WITH  
19 ADMINISTERING THE USES OF GRANT FUNDING DESCRIBED IN SUBSECTION  
20 (5)(c)(II) OF THIS SECTION.

21 (II) MAKING GRANTS TO ELIGIBLE LOCAL GOVERNMENTS  
22 PURSUANT TO THE GRANT PROGRAM TO ASSIST SUCH LOCAL  
23 GOVERNMENTS IN:

24 (A) IDENTIFYING SUSTAINABLE LAND USE BEST PRACTICES AND  
25 SUPPORTING SUSTAINABLE DEVELOPMENT PATTERNS; █

26 (B) DETERMINING WHERE AND HOW BEST TO UPGRADE LOCAL  
27 GOVERNMENT INFRASTRUCTURE TO SUPPORT MORE EFFICIENT,



1 SUSTAINABLE DEVELOPMENT PATTERNS THAT ENABLE GREATER  
2 AFFORDABLE INFILL HOUSING DEVELOPMENT; AND

3 (C) FINANCING INFRASTRUCTURE IMPROVEMENTS.

4 (d) THE COLORADO ENERGY OFFICE, CREATED IN SECTION  
5 24-38.5-101 (1), MAY USE MONEY IN THE FUND FOR THE DIRECT AND  
6 INDIRECT COSTS OF EDUCATIONAL PROGRAMMING AND TECHNICAL  
7 ASSISTANCE FOR LOCAL GOVERNMENTS THAT THE COLORADO ENERGY  
8 OFFICE PROVIDES PURSUANT TO SECTION 24-32-132 (2).

9 (e) THE DEPARTMENT OF TRANSPORTATION, CREATED IN SECTION  
10 43-1-103 (1), MAY USE MONEY IN THE FUND FOR THE DIRECT AND  
11 INDIRECT COSTS OF EDUCATIONAL PROGRAMMING AND TECHNICAL  
12 ASSISTANCE FOR LOCAL GOVERNMENTS THAT THE DEPARTMENT OF  
13 TRANSPORTATION PROVIDES PURSUANT TO SECTION 24-32-132 (2).

14 (f) THE DIVISION MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS,  
15 OR DONATIONS FROM ANY PUBLIC OR PRIVATE RESOURCE FOR THE  
16 PURPOSES OF THIS SECTION. THE DIVISION SHALL TRANSMIT ALL MONEY  
17 RECEIVED FROM GIFTS, GRANTS, OR DONATIONS TO THE STATE TREASURER  
18 WHO SHALL CREDIT THE MONEY TO THE FUND.

19 (6) **Transfer of money to fund.** ON THE EFFECTIVE DATE OF THIS  
20 SECTION, OR AS SOON AS PRACTICABLE THEREAFTER, THE STATE  
21 TREASURER SHALL TRANSFER TWENTY-EIGHT MILLION DOLLARS FROM THE  
22 GENERAL FUND TO THE FUND.

23 (7) **Reporting.** (a) ON OR BEFORE OCTOBER 1, 2023, AND ON OR  
24 BEFORE OCTOBER 1 OF EACH YEAR THEREAFTER FOR THE DURATION OF  
25 THE GRANT PROGRAM, THE DEPARTMENT SHALL SUBMIT A SUMMARIZED  
26 REPORT ON THE GRANT PROGRAM TO THE SENATE LOCAL GOVERNMENT  
27 COMMITTEE AND THE HOUSE OF REPRESENTATIVES LOCAL GOVERNMENT

1 COMMITTEE, OR ANY SUCCESSOR COMMITTEES. AT A MINIMUM, THE  
2 REPORT MUST INCLUDE:

3 (I) THE NUMBER OF ADDITIONAL AFFORDABLE HOUSING UNITS AND  
4 OVERALL HOUSING UNITS PROJECTED TO BE CREATED AS A RESULT OF THE  
5 GRANT PROGRAM;

6 (II) THE PROJECTED OR ESTIMATED REDUCTION IN GREENHOUSE  
7 GAS EMISSIONS AS A RESULT OF THE GRANT PROGRAM;

8 (III) THE ESTIMATED REDUCTION IN VEHICLE MILES TRAVELED AND  
9 HOUSEHOLD TRANSPORTATION SAVINGS AS RESULT OF THE GRANT  
10 PROGRAM; AND

11 (IV) THE NUMBER AND TYPE OF BEST PRACTICES ADOPTED BY  
12 ELIGIBLE LOCAL GOVERNMENTS THAT HAVE RECEIVED GRANT AWARDS.

13 (b) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE  
14 REPORTING REQUIREMENT SPECIFIED IN SUBSECTION (7)(a) OF THIS  
15 SECTION CONTINUES UNTIL THE GRANT PROGRAM IS REPEALED IN  
16 ACCORDANCE WITH SUBSECTION (8) OF THIS SECTION.

17 (c) THE DIVISION AND ANY PERSON THAT RECEIVES MONEY FROM  
18 THE DIVISION PURSUANT TO THE GRANT PROGRAM SHALL COMPLY WITH  
19 THE COMPLIANCE, REPORTING, RECORD-KEEPING, AND PROGRAM  
20 EVALUATION REQUIREMENTS ESTABLISHED BY THE OFFICE OF STATE  
21 PLANNING AND BUDGETING AND THE STATE CONTROLLER IN ACCORDANCE  
22 WITH SECTION 24-75-226 (5).

23 (8) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31,  
24 2026.

25 **SECTION 6.** In Colorado Revised Statutes, 24-32-104, **add** (8)  
26 as follows:

27 **24-32-104. Functions of the division - interconnectivity grant**

1 **program - interconnectivity grant program fund - reporting -**  
2 **definition.** (8) THE DIVISION SHALL ADMINISTER THE INFRASTRUCTURE  
3 AND STRONG COMMUNITIES GRANT PROGRAM CREATED IN SECTION  
4 24-32-132. IN CONNECTION WITH THE ADMINISTRATION OF THE GRANT  
5 PROGRAM, THE DIVISION SHALL CONSULT WITH THE COLORADO ENERGY  
6 OFFICE CREATED IN SECTION 24-38.5-101 (1) AND THE DEPARTMENT OF  
7 TRANSPORTATION CREATED IN SECTION 43-1-103 (1).

8 **SECTION 7. Safety clause.** The general assembly hereby finds,  
9 determines, and declares that this act is necessary for the immediate  
10 preservation of the public peace, health, or safety.