

Advantage Capital is an impact investment firm dedicated to bringing businesses, technologies, and jobs to communities that have historically lacked access to capital, and has a team dedicated to investing in affordable housing.

We express our **support** for House Bill 1434 and urge the Senate Finance Committee to favorably refer the bill to the Senate Committee of the Whole.

Since the Colorado Affordable Housing Tax Credit (AHTC) program was enacted nearly 10 years ago, it has been tremendously successful in attracting private capital to develop and preserve thousands of affordable housing units to support Colorado's workers, families, seniors, and economy in conjunction with the federal Low Income Housing Tax Credit.

House Bill 1434 would expand the existing AHTC program to meet overwhelming demand while Colorado faces a severe shortage of affordable housing. Currently, the program is oversubscribed by a ratio of approximately 3 to 1.

While affordable housing developments often use a variety of funding sources, federal and state tax credits are the predominant driving force that make equity investments in these projects attractive to investors. Expanding the AHTC program would allow Colorado to build on proven success and make meaningful progress toward addressing housing affordability across the state.

Colin Nickells  
Advantage Capital



Housing Colorado

Dear Members of the Senate Finance Committee,

**Thank you for the opportunity to share Housing Colorado's strong support of HB24-1434.** As you may know, Housing Colorado is a non-profit membership association representing over 300 organizations statewide who are involved in the preservation and production of affordable housing.

We know that our state is facing a huge deficit in housing in general, but the problem is particularly acute for those on the lowest end of the income spectrum. According to the National Low Income Housing Campaign's 2024 Gap Report, Coloradans making 30% or less of the area median income face stiff competition for rental housing they can afford. In fact, out of every 100 households in this income bracket looking for housing that is affordable to them, meaning they are not spending more than 30% of their income on housing-related costs, there are only 27 units on the market. This is a statewide average and so we know that is even more dire in our high-cost markets, including the Front Range cities and the mountain resort communities.

One of the tools in our state's toolbelt for addressing the housing shortage for low-income households is Colorado's affordable housing tax credit. It has been critical to the affordable housing development community for infusing resources into the capital stacks of projects aimed at low-income households. **The program's success has garnered national attention with many states looking to emulate the program that we have operating here in the state. The state credit has directly contributed to the production of over 10,000 new units with a \$5.5 billion economic impact on the state since 2015.**

The beauty of the state credit is that it leverages private capital to finance affordable housing development.

HB24-1434 aims to capitalize on the success of the existing credit by expanding the resources available to affordable housing developers around the state. By increasing the amount of the credit from its current \$10 million level, we will see even more production of affordable units in a shorter time frame.

In an environment where it has become more and more difficult to produce new affordable units, given high interest rates and a host of other factors, the expansion of the state credit comes at a critical time. The affordable housing industry desperately needs additional resources to make projects pencil out and the state affordable housing tax credit is the right tool at the right time to do so.

**Housing Colorado urges your support of HB24-1434.**

Sincerely,

Brian Rossbert, Executive Director  
Housing Colorado



Housing Colorado