

## CHAPTER 217

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**GOVERNMENT - STATE**

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**HOUSE BILL 09-1213**

BY REPRESENTATIVE(S) Gagliardi, Apuan, Ferrandino, Fischer, Gerou, Green, Hullinghorst, Kefalas, Labuda, Marostica, Merrifield, Middleton, Riesberg, Ryden, Schafer S., Todd, Vigil;  
also SENATOR(S) Schwartz, Bacon, Boyd, Hodge, Newell, Romer, Shaffer B., Tapia, Tochtrop, Williams.

**AN ACT**

**CONCERNING THE CREATION OF THE HOUSING DEVELOPMENT GRANT FUND IN THE STATE TREASURY TO BE ADMINISTERED BY THE DIVISION OF HOUSING FOR PURPOSES ASSOCIATED WITH INCREASING THE SUPPLY OF AFFORDABLE HOUSING IN THE STATE.**

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

**SECTION 1.** Part 7 of article 32 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**24-32-721. Colorado affordable housing construction grants and loans - housing development grant fund - creation - repeal.** (1) THERE IS HEREBY CREATED IN THE STATE TREASURY THE HOUSING DEVELOPMENT GRANT FUND, WHICH FUND SHALL BE ADMINISTERED BY THE DIVISION AND IS REFERRED TO IN THIS SECTION AS THE "FUND". THE FUND SHALL CONSIST OF MONEYS APPROPRIATED TO THE COLORADO AFFORDABLE HOUSING CONSTRUCTION GRANTS AND LOAN FUND BY THE GENERAL ASSEMBLY, ALL MONEYS COLLECTED BY THE DIVISION FOR PURPOSES OF THIS SECTION FROM FEDERAL GRANTS, AND OTHER CONTRIBUTIONS, GRANTS, GIFTS, BEQUESTS, AND DONATIONS RECEIVED FROM OTHER GOVERNMENTAL ENTITIES, INDIVIDUALS, PRIVATE ORGANIZATIONS, OR FOUNDATIONS AND ANY INTEREST EARNINGS ON SUCH MONEYS, WHICH MONEYS THE DIVISION IS HEREBY AUTHORIZED AND DIRECTED TO SOLICIT, ACCEPT, EXPEND, AND DISBURSE FOR THE PURPOSE OF MAKING GRANTS OR LOANS AS PROVIDED IN THIS SECTION. ALL SUCH MONEYS SHALL BE TRANSMITTED TO THE STATE TREASURER TO BE CREDITED TO THE FUND. THE MONEYS IN THE FUND ARE HEREBY CONTINUOUSLY APPROPRIATED TO THE DIVISION FOR THE PURPOSES OF THIS SECTION. THE MONEYS IN THE FUND MAY BE EXPENDED FOR THE PURPOSE OF FUNDING ACTIVITIES INITIATED DURING THE 2008-09 STATE FISCAL YEAR THAT ARE TO BE COMPLETED IN SUBSEQUENT STATE FISCAL YEARS.

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

(2) (a) UPON THE APPROVAL OF THE BOARD, THE DIVISION MAY MAKE A GRANT OR LOAN FROM MONEYS IN THE FUND TO IMPROVE, PRESERVE, OR EXPAND THE SUPPLY OF AFFORDABLE HOUSING AND TO FINANCE FORECLOSURE PREVENTION ACTIVITIES IN COLORADO AS WELL AS TO FUND THE ACQUISITION OF HOUSING AND ECONOMIC DATA NECESSARY TO ADVISE THE BOARD ON LOCAL HOUSING CONDITIONS.

(b) IN THE CASE OF ANY LOAN MADE FROM MONEYS IN THE FUND FOR WHICH THE DIVISION IS THE PRIMARY LENDER, THE BORROWER SHALL BE REQUIRED TO SEEK REPLACEMENT LOANS OR FUNDING NO LATER THAN ONE HUNDRED EIGHTY DAYS FROM THE DATE OF THE LOAN.

(c) THE AUTHORIZATION GRANTED TO THE DIVISION IN PARAGRAPH (a) OF THIS SUBSECTION (2) TO MAKE A GRANT OR LOAN FROM MONEYS IN THE FUND TO FINANCE FORECLOSURE PREVENTION ACTIVITIES IN THE STATE IS REPEALED, EFFECTIVE JUNE 30, 2011.

(3) (a) ANY MONEYS IN THE FUND NOT EXPENDED OR ENCUMBERED FROM ANY APPROPRIATION AT THE END OF ANY FISCAL YEAR, INCLUDING INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEYS IN THE FUND, SHALL REMAIN IN THE FUND AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND AND SHALL REMAIN AVAILABLE FOR EXPENDITURE BY THE DIVISION IN THE NEXT FISCAL YEAR FOR THE PURPOSES SPECIFIED IN SUBSECTION (2) OF THIS SECTION WITHOUT FURTHER APPROPRIATION.

(b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, NOT MORE THAN TWO HUNDRED FIFTY THOUSAND DOLLARS MAY BE APPROPRIATED FROM THE GENERAL FUND PURSUANT TO THIS SECTION IN ANY ONE STATE FISCAL YEAR FOR ANY USES NOT RELATED TO CONSTRUCTION GRANTS OR LOANS.

**SECTION 2. Effective date.** This act shall take effect June 30, 2009.

**SECTION 3. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 2, 2009