

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

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 23-0825.01 Jason Gelender x4330

HOUSE BILL 23-1232

HOUSE SPONSORSHIP

McCluskie and Jodeh,

SENATE SPONSORSHIP

Roberts,

House Committees

Transportation, Housing & Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING CLARIFICATION OF THE SCOPE OF THE AUTHORITY OF**
102 **THE DIVISION OF HOUSING TO SPEND MONEY FOR CERTAIN TYPES**
103 **OF GRANTS.**

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>.)

Sections 1 and 4 of the bill clarify that money that was transferred from the general fund or the affordable housing and home ownership cash fund to the Colorado heritage communities fund on June 27, 2021, or as soon as was practicable thereafter, must be expended before July 1, 2025.

Section 2 clarifies that money that was transferred from the

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.

HOUSE
2nd Reading Unamended
March 17, 2023

general fund to the housing development grant fund on June 27, 2021, must be expended before July 1, 2025.

Section 3 clarifies that the division of housing may award multiple grants to multiple grant recipients for multiple regional navigation campuses in the Denver metropolitan area to respond to and prevent homelessness.

Section 5 makes a conforming amendment.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-32-130, **amend**
3 (7) as follows:

4 **24-32-130. Local government affordable housing development**
5 **incentives grant program - local government planning grant program**
6 **- creation - report - definitions.** (7) All funding of any grants awarded
7 under either the housing development incentives grant program or the
8 planning grant program must be made entirely out of the money
9 transferred from the general fund and the affordable housing and home
10 ownership cash fund created in section 24-75-229 (3)(a), that originates
11 from money the state received from the federal coronavirus state fiscal
12 recovery fund, to the Colorado heritage communities fund created in
13 section 24-32-3207 (1) in accordance with section 24-32-3207 (6). All
14 costs incurred by the division in administering either the housing
15 development incentives grant program or the planning grant program
16 must be paid out of the money transferred under section 24-32-3207 (6).
17 The division may use up to four percent of any money transferred to it
18 under this section to cover its administrative costs in administering or
19 evaluating either the housing development incentives grant program or
20 the planning grant program. All money transferred into the Colorado
21 heritage communities fund in accordance with section 24-32-3207 (6)
22 must be expended ~~by July 1, 2024~~ BEFORE JULY 1, 2025. Any money

1 transferred into the fund in accordance with this subsection (7) that is not
2 expended or encumbered from any appropriation at the end of any fiscal
3 year is available for expenditure ~~by July 1, 2024~~ BEFORE JULY 1, 2025,
4 without further appropriation.

5 **SECTION 2.** In Colorado Revised Statutes, 24-32-721.7, **amend**
6 (1)(b) as follows:

7 **24-32-721.7. Affordable housing guided toolkit and local**
8 **officials guide program - creation.** (1)(b) All funding of any assistance
9 awarded under the housing toolkit program must be made entirely out of
10 the money transferred from the general fund to the housing development
11 grant fund created in section 24-32-721 (1) in accordance with section
12 24-32-721 (6). All costs incurred by the division in administering the
13 housing toolkit program must be paid out of the money transferred in
14 accordance with section 24-32-721 (6). The division may use up to eight
15 percent of any money appropriated to it under this section to cover its
16 administrative costs in administering the housing toolkit program. All
17 money transferred to the housing development grant fund in accordance
18 with section 24-32-721 (6) must be expended ~~over the subsequent three~~
19 ~~state fiscal years~~ BEFORE JULY 1, 2025. ANY SUCH MONEY THAT IS NOT
20 EXPENDED OR ENCUMBERED FROM ANY APPROPRIATION AT THE END OF
21 ANY FISCAL YEAR IS AVAILABLE FOR EXPENDITURE BEFORE JULY 1, 2025,
22 WITHOUT FURTHER APPROPRIATION.

23 **SECTION 3.** In Colorado Revised Statutes, 24-32-727, **amend**
24 (2), (3) introductory portion, (4), (5), (6), (7), (8)(a), and (8)(d) as
25 follows:

26 **24-32-727. Denver-metropolitan regional navigation campuses**
27 **grant - regional navigation campuses cash fund - creation -**

1 **definitions.** (2) A local government or local governments applying
2 together or a community partner in conjunction with one or more local
3 governments may submit an application for a grant to the division in
4 accordance with policies, procedures, and guidelines adopted by the
5 division in order to build or acquire, and then facilitate, ~~a~~ ONE OR MORE
6 regional navigation ~~campus~~ CAMPUSES in the Denver metropolitan area
7 to respond to and prevent homelessness. The division, in collaboration
8 with the department of human services and the behavioral health
9 administration in the department of human services, shall establish the
10 application requirements, which must include a plan by which ~~the~~ AN
11 applicant intends to sustain funding FOR the regional navigation campus
12 OR CAMPUSES after the grant period ends.

13 (3) Each applicant shall demonstrate how the applicant plans to
14 build or acquire, and then facilitate, ~~a~~ ONE OR MORE navigation ~~campus~~
15 CAMPUSES that may include, but ~~is~~ ARE not limited to, the following:

16 (4) In selecting ~~a~~ grant ~~recipient~~ RECIPIENTS, the division, in
17 collaboration with the department of human services and the behavioral
18 health administration in the department of human services, shall consider:

19 (a) An applicant's commitment to regional and transformational
20 projects that ~~addresses~~ ADDRESS homelessness;

21 (b) An applicant's commitment to providing wraparound services
22 for the residents at ~~the~~ EACH supportive residential campus;

23 (c) The impact of ~~the~~ EACH proposed navigation campus in the
24 community where it will be located and in the Denver-metropolitan
25 region as a whole; and

26 (d) The ability of the applicant to manage ~~the~~ EACH location and
27 determine long-term operational costs and sustainability.

1 (5) In adopting policies, procedures, and guidelines, the division
2 shall collaborate with the department of human services and the
3 behavioral health administration in the department of human services to
4 create a process that ensures ~~the grant is~~ THAT GRANTS ARE only awarded
5 after a fair and rigorous open competition among eligible applicants. The
6 division shall review applications and select ~~the grant recipient~~
7 RECIPIENTS in collaboration with partnering agencies.

8 (6) The division, A grant recipient, or any other person who
9 receives money from the division pursuant to this section shall comply
10 with the compliance, reporting, record-keeping, and program evaluation
11 requirements established by the office of state planning and budgeting
12 and the state controller in accordance with section 24-75-226 (5).

13 (7) On July 1, 2022, the state treasurer shall transfer fifty million
14 dollars from the economic recovery and relief cash fund, created in
15 section 24-75-228, that originates from the money the state received from
16 the federal coronavirus state fiscal recovery fund, to the regional
17 navigation ~~campus~~ CAMPUSES cash fund for the purposes of this section.
18 The division may expend up to ten percent of the money appropriated or
19 transferred to the fund to pay for its direct and indirect costs in
20 administering ~~the grant~~ GRANTS. All administrative costs must be paid out
21 of the money transferred to the fund pursuant to this subsection (7).

22 (8) (a) The regional navigation ~~campus~~ CAMPUSES cash fund,
23 referred to in this section as the "fund", is created in the state treasury.
24 The fund consists of money transferred to the fund pursuant to subsection
25 (7) of this section and any other money that the general assembly may
26 appropriate or transfer to the fund.

27 (d) ~~The~~ A grant recipient must expend or obligate any money

1 received pursuant to this section in accordance with section 24-75-226
2 (4)(d).

3 **SECTION 4.** In Colorado Revised Statutes, 24-32-3207, **amend**
4 (6)(d) as follows:

5 **24-32-3207. Colorado heritage communities fund - creation -**
6 **source of funds.** (6) (d) The division of local government in the
7 department shall use the money transferred pursuant to subsection (6)(c)
8 of this section for the creation, implementation, and administration of the
9 local government planning grant program created in section 24-32-130
10 (5) in accordance with the requirements of section 24-32-130. With
11 respect to any money transferred into the Colorado heritage communities
12 fund pursuant to subsection (6)(c) of this section, the division may use
13 any money that is unexpended or unencumbered as of ~~June 30, 2024~~ JUNE
14 30, 2025, for purposes of the local government affordable housing
15 development incentives grant program created in section 24-32-130 (2)
16 as needed in accordance with section 24-32-130.

17 **SECTION 5.** In Colorado Revised Statutes, 24-75-402, **amend**
18 (5)(vv) as follows:

19 **24-75-402. Cash funds - limit on uncommitted reserves -**
20 **reduction in the amount of fees - exclusions - definitions.**

21 (5) Notwithstanding any provision of this section to the contrary, the
22 following cash funds are excluded from the limitations specified in this
23 section:

24 (vv) The regional navigation ~~campus~~ CAMPUSES cash fund created
25 in section 24-32-727;

26 **SECTION 6. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.