



February 20, 2024

RE: HB24-1175 Local Governments Rights to Property for Affordable Housing—SUPPORT

Dear Members of the Transportation, Housing & Local Government Committee:

My name is Kathy Smith, and I am a Volunteer Lobbyist with the League of Women Voters of Colorado's Legislative Action Committee. **I am writing in support of HB24-1175 on behalf of the League of Women Voters of Colorado.**

The League of Women Voters of Colorado (LWVCO) has been a nonpartisan organization for 104 years, encourages informed and active participation in government, and influences public policy through education and advocacy. Our membership spans the state of Colorado with 19 local leagues operating in several regions around the state.

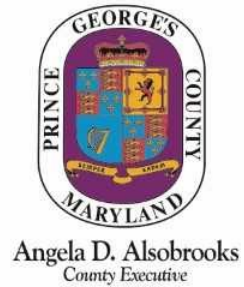
The LWVCO supports policies to provide a decent home and a suitable living environment for everyone and revision and strengthening of all procedures so that equality of opportunity for access to housing can be accomplished.

HB24-1175 preserves affordable housing in Colorado. The bill creates a right of first offer (ROFO) and a right of first refusal (ROFR) for local governments to acquire and preserve multifamily residential properties for long-term affordable housing. The ROFR allows local governments to purchase a qualifying property for an economically or substantially identical offer to another offer that a seller receives for multifamily residential properties that are existing subsidized affordable housing. The ROFO exists for multifamily residential or mixed-use rental property that are 20 years or older consisting of not more than 100 units and not less than five units in urban counties, and not less than three units in rural or rural resort counties.

Colorado's housing shortage is most pronounced for individuals and families living on low- and fixed-incomes. Colorado has 168,752 extremely low-income renter households, but only 43,763 affordable and available rental homes (National Low Income Housing Coalition, 2023, Gap Map). Preserving the long-term affordability of existing properties will increase Colorado's affordable housing supply more quickly and cost-effectively than would new development alone.

We urge the committee members to vote YES on HB24-1175. Preservation of affordable housing is essential to advancing Coloradan's housing supply. Thank you for your consideration of this important bill.

Respectfully,
Kathy Smith, Volunteer Lobbyist, Housing
League of Women Voters of Colorado
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February 20, 2024

To: Committee: House Transportation, Housing & Local Government

Bill: HB24-1175

Good afternoon and thank you for the opportunity to share some pertinent information that highlights the success of the Right of First Refusal program in Prince George's County.

My name is Aspasia Xypolia, and I am the Director of the Department of Housing and Community Development (DHCD) in Prince George's County, MD.

Prince George's County is in Maryland and is bordering the eastern portion of Washington DC. It has a population of nearly 1M people and encompasses 499 square miles of land. While the median gross rent in the County has been historically lower than our neighboring MD jurisdictions and the District of Columbia, data from 2014 to 2019 show that the median rent in the County rose faster than all other nearby MD jurisdictions and only DC had a higher increase in rents during that time. Most recently, we have seen market pressures intensify and rent increases higher than in previous years.

In 2021 the County Executive, presented her Economic Development platform that included job growth strategies and explicit goals of affordable housing preservation and production. Grounded in the premise that as the County grows, we want to grow together, inclusively, and equitably, the ROFR program has been a powerful tool in the preservation of Naturally Occurring Affordable Housing (NOAH) in the County.

In 2013, the Prince George's County Council passed legislation which created the Right of First Refusal Program. The Program is implemented by DHCD. Our department re-launched the program in December of 2020 by creating a programmatic structure to support its implementation.

Since that time in just over 3 years, we have been able to preserve 1,887 NOAH rental units, located in parts of the County experiencing significant market pressures and face the risk of affordability loss. The units preserved under the ROFR program are now subject to land use covenants for a min of 15 years that restricts the income and rent of units so that they are affordable. Most of these units are restricted at or below 60% of the Area Median Income (AMI), which in our region means approximately 63K for a household of 1 person and 90K for a household of 4 people.



The properties that have been preserved under the ROFR program also include unrestricted/market-rate units to ensure that there is no displacement of existing residents.

Important to the success of the ROFR Program has been the County's demonstrated commitment to work closely with Buyers and Sellers to ensure the fair and equitable application of the program's rules.

As affordability pressures in our region and around the Country worsen each year, we view the preservation of our existing affordable housing stock a cornerstone of our Economic Development growth. It ensures that the County will grow inclusively, equitably, and also will become more competitive to employers and business who will know that their workforce is able to find a place to call home.

Warm Regards

Aspasia Xypolia
Director, DHCD
Prince George's County, Maryland

