

# Proposition 123: Implementation Update

JANUARY 23, 2024



**COLORADO**  
Office of Economic Development  
& International Trade



# Proposition 123

State Affordable Housing Fund

\$160M FY22-23  
\$314.1M\* FY23-24

\*OSP estimate \$311.4M



Affordable Housing  
Support Fund

DOLA

Year 1: \$64M  
Year 2: \$125.64M

40%

Affordable Housing  
Financing Fund

OEDIT/CHFA

Year 1: \$96M  
Year 2: \$188.46M

60%



# Affordable Housing Financing Fund (AHFF)



## Land Banking Program

15%-25%

\$23.5M (25%) in Year 1



## Equity Program

40%-70%

\$37.6M (40%) in Year 1



## Concessionary Debt Program

15%-35%

\$32.9M (35%) in Year 1

# Implementation highlights

- OEDIT selected CHFA as contract administrator for AHFF programs
- HB23-1304 passed making improvements/clarifications
- Launched [coloradoaffordablehousingfinancingfund.com](https://coloradoaffordablehousingfinancingfund.com)
- More than 30 community engagement events held across the state in 2023
- Concessionary Debt final project selections in underwriting
- Announcing Land Banking and Concessionary Debt modular awards this month
- DOLA/OEDIT/CHFA Prop 123 implementation coordination

# Proposition 123: Land Banking Program

The program provides grants to eligible local or tribal governments and forgivable loans to eligible nonprofits with a demonstrated history of providing affordable housing to acquire and preserve land for the development of affordable housing.



- Program launched July 18
- LOI deadline August 21
- 113 LOIs received seeking more than \$255M
- 26 projects seeking \$46.9M were invited to submit complete applications by November 1
- Awards will be announced this month



# Proposition 123: Concessionary Debt Program

The program provides loan options to for-profit and nonprofit entities for the creation and preservation of affordable housing, including manufacturers which build modular and factory-build housing.



- Applications for Multifamily, LIHTC Gap, LIHTC Predevelopment accepted September 18 - October 9
  - \$14.5M allocated
  - 38 applications received totaling more than \$113M
  - 7 applicants invited to full underwriting in December, supporting 722 units
- Modular applications accepted October 9 - November 3
  - \$18M allocated
  - Coordinated with \$20M of the IHIP Factory Loan program
  - 16 applications received seeking more than \$88.7M
  - 11 applicants invited to interview with the selection committee
  - Final selections will be announced this month

# Proposition 123: Equity Program

The program provides below-market-rate equity investments to eligible for-profit and nonprofit entities for the construction or preservation of low- and middle-income multifamily rental developments.



- The most complex program given range of equity options and the inclusion of a Tenant Equity Vehicle (TEV)
- Working with stakeholders to develop Equity Guidelines and the framework for the TEV, considering best practices and peer models to ensure long-term success and impact of program
- Engagement meetings will be held and final program guidelines published in February/March

# What's next?

- Land Banking and Concessionary Debt Modular awards announcements
- Other Concessionary Debt awards announced in February
- Equity program engagement and launch with TEV framework
- FY24-25 funding will be a full year allocation (approx. \$188M)
- FY24-25 program details will be announced at the end of FY24



Thank you!

## Contacts

Hilary Cooper

*Director, Innovative Funding for Housing  
Programs, OEDIT*

[hilary.cooper@state.co.us](mailto:hilary.cooper@state.co.us)

Steve Johnson

*Director, Community Development, CHFA*

[sjohnson@chfainfo.com](mailto:sjohnson@chfainfo.com)

[ColoradoAffordableHousingFinancingFund.com](http://ColoradoAffordableHousingFinancingFund.com)

Affordable Housing  
Financing Fund 



COLORADO  
Office of Economic Development  
& International Trade

