

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. 22-0808.01 Bob Lackner x4350

**SENATE BILL 22-159**

---

**SENATE SPONSORSHIP**

**Bridges and Zenzinger,**

**HOUSE SPONSORSHIP**

**Ortiz and Will,**

---

**Senate Committees**

Local Government  
Finance

**House Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING THE CREATION OF A REVOLVING LOAN FUND WITHIN THE**  
102 **DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS**  
103 **TO MAKE INVESTMENTS IN TRANSFORMATIONAL AFFORDABLE**  
104 **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 applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill creates the transformational affordable housing revolving loan fund program (loan program) in the division of housing (division) in the department of local affairs (department) as a revolving loan program

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.*

in accordance with the requirements of the bill and the policies established by the division. The loan program provides flexible, low-interest, and below-market rate loan funding to assist eligible recipients in completing the eligible loan projects identified in the bill.

The division may administer the loan program or, if it determines that it would be more efficient and effective to contract out full or partial administration of the program, the division may enter into a contract with a third-party entity to administer the loan program.

The division is required to establish and publicize policies for the loan program. The bill specifies factors the division is encouraged to consider in evaluating loan applications.

The transformational affordable housing revolving loan fund (fund) is created in the state treasury and the bill specifies requirements pertaining to the administration of the fund.

The bill requires a transfer of a specified sum of money to the fund.

The division is required to report on the activities of the loan program as part of the regular annual public report prepared by the division on affordable housing spending undertaken by the state.

---

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 hereby finds 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  
6 affordable housing has upended the lives of thousands who face  
7 homelessness in the Denver metropolitan area and across the state,  
8 shuttered Colorado businesses, hindered working-class employment  
9 because of a lack of workforce housing, and exacerbated inequities,  
10 including for communities of color, immigrant or mixed-status  
11 households, low-wage earners, older adults, people with disabilities, and  
12 others living on fixed incomes.

13 (b) Currently, Colorado requires approximately 225,000  
14 affordable for-sale and rental homes to address the state's housing crisis,

1 and the Colorado housing and finance authority reports that nearly half of  
2 all Colorado renters pay at least thirty percent of their income on housing,  
3 with an additional twenty-four percent paying fifty percent or more of  
4 their income on housing;

5 (c) The average home price in the state increased 130% from 2011  
6 to 2021. Statewide, the median home price increased an additional 7%  
7 from January to February 2022, and the median price is now \$555,540,  
8 a 90% increase over March 2021. The townhome and condominium  
9 market also reached a new pricing level in February 2022, and the median  
10 price of such units now stands at \$402,390, which is an increase of 17%  
11 from February 2021. Six out of 10 Colorado households are unable to  
12 afford the average priced home.

13 (d) In House Bill 21-1329, enacted in 2021, the general assembly  
14 created the affordable housing transformational task force, referred to in  
15 this section as the "task force", to recommend transformational policies  
16 to Colorado's housing sector that will produce immediate, sweeping, and  
17 long-lasting change. The impetus of the task force brought together the  
18 legislative and executive branches of state government, as well as a  
19 diverse group of stakeholders made up of affordable housing practitioners  
20 and experts, to tackle the affordable housing crisis and determine which  
21 investments would make the biggest impact. The sixteen-member task  
22 force was made up of a bipartisan group of ten members of the general  
23 assembly, five agency directors, and the executive director of the  
24 Colorado housing and finance authority. A fifteen-member subpanel of  
25 diverse affordable housing experts was also appointed to advise the task  
26 force. The task force and subpanel undertook a deliberative, iterative, and  
27 transparent process. Ultimately the task force came to a near unanimous

1 consensus on its funding recommendations and allocations, as well as a  
2 broad agreement on several policy concepts.

3 (e) The recommendations made by the task force will not solve  
4 Colorado's affordable housing crisis completely but will be a  
5 transformational step forward in achieving that objective. Once  
6 implemented at the local level across the state, these policies will make  
7 significant strides in increasing access to flexible capital sources,  
8 fostering innovation, strengthening the social safety net, enhancing  
9 market stability, and ultimately promoting more broad and equitable  
10 home ownership and rental housing opportunities for Coloradans in every  
11 corner of the state. These investments will result in more affordable  
12 housing being built across the state and will maintain existing affordable  
13 housing stock that is at risk of becoming unsafe or unaffordable. The  
14 recommendations made by the task force will help reduce disparities and  
15 address homelessness. They will help many Coloradans purchase homes  
16 that were previously out of financial reach, which will help build  
17 intergenerational wealth across the state.

18 (f) The task force also identified an equitable funding distribution  
19 to effectively address the disproportionate impacts from COVID-19;

20 (g) The revolving loan program created by this act will provide  
21 individuals and households across the state critical financial support with  
22 more flexible loan criteria not regularly offered by traditional financial  
23 institutions, thereby assisting Coloradans in obtaining necessary access  
24 to capital;

25 (h) A revolving loan fund ensures that these funds are evergreen  
26 and recycled many times across multiple generations, thereby assisting the  
27 provision of affordable housing for all Coloradans far into the future; and

1           (i) By providing eligible recipients who face barriers in  
2 establishing borrower relationships with traditional lenders access to  
3 capital, and by engaging in concerted outreach and education concerning  
4 the availability of this program, a revolving loan program can provide  
5 financial support to unserved or underserved populations.

6           (2) The general assembly intends to address the affordable  
7 housing crisis in Colorado, in part, by creating a revolving loan fund to  
8 provide flexible, low-interest, and below-market rate funding that will  
9 support increases in new housing developments, the preservation and  
10 rehabilitation of existing home stock, property conversions, and  
11 nontraditional housing capacity in diverse geographic communities where  
12 the economic impact of COVID-19 has significantly affected housing  
13 affordability and availability. The funds provided by the revolving loan  
14 fund are intended to support the development of new affordable housing  
15 units and the purchase of existing affordable housing units, either rental  
16 housing or for-sale homes, including mixed-income developments, and  
17 the purchase of land or buildings for future development within a defined  
18 timeline. In addition, funding to maintain existing affordable housing  
19 through projects that incorporate permanent supportive housing is  
20 intended to compliment tangential legislative efforts and aims to support  
21 individuals experiencing homelessness, victims of domestic violence or  
22 sexual assault, and individuals living with disabilities. Supporting the  
23 recommendations of the task force, the general assembly intends that  
24 interest rates on loans made available under this section be below-market  
25 rates and not exceed those necessary to meaningfully advance affordable  
26 housing development or the preservation of existing affordable housing  
27 stock in local communities across the state. Further, money should be

1 made available to local and regional groups, governments, and  
2 community partners to be used for a variety of more specific affordable  
3 housing needs across the state as specified in this section.

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

6 **24-32-726. Revolving loan fund - eligible projects - report -**  
7 **definitions - legislative declaration. (1) Definitions.** AS USED IN THIS  
8 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

9 (a) "ADMINISTRATOR" MEANS A THIRD-PARTY ENTITY OR ENTITIES  
10 THAT THE DIVISION CONTRACTS WITH TO ADMINISTER ALL OR ANY PART OF  
11 THE LOAN PROGRAM PURSUANT TO SUBSECTION (2)(b) OF THIS SECTION.

12 (b) "AFFORDABLE HOUSING" MEANS:

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

17 (II) FOR A HOUSEHOLD RESIDING IN HOUSING ON A HOME  
18 OWNERSHIP BASIS, ANNUAL INCOME OF THE HOUSEHOLD IS AT OR BELOW  
19 ONE HUNDRED FORTY PERCENT OF THE AREA MEDIAN INCOME OF  
20 HOUSEHOLDS OF THAT SIZE IN THE COUNTY IN WHICH THE HOUSING IS  
21 LOCATED; OR

22 (III) HOUSING THAT INCORPORATES MIXED-INCOME  
23 DEVELOPMENT.

24 (c) "COMMUNITY PARTNER" MEANS A NONPROFIT ORGANIZATION  
25 THAT UNDERTAKES ANY OF THE ACTIVITIES OR SERVICES DESCRIBED IN  
26 SUBSECTION (3) OF THIS SECTION.

27 (d) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

1 (e) "ELIGIBLE RECIPIENT" MEANS A LOCAL GOVERNMENT, A  
2 FOR-PROFIT DEVELOPER, OR A COMMUNITY PARTNER THAT APPLIES FOR A  
3 LOAN THROUGH THE LOAN PROGRAM.

4 (f) "FUND" MEANS THE TRANSFORMATIONAL AFFORDABLE  
5 HOUSING REVOLVING LOAN FUND CREATED IN SUBSECTION (9)(a) OF THIS  
6 SECTION.

7 (g) "LOAN PROGRAM" MEANS THE TRANSFORMATIONAL  
8 AFFORDABLE HOUSING REVOLVING LOAN FUND PROGRAM CREATED IN  
9 SUBSECTION (2)(a) OF THIS SECTION.

10 (h) "LOCAL GOVERNMENT" MEANS A COUNTY, MUNICIPALITY, CITY  
11 AND COUNTY, TRIBAL GOVERNMENT, SPECIAL DISTRICT ORGANIZED UNDER  
12 TITLE 32, SCHOOL DISTRICT, DISTRICT, HOUSING AUTHORITY, OR ANY  
13 OTHER POLITICAL SUBDIVISION OF THE STATE.

14 (i) "MIXED INCOME DEVELOPMENT" MEANS HOUSING THAT  
15 INCORPORATES MIXED INCOME DEVELOPMENT IN THAT SOME, BUT NOT  
16 ALL, HOUSING UNITS WITHIN A PARTICULAR DEVELOPMENT HAVE  
17 RESTRICTED RATES AT OR BELOW THE INCOME LEVELS SPECIFIED IN  
18 SUBSECTION (1)(b) OF THIS SECTION IN ADDITION TO SOME UNITS THAT ARE  
19 ABOVE SUCH INCOME LEVELS WITH OR WITHOUT SUCH RESTRICTED RATES.

20 ==  
21 (2) **Creation of loan program - administration.** (a) THE  
22 TRANSFORMATIONAL AFFORDABLE HOUSING REVOLVING LOAN FUND  
23 PROGRAM IS HEREBY CREATED IN THE DIVISION AS A REVOLVING LOAN  
24 PROGRAM IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SECTION AND  
25 THE POLICIES ESTABLISHED BY THE DIVISION PURSUANT TO SUBSECTION (5)  
26 OF THIS SECTION. THE LOAN PROGRAM IS ESTABLISHED TO PROVIDE  
27 FLEXIBLE, LOW-INTEREST, AND BELOW-MARKET RATE LOAN FUNDING TO

1 ASSIST ELIGIBLE RECIPIENTS IN COMPLETING THE ELIGIBLE LOAN PROJECTS  
2 IDENTIFIED IN SUBSECTION (3) OF THIS SECTION.

3 (b) THE DIVISION MAY ADMINISTER THE LOAN PROGRAM OR, IF IT  
4 DETERMINES THAT IT WOULD BE MORE EFFICIENT AND EFFECTIVE TO  
5 CONTRACT OUT FULL OR PARTIAL ADMINISTRATION OF THE PROGRAM, IT  
6 MAY ENTER INTO A CONTRACT WITH A BUSINESS NONPROFIT  
7 ORGANIZATION, BANK, NONDEPOSITORY COMMUNITY DEVELOPMENT  
8 FINANCIAL INSTITUTION, BUSINESS DEVELOPMENT CORPORATION,  
9 NONPROFIT ORGANIZATION THAT ADMINISTERS GAP FINANCING,  
10 CONSTRUCTION, OR MORTGAGE LOAN PROGRAMS, OR OTHER ENTITY AS  
11 DETERMINED BY THE DIVISION TO ADMINISTER THE LOAN PROGRAM IN  
12 WHOLE OR IN PART. IF THE DIVISION CONTRACTS WITH AN ENTITY OR  
13 ENTITIES TO ADMINISTER THE PROGRAM, THE DIVISION SHALL USE AN OPEN  
14 AND COMPETITIVE PROCESS TO SELECT THE ENTITY OR ENTITIES. A  
15 CONTRACT WITH AN ADMINISTRATOR MAY INCLUDE AN ADMINISTRATION  
16 FEE ESTABLISHED BY THE DIVISION AT AN AMOUNT REASONABLY  
17 CALCULATED TO COVER THE ONGOING ADMINISTRATIVE COSTS OF THE  
18 DIVISION IN OVERSEEING THE LOAN PROGRAM. THE DIVISION MAY  
19 ADVANCE MONEY TO AN ENTITY UNDER A CONTRACT IN PREPARATION IN  
20 THE FORM OF A GRANT OR PAYMENT FOR ISSUING LOANS AND  
21 ADMINISTERING THE LOAN PROGRAM.

22 (c) THE DIVISION MAY WORK WITH THE COLORADO HOUSING AND  
23 FINANCE AUTHORITY, CREATED IN SECTION 29-4-704 (1), TO ASSIST IN  
24 OFFERING LOANS UNDER THE LOAN PROGRAM.

25 (d) ANY LOAN MADE UNDER THE LOAN PROGRAM BY THE STATE,  
26 ANY DEPARTMENT, DIVISION, OR AGENCY OF THE STATE, OR ANY  
27 ADMINISTRATOR TO A DISTRICT, AS DEFINED IN SECTION 20 (2)(b) OF



1 ARTICLE X OF THE STATE CONSTITUTION, MUST EITHER BE APPROVED BY  
2 THE VOTERS OF THE DISTRICT IN ACCORDANCE WITH SECTION 20 (4)(b) OF  
3 ARTICLE X OF THE STATE CONSTITUTION OR BE STRUCTURED SO THAT IT  
4 IS NOT A MULTIPLE-FISCAL YEAR DIRECT OR INDIRECT DISTRICT DEBT OR  
5 OTHER FINANCIAL OBLIGATION WHATSOEVER THAT REQUIRES VOTER  
6 APPROVAL UNDER SECTION 20 (4)(b) OF ARTICLE X OF THE STATE  
7 CONSTITUTION.

8 (3) **Eligible loan projects.** IN ORDER TO RECEIVE LOAN FUNDING  
9 UNDER THE LOAN PROGRAM, THE PROJECT FOR WHICH THE LOAN  
10 APPLICANT SEEKS LOAN FUNDING MUST DO ONE OR MORE OF THE  
11 FOLLOWING:

12 (a) DEVELOP AND INTEGRATE HOUSING-RELATED INFRASTRUCTURE  
13 TO OFFSET CONSTRUCTION AND PREDEVELOPMENT COSTS;

14 (b) PROVIDE GAP FINANCING FOR HOUSING DEVELOPMENT,  
15 INCLUDING TRANSACTIONS UNDER THE FEDERAL LOW-INCOME TAX CREDIT  
16 DEFINED IN SECTION 39-22-2101 (7) AND THE AFFORDABLE HOUSING TAX  
17 CREDIT CREATED IN SECTION 39-22-2102 (1). FOR PURPOSES OF THIS  
18 SUBSECTION (3)(b), GAP FINANCING INCLUDES FINANCING MECHANISMS  
19 THAT ALLOW PERSONS SEEKING AFFORDABLE HOUSING TO PURCHASE  
20 EXISTING AFFORDABLE HOUSING, MULTI-FAMILY STRUCTURES, LAND, AND  
21 BUILDINGS, PARTICULARLY IN COMMUNITIES WHERE EFFORTS HAVE BEEN  
22 MADE TO ENCOURAGE AFFORDABLE HOUSING DEVELOPMENT OR IN  
23 COMMUNITIES IN WHICH LOW CONCENTRATIONS OF AFFORDABLE HOUSING  
24 EXIST.

25 (c) INCREASE THE SUPPLY OF NEW AFFORDABLE FOR-SALE HOUSING  
26 STOCK BY PROVIDING FUNDING TO ASSIST WITH THE COST OF  
27 CONSTRUCTION, INCLUDING BUT NOT LIMITED TO COSTS ASSOCIATED WITH

1 LAND ACQUISITION, TAP FEES, BUILDING PERMITS, OR IMPACT FEES.

2 (d) MAINTAIN EXISTING AFFORDABLE HOUSING THROUGH FUNDING  
3 FOR THE PRESERVATION AND RESTORATION OF AFFORDABLE HOUSING  
4 STOCK THROUGH REHABILITATION, RETROFITTING, RENOVATION, CAPITAL  
5 IMPROVEMENTS, AND REPAIR OF CURRENT AFFORDABLE HOUSING STOCK,  
6 INCLUDING HOUSING MADE AVAILABLE UNDER 42 U.S.C. SEC. 1437f AND  
7 AFFORDABLE HOUSING FOR POPULATIONS AND HOUSEHOLDS  
8 DISPROPORTIONATELY IMPACTED BY THE COVID-19 PANDEMIC WITH  
9 COMMITMENTS FOR LONG-TERM AFFORDABILITY. THE USES COVERED BY  
10 THIS SUBSECTION (3)(d) MUST INCLUDE INVESTMENTS IN ONE OR MORE OF  
11 THE FOLLOWING:

12 (I) SENIOR HOUSING;

13 (II) THE PURCHASE OF AND THE REMEDIATION OF LOW-QUALITY OR  
14 CONDEMNED PROPERTIES;

15 (III) HOUSING UNITS, INTEGRATED INTO NONSEGREGATED  
16 HOUSING DEVELOPMENTS, SPECIFICALLY DESIGNED FOR PEOPLE LIVING  
17 WITH DISABILITIES;

18 (IV) WEATHERIZATION AND ENERGY IMPROVEMENTS TO  
19 MULTI-FAMILY AND SINGLE-FAMILY RESIDENTS TO MAINTAIN AND IMPROVE  
20 THE QUALITY OF AFFORDABLE HOMES AND RENTAL UNITS;

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

24 (VI) PROGRAMS OR INITIATIVES TO ENSURE THAT EXISTING  
25 HOUSING REMAINS AFFORDABLE FOR LOCAL WORKFORCE OR COMMUNITY  
26 HOUSEHOLDS;

27 (VII) LAND ACQUISITION FOR AFFORDABLE HOUSING;

1 (VIII) PROPERTY CONVERSION AND ADAPTIVE REUSE; OR

2 (IX) PERMANENT SUPPORTIVE HOUSING.

3 (e) FINANCE ENERGY IMPROVEMENTS IN AFFORDABLE HOUSING,  
4 WHICH WILL PROVIDE FUNDING FOR INCREMENTAL UP-FRONT COSTS FOR  
5 EFFICIENT, ELECTRIC MEASURES, AND RENEWABLE ENERGY SYSTEMS FOR  
6 BOTH EXISTING BUILDINGS AND NEW HOUSING CONSTRUCTION.

7 (f) CREATE PERMANENTLY OR LONG-TERM AFFORDABLE  
8 HOMEOWNERSHIP OPPORTUNITIES.

9 (4) **Loan program goals.** (a) THE LOAN PROGRAM MUST BE  
10 ADMINISTERED WITH A GOAL OF GENERATING ENOUGH RETURN ON LOANS  
11 MADE UNDER THE LOAN PROGRAM TO REPLENISH THE LOAN PROGRAM FOR  
12 FUTURE LOAN ALLOCATIONS.

13 (b) ALL LOANS FINANCED THROUGH THE LOAN PROGRAM MUST  
14 OFFER FLEXIBLE TERMS AND LOW-INTEREST AND BELOW-MARKET RATES.

15 (5) **Loan program policies.** THE DIVISION OR THE  
16 ADMINISTRATOR, AS APPLICABLE, SHALL ESTABLISH AND PUBLICIZE  
17 POLICIES FOR THE LOAN PROGRAM. AT A MINIMUM, THE POLICIES MUST  
18 ADDRESS:

19 (a) THE PROCESS AND DEADLINES FOR APPLYING FOR AND  
20 RECEIVING A LOAN UNDER THE LOAN PROGRAM, INCLUDING THE  
21 INFORMATION AND DOCUMENTATION REQUIRED FOR A LOAN APPLICATION;

22 (b) ELIGIBILITY CRITERIA FOR INDIVIDUALS OR ENTITIES APPLYING  
23 FOR A LOAN UNDER THE LOAN PROGRAM;

24 (c) THE MAXIMUM ASSISTANCE LEVELS FOR LOANS;

25 (d) LOAN TERMS, INCLUDING INTEREST RATES AND REPAYMENT  
26 TERMS;

27 (e) REPORTING REQUIREMENTS FOR LOAN RECIPIENTS;

1 (f) LOAN PROGRAM FEES, INCLUDING THE APPLICATION FEE,  
2 ORIGINATION FEE, AND CLOSING COST POLICIES;

3 (g) UNDERWRITING AND RISK MANAGEMENT POLICIES;

4 (h) THE AMOUNT OF ANY APPLICATION OR ORIGINATION FEES AND  
5 CLOSING COST POLICIES;     

6 (i) THE MEANS BY WHICH ELIGIBLE RECIPIENTS WHO FACE  
7 BARRIERS IN ESTABLISHING BORROWER RELATIONSHIPS WITH TRADITIONAL  
8 LENDERS WILL BE INFORMED OF THE LOAN PROGRAM AND ENCOURAGED TO  
9 APPLY FOR A LOAN FINANCED THROUGH THE LOAN PROGRAM; AND

10 (j) ANY ADDITIONAL REQUIREMENTS THAT THE DIVISION DEEMS  
11 NECESSARY TO ADMINISTER THE LOAN PROGRAM.

12 (6) **Prioritization requirements.** (a) THE GENERAL ASSEMBLY  
13 HEREBY ENCOURAGES THE DIVISION, TO THE EXTENT PRACTICABLE, IN  
14 REVIEWING LOAN APPLICATIONS, TO CONSIDER PRIORITIZING APPLICATIONS  
15 FOR PROJECTS THAT:

16 (I) ARE LOCATED IN COMMUNITIES THAT:

17 (A) FACE BARRIERS TO ACCESSING CAPITAL FROM TRADITIONAL  
18 SOURCES;

19 (B) HAVE SUFFERED SIGNIFICANT NEGATIVE FINANCIAL OR OTHER  
20 IMPACTS RESULTING FROM THE COVID-19 PANDEMIC; OR

21 (C) ARE OTHERWISE UNDERSERVED;

22 (II) ALIGN WITH OTHER STATE ECONOMIC DEVELOPMENT EFFORTS;

23 (III) CREATE PERMANENTLY AFFORDABLE HOME OWNERSHIP  
24 OPPORTUNITIES;

25 (IV) INCLUDE UNITS THAT ARE RESTRICTED FOR RENTAL USAGE TO  
26 PERSONS WITH DISABILITIES OR THAT INCLUDE UNIVERSAL DESIGN  
27 FEATURES THAT ALLOW INDIVIDUALS TO RESIDE IN THEIR DWELLING UNITS

1     AS THEY AGE; OR

2             (V) ARE HIGHLY ENERGY EFFICIENT OR USE HIGH-EFFICIENCY  
3 ELECTRIC EQUIPMENT FOR SPACE AND WATER HEATING. THE DIVISION MAY  
4 CONSULT WITH THE COLORADO ENERGY OFFICE CREATED IN SECTION  
5 24-38.5-101 (1) TO DEVELOP CRITERIA FOR MEETING THE OBJECTIVES  
6 DESCRIBED IN THIS SUBSECTION (6)(a)(IV).

7             (b) TO THE EXTENT PRACTICABLE, THE DIVISION AND THE  
8 ADMINISTRATOR, AS APPLICABLE, SHALL SUPPORT INNOVATIVE FUNDING  
9 MECHANISMS THAT ALLOW MONEY TO REVOLVE QUICKLY TO ENSURE THE  
10 RAPID REUSE OF MONEY FOR ONGOING PROJECTS.

11             (7) **Publicizing the loan program.** THE DIVISION SHALL WORK  
12 WITH THE MINORITY BUSINESS OFFICE CREATED IN SECTION 24-49.5-102,  
13 SMALL BUSINESS DEVELOPMENT CENTERS, COMMUNITY DEVELOPMENT  
14 FINANCIAL INSTITUTIONS, AND STAKEHOLDER PARTNERS TO PROMOTE THE  
15 PROGRAM TO ELIGIBLE RECIPIENTS WHO PRIMARILY SERVE COMMUNITIES  
16 THAT ARE UNDERSERVED OR DISADVANTAGED, INCLUDING ELIGIBLE  
17 RECIPIENTS LOCATED IN RURAL COUNTIES. ON OR BEFORE DECEMBER 1,  
18 2022, THE DIVISION SHALL DEVELOP AND ADMINISTER A MARKETING  
19 INITIATIVE FOR THE PROGRAM IN COORDINATION WITH THE MINORITY  
20 BUSINESS OFFICE CREATED IN SECTION 24-49.5-102, THE SMALL BUSINESS  
21 ASSISTANCE CENTER CREATED IN SECTION 24-48.5-102, LOCAL CHAMBERS  
22 OF COMMERCE, AND OTHER LOCAL AND REGIONAL ECONOMIC  
23 DEVELOPMENT ENTITIES TO PROMOTE THE PROGRAM TO ELIGIBLE  
24 RECIPIENTS AND TARGET COMMUNITIES. THE MARKETING INITIATIVE  
25 SHALL BE CONDUCTED IN THE TOP SPOKEN LANGUAGES IN THOSE  
26 COMMUNITIES.

27             (8) **Gifts, grants, and donations - leveraging federal money.**

1 (a) THE DIVISION MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR  
2 DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF THIS  
3 SECTION. THE DIVISION SHALL TRANSMIT ALL MONEY RECEIVED THROUGH  
4 GIFTS, GRANTS, OR DONATIONS TO THE STATE TREASURER, WHO SHALL  
5 CREDIT THE MONEY TO THE FUND.

6 (b) THE DIVISION MAY EXPEND, DEPLOY, OR LEVERAGE MONEY  
7 RECEIVED FROM FEDERAL GOVERNMENT PROGRAMS THAT SUPPORT LOANS  
8 AND INVESTMENTS FOR ONE OR MORE OF THE ELIGIBLE PROJECTS SPECIFIED  
9 IN SUBSECTION (3) OF THIS SECTION TO MAKE LOANS UNDER THE LOAN  
10 PROGRAM OR TO OTHERWISE MARKET, PROMOTE, OR SUPPORT LOANS  
11 UNDER THE PROGRAM, IF ALLOWED UNDER FEDERAL LAW.

12 (9) **Transformational affordable housing revolving loan fund**  
13 **- transfer of money to fund - payment of administrative costs -**  
14 **appropriation.** (a) THE TRANSFORMATIONAL AFFORDABLE HOUSING  
15 REVOLVING LOAN FUND IS HEREBY CREATED IN THE STATE TREASURY. THE  
16 FUND CONSISTS OF MONEY TRANSFERRED TO THE FUND IN ACCORDANCE  
17 WITH SUBSECTION (9)(d) OF THIS SECTION, ANY OTHER MONEY THAT THE  
18 GENERAL ASSEMBLY APPROPRIATES OR TRANSFERS TO THE FUND, AND ANY  
19 GIFTS, GRANTS, OR DONATIONS CREDITED TO THE FUND PURSUANT TO  
20 SUBSECTION (8)(a) OF THIS SECTION.

21 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND  
22 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE  
23 FUND TO THE FUND.

24 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE  
25 DEPARTMENT FOR THE PURPOSES SPECIFIED IN THIS SECTION. THE  
26 DEPARTMENT MAY EXPEND UP TO FIVE PERCENT OF THE MONEY  
27 APPROPRIATED OR TRANSFERRED INTO, OR REPAID FROM, THE FUND ON AN

1 ANNUAL BASIS TO PAY FOR ITS DIRECT AND INDIRECT COSTS IN  
2 ADMINISTERING THIS SECTION.

3 (d) ON JULY 1, 2022, OR AS SOON AS PRACTICABLE THEREAFTER,  
4 THE STATE TREASURER SHALL TRANSFER ONE HUNDRED FIFTY MILLION  
5 DOLLARS TO THE FUND. THE DIVISION SHALL USE THE MONEY  
6 TRANSFERRED PURSUANT TO THIS SUBSECTION (9)(d) ONLY FOR:

7 (I) MAKING LOANS TO ELIGIBLE RECIPIENTS PURSUANT TO THE  
8 LOAN PROGRAM; AND

9 (II) THE COSTS OF ADMINISTERING THE LOAN PROGRAM AS MAY BE  
10 INCURRED BY THE DIVISION OR THE ADMINISTRATOR, AS APPLICABLE, IN  
11 ACCORDANCE WITH SUBSECTION (9)(c) OF THIS SECTION. ALL SUCH  
12 ADMINISTRATIVE COSTS MUST BE PAID OUT OF THE MONEY EITHER  
13 TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (9)(c) OF THIS  
14 SECTION OR THAT IS APPROPRIATED TO THE FUND.

15 (10) **Reporting.** IN CONNECTION WITH THE PUBLIC REPORT THE  
16 DIVISION PREPARES IN ACCORDANCE WITH SECTION 24-32-705.5 (1), THE  
17 DIVISION SHALL INCLUDE IN THE REPORT INFORMATION SUMMARIZING THE  
18 USE OF ALL OF THE MONEY THAT WAS PROVIDED AS A LOAN FROM THE  
19 LOAN PROGRAM IN THE PRECEDING STATE FISCAL YEAR. AT A MINIMUM,  
20 THE INFORMATION INCLUDED IN THE REPORT PERTAINING TO THE LOAN  
21 PROGRAM MUST SPECIFY THE NUMBER OF ELIGIBLE RECIPIENTS THAT  
22 APPLIED FOR A LOAN, THE NUMBER OF ELIGIBLE RECIPIENTS THAT WERE  
23 NOT AWARDED A LOAN, THE AMOUNT OF LOAN MONEY DISTRIBUTED TO  
24 EACH LOAN RECIPIENT, A DESCRIPTION OF EACH LOAN RECIPIENT'S USE OF  
25 THE LOAN MONEY, THE USE OF LOAN MONEY ALONG THE HOUSING AND  
26 INCOME SPECTRUMS, THE AMOUNT OF TIME FROM COMPLETION OF A LOAN  
27 APPLICATION THROUGH THE FUNDING OF A LOAN, RECOMMENDATIONS

1 CONCERNING FUTURE ADMINISTRATION OF THE LOAN PROGRAM, AND HOW  
2 THE USE OF THE LOAN FURTHERED THE VISION OF TRANSFORMATIONAL  
3 AFFORDABLE HOUSING DESCRIBED IN THE FINAL REPORT OF THE TASK  
4 FORCE ESTABLISHED IN SECTION 24-75-229 (6)(a). THE DIVISION SHALL  
5 ALSO INCLUDE IN THE REPORT ITS RECOMMENDATIONS CONCERNING  
6 FUTURE ADMINISTRATION OF THE LOAN PROGRAM.

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

9 **24-32-705. Functions of division.** (7) The division shall  
10 administer:

11 (a) The affordable housing guided toolkit and local officials guide  
12 program in accordance with section 24-32-721.5;

13 (b) THE TRANSFORMATIONAL AFFORDABLE HOUSING REVOLVING  
14 LOAN FUND PROGRAM CREATED IN SECTION 24-32-726 (2)(a), UNLESS THE  
15 DIVISION ELECTS TO CONTRACT OUT FULL OR PARTIAL ADMINISTRATION OF  
16 THE LOAN PROGRAM PURSUANT TO SECTION 24-32-726 (2)(b).

17 **SECTION 4.** In Colorado Revised Statutes, 24-32-705.5, **add**  
18 (3.5) as follows:

19 **24-32-705.5. Annual public report on funding of affordable**  
20 **housing preservation and production - definition.** (3.5) FOR THE  
21 PUBLIC REPORT REQUIRED BY SUBSECTION (1) OF THIS SECTION, THE  
22 DIVISION MUST INCLUDE, ON AN ANNUAL BASIS, THE INFORMATION  
23 REQUIRED TO BE INCLUDED IN ACCORDANCE WITH SECTION 24-32-726  
24 (10).

25 **SECTION 5. Safety clause.** The general assembly hereby finds,  
26 determines, and declares that this act is necessary for the immediate  
27 preservation of the public peace, health, or safety.