

Proposition 123: Implementation Update

JANUARY 23, 2024





Proposition 123

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

*OSPB estimate \$311.4M





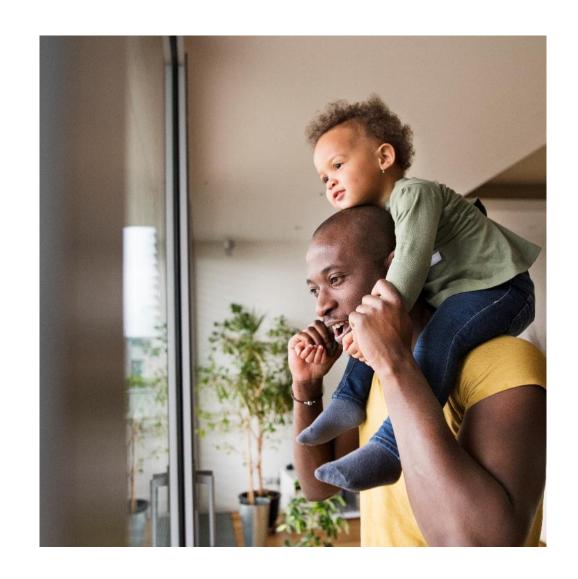
Affordable Housing Support Fund DOLA

Year 1: \$64M Year 2: \$125.64M Affordable Housing Financing Fund
OEDIT/CHFA

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

40%

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
- 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 lowand 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 DebtModular 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!

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