

CHAPTER 141

GOVERNMENT - STATE

SENATE BILL 02-151

BY SENATOR(S) Takis, Entz, Fitz-Gerald, Gordon, Hagedorn, Hanna, Hernandez, Isgar, Linkhart, Nichol, Pascoe, Perlmutter, Phillips, Reeves, Tate, Tupa, and Windels;
also REPRESENTATIVE(S) Romanoff, Bacon, Borodkin, Chavez, Coleman, Groff, Grossman, Hodge, Jahn, Mace, Madden, Marshall, Plant, Ragsdale, Sanchez, Tapia, Tochtrop, Veiga, Vigil, and Williams S.

AN ACT

CONCERNING AFFORDABLE HOUSING PROJECTS FINANCED THROUGH THE DIVISION OF HOUSING.

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

SECTION 1. 24-32-702, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

24-32-702. Legislative declaration. (4) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT:

(a) PUBLICLY-ASSISTED RENTAL HOUSING THAT IS AFFORDABLE TO LOW- AND MODERATE-INCOME PERSONS SHOULD BE PRESERVED; AND

(b) THE DIVISION OF HOUSING SHOULD ENCOURAGE PROPERTY OWNERS TO NOTIFY THE DIVISION WHEN AFFORDABLE HOUSING UNITS WILL BE LOST AS HOUSING FOR LOW- OR MODERATE-INCOME PERSONS, SO THAT THE DIVISION MAY EXPLORE OPTIONS FOR PRESERVING THE AFFORDABLE HOUSING RESOURCES.

SECTION 2. 24-32-705 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

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

(p) PURSUANT TO SECTION 24-32-718, TO MAINTAIN A DATABASE OF AFFORDABLE HOUSING UNITS TO BE LOST AS AFFORDABLE HOUSING.

SECTION 3. Part 7 of article 32 of title 24, Colorado Revised Statutes, is

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

amended BY THE ADDITION OF A NEW SECTION to read:

24-32-718. Publicly-assisted housing - notice of termination - database.

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

(a) "FINANCIAL ASSISTANCE" MEANS ANY FINANCIAL ASSISTANCE ADMINISTERED BY THE DIVISION THAT IS SUBJECT TO AFFORDABILITY RESTRICTIONS, INCLUDING, BUT NOT LIMITED TO, GRANTS AND LOANS FROM THE DIVISION AND FEDERALLY FUNDED RENTAL ASSISTANCE CONTRACTS, LOANS, OR INSURANCE.

(b) "PUBLICLY-ASSISTED HOUSING PROJECT" MEANS A PROPERTY WITH FIVE OR MORE RENTAL UNITS THAT WAS DEVELOPED, REHABILITATED, PURCHASED, OR INSURED WITH FINANCIAL ASSISTANCE.

(2) (a) THE DIVISION SHALL PROVIDE INFORMATION ABOUT THE DATABASE IT MAINTAINS PURSUANT TO SUBSECTION (3) OF THIS SECTION TO OWNERS OF PUBLICLY-ASSISTED HOUSING PROJECTS AND SHALL ENCOURAGE THEM TO GIVE NOTICE TO THE DIVISION NO LESS THAN ONE HUNDRED TWENTY DAYS BEFORE TAKING ANY ACTION THAT WILL MAKE THE PROJECT NO LONGER AFFORDABLE, IF THE AFFORDABILITY RESTRICTIONS ON THE PROJECT ARE STILL IN EFFECT AT THE TIME THE NOTICE IS REQUIRED.

(b) FOR PURPOSES OF THIS SUBSECTION (2), THE FOLLOWING ACTIONS SHALL BE CONSIDERED ACTIONS THAT MAKE A PROJECT NO LONGER AFFORDABLE:

(I) CONVERTING THE PROPERTY TO COMMERCIAL USE OR INCREASING RESIDENTIAL RENT TO AN AMOUNT EXCEEDING THE AMOUNT PERMITTED UNDER THE AFFORDABILITY RESTRICTIONS IN EFFECT AT THE TIME OF THE NOTICE; OR

(II) WITHDRAWING FROM OR ELECTING NOT TO RENEW AN AVAILABLE FEDERALLY FUNDED PROJECT-BASED RENTAL ASSISTANCE CONTRACT.

(c) DURING THE PERIOD OF ONE HUNDRED TWENTY DAYS AFTER NOTICE IS GIVEN TO THE DIVISION, THE DIVISION MAY ATTEMPT TO COORDINATE A PURCHASE BY A PURCHASER THAT IS COMMITTED TO MAINTAINING THE PROJECT AS AN AFFORDABLE HOUSING RESOURCE.

(3) THE DIVISION SHALL MAINTAIN AN UPDATED DATABASE OF PUBLICLY-ASSISTED HOUSING PROJECTS ON WHICH IT HAS RECEIVED THE NOTICE REQUIRED BY SUBSECTION (2) OF THIS SECTION.

SECTION 4. Effective date - applicability. (1) This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a

referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

(2) The provisions of this act shall apply to contracts and contract amendments entered into on or after the applicable effective date of this act.

Approved: May 6, 2002