

Second Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 08-0710.01 Bob Lackner

HOUSE BILL 08-1340

HOUSE SPONSORSHIP

Kefalas, and Levy

SENATE SPONSORSHIP

Boyd,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE ESTABLISHMENT OF THE COLORADO HOUSING
102 INVESTMENT FUND, AND, IN CONNECTION THEREWITH,
103 INCREASING THE DOCUMENTARY FEE ON REAL ESTATE
104 TRANSACTIONS SUBJECT TO VOTER APPROVAL TO FUND
105 AFFORDABLE HOUSING.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Creates the Colorado housing investment fund (fund) in the state treasury. Makes the administrator of the fund the state division of housing. Specifies the sources of moneys to be transferred to the fund.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

Authorizes moneys to be paid from the fund in the form of grants and loans. Specifies requirements pertaining to the awarding of grants and loans. Specifies that moneys paid out in grants or that are loaned from the fund shall be used to support the creation and maintenance of affordable housing statewide by means of, or for, the following purposes:

- ! New construction and the related infrastructure costs of shelter, transitional housing, permanent supportive housing, affordable rental, and affordable ownership housing stock;
- ! The acquisition of existing real estate for intended conversion to shelter, transitional, or affordable rental or for affordable ownership purposes;
- ! The acquisition of real property or the banking of the property in anticipation of new construction and predevelopment costs;
- ! Defraying the cost of affordable housing in conformity with local inclusionary zoning or inclusionary housing ordinances;
- ! The rehabilitation of a substandard shelter, transitional housing, or an affordable rental and ownership unit;
- ! Assistance with down payment or closing costs;
- ! Energy efficiency and improvements;
- ! The preservation of manufactured housing communities;
- ! The development of special needs housing that conforms to any of the purposes or uses specified in the act; or
- ! Foreclosure prevention.

Specifies factors the board may consider in reviewing an application for a grant or loan from the fund.

Specifies that a portion of the moneys available from the fund are to be allocated to local governments of a certain size with the balance of moneys allocated on a competitive basis to all eligible fund recipients. Specifies additional requirements relating to the distribution of moneys from the fund.

Creates an advisory board to the fund administrator. Specifies various requirements pertaining to the composition and appointment of members of the board. Specifies powers or duties of the board.

Requires annual reporting from local governments to the fund administrator and the fund administrator to the advisory board. Specifies the contents of the report.

Requires the secretary of state to submit a ballot question to the registered voters of the state at the November 2008 general election asking whether the documentary fee levied in connection with the conveyance of real property shall be increased for the purpose of financing the creation and maintenance of affordable housing statewide. Specifies the amount of the proposed fee increase. Specifies how revenues from the fee increase are to be allocated between the fund and

county governments. Defines terms.

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

2 **SECTION 1.** Title 24, Colorado Revised Statutes, is amended BY
3 THE ADDITION OF A NEW ARTICLE to read:

4 **ARTICLE 69**

5 **Colorado Housing Investment Fund**

6 **24-69-101. Short title.** THIS ARTICLE MAY BE KNOWN AND CITED
7 AS THE "COLORADO HOUSING INVESTMENT FUND ACT".

8 **24-69-102. Legislative declaration.** (1) THE GENERAL
9 ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

10 (a) COLORADO FACES A SEVERE SHORTAGE OF SAFE AND DECENT
11 HOUSING AFFORDABLE TO CHILDCARE PROVIDERS, RECEPTIONISTS,
12 GROCERY CLERKS, TEACHERS, AND OTHER WORKERS, AS WELL AS THE
13 STATE'S MOST VULNERABLE RESIDENTS, THE HOMELESS, DISABLED, OR
14 ELDERLY RESIDENTS, AND CHILDREN LIVING IN POVERTY.

15 (b) THIS LACK OF AFFORDABLE HOUSING AFFECTS THE ABILITIES OF
16 COMMUNITIES TO MAINTAIN STABLE ECONOMIES AND THE CAPACITY OF
17 WORKING FAMILIES TO ACHIEVE A QUALITY OF LIFE THAT ALLOWS THEM
18 ACCESS TO GREATER ECONOMIC, EDUCATIONAL, AND SOCIAL
19 OPPORTUNITIES.

20 (c) THE PRODUCTION OF HOUSING CREATES POSITIVE ECONOMIC
21 BENEFITS SUCH AS THE CREATION OF JOBS AND THE GENERATION OF TAX
22 REVENUES, IN ADDITION TO THE DIRECT SOCIAL AND ECONOMIC BENEFITS
23 TO CHILDREN AND FAMILIES.

24 (d) IT IS IN THE STATE'S INTERESTS TO ASSIST IN PROVIDING THE
25 KIND OF SAFE, DECENT, AND AFFORDABLE HOUSING THAT IS

1 FUNDAMENTAL TO THE HEALTH AND WELL-BEING OF PEOPLE, FAMILIES,
2 AND COMMUNITIES.

3 (e) AS OF 2008, THIRTY-EIGHT OTHER STATES HAVE INVESTED IN
4 HOUSING FUNDS TO ACCOMPLISH THE PURPOSES SPECIFIED IN THIS ARTICLE
5 AND THE FUNDS ESTABLISHED IN THOSE STATES HAVE PROVEN TO BE AN
6 EFFICIENT, FLEXIBLE, AND USER-FRIENDLY MEANS OF MITIGATING THE
7 SOCIAL AND ECONOMIC IMPACTS OF A LACK OF AFFORDABLE HOUSING.

8 (2) NOW, THEREFORE, BY ENACTING THIS ARTICLE, THE GENERAL
9 ASSEMBLY INTENDS TO CREATE THE COLORADO HOUSING INVESTMENT
10 FUND FOR THE PURPOSE OF CREATING A STATEWIDE, DEDICATED, AND
11 DEPENDABLE SOURCE OF REVENUE TO SUPPORT THE CREATION AND
12 MAINTENANCE OF SAFE, DECENT, AND AFFORDABLE HOUSING
13 ALTERNATIVES FOR RESIDENTS OF THE STATE FROM LOW-INCOME
14 HOUSEHOLDS OR VERY LOW-INCOME HOUSEHOLDS.

15 **24-69-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
16 CONTEXT OTHERWISE REQUIRES:

17 (1) "ADVISORY BOARD" MEANS THE ADVISORY BOARD TO THE
18 FUND ADMINISTRATOR CREATED IN SECTION 24-69-105 (1).

19 (2) "AFFORDABLE HOUSING" MEANS A HOUSEHOLD WHERE TOTAL
20 HOUSING COSTS, COMPRISED OF RENT AND UTILITIES OR MORTGAGE
21 EXPENSES AND RELATED EXPENSES INCLUDING UTILITIES, REPRESENT
22 APPROXIMATELY THIRTY PERCENT OR LESS OF GROSS HOUSEHOLD INCOME.

23 (3) "AREA MEDIAN INCOME" MEANS THE FEDERAL STANDARD,
24 PUBLISHED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
25 DEVELOPMENT AND ADJUSTED FOR GEOGRAPHIC REGION AND FAMILY SIZE.

26 (4) "FUND" MEANS THE COLORADO HOUSING INVESTMENT FUND
27 CREATED IN SECTION 24-69-104 (1).

1 (5) "FUND ADMINISTRATOR" MEANS THE STATE DIVISION OF
2 HOUSING CREATED IN SECTION 24-32-704 (1).

3 (6) "HIGH-COST AREAS" MEANS LOCATIONS WHERE HOUSEHOLDS
4 EARNING MORE THAN EIGHTY PERCENT OF THE AREA MEDIAN INCOME ARE
5 NOT ABLE TO AFFORD AFFORDABLE HOUSING. THE FUND ADMINISTRATOR
6 SHALL BE RESPONSIBLE FOR DETERMINING WHICH LOCATIONS IN THE
7 STATE QUALIFY AS HIGH-COST AREAS.

8 (7) "HOUSEHOLD" MEANS ONE OR MORE PERSONS, NOT
9 NECESSARILY RELATED BY BLOOD OR MARRIAGE, OCCUPYING THE SAME
10 HOUSING UNIT CONSISTENT WITH FEDERAL DEFINITIONS.

11 (8) "LOW-INCOME HOUSEHOLD" MEANS A HOUSEHOLD IN WHICH
12 THE INCOME IS LESS THAN EIGHTY PERCENT OF THE AREA MEDIAN INCOME
13 OR SUCH OTHER DEFINITION AS MAY BE PROMULGATED BY THE UNITED
14 STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

15 (9) "VERY LOW-INCOME HOUSEHOLD" MEANS A HOUSEHOLD IN
16 WHICH THE INCOME IS LESS THAN FIFTY PERCENT OF THE AREA MEDIAN
17 INCOME OR SUCH OTHER DEFINITION AS MAY BE PROMULGATED BY THE
18 UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

19 **24-69-104. Colorado housing investment fund - creation -**
20 **administration - grants - loans.** (1) FOR THE PURPOSE OF PROVIDING
21 HOUSING FOR RESIDENTS OF THE STATE FROM LOW-INCOME HOUSEHOLDS
22 OR VERY LOW-INCOME HOUSEHOLDS, THE COLORADO HOUSING
23 INVESTMENT FUND, REFERRED TO IN THIS ARTICLE AS THE FUND, IS HEREBY
24 CREATED IN THE STATE TREASURY. THE FUND SHALL BE ADMINISTERED BY
25 THE DIVISION OF HOUSING CREATED IN SECTION 24-32-704 (1), REFERRED
26 TO IN THIS ARTICLE AS THE FUND ADMINISTRATOR. THE FUND SHALL
27 CONSIST OF ALL MONEYS TRANSFERRED INTO THE FUND PURSUANT TO

1 SECTION 39-13-108 (2), C.R.S., MONEYS MADE AVAILABLE BY THE STATE
2 OR FEDERAL GOVERNMENT FOR THE FUND, AND ANY MONEYS RECEIVED
3 FOR THE FUND FROM ANY OTHER PUBLIC OR PRIVATE SOURCE. ANY
4 MONEYS IN THE FUND AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN
5 THE FUND AND MAY NOT REVERT TO THE GENERAL FUND.

6 (2) MONEYS SHALL BE PAID FROM THE FUND FOR THE PURPOSE OF
7 MAKING GRANTS AND LOANS IN ACCORDANCE WITH AN ANNUAL
8 ALLOCATION PLAN THAT SHALL BE PREPARED BY THE ADVISORY BOARD
9 PURSUANT TO SECTION 24-69-106 (1) AFTER IT HAS CONDUCTED ANY
10 PUBLIC HEARINGS AND ASSESSED AFFORDABLE HOUSING NEEDS.

11 (3) (a) UPON THE APPROVAL OF THE ADVISORY BOARD FOLLOWING
12 THE PREPARATION BY THE BOARD OF AN ANNUAL ALLOCATION PLAN IN
13 ACCORDANCE WITH THE REQUIREMENTS OF SUBSECTION (2) OF THIS
14 SECTION, THE FUND ADMINISTRATOR MAY MAKE GRANTS OR LOANS FROM
15 MONEYS IN THE FUND TO ANY LOCAL HOUSING AUTHORITY, PUBLIC
16 NONPROFIT CORPORATION, PRIVATE NONPROFIT CORPORATION, LOCAL
17 GOVERNMENT, OR A SPECIAL DISTRICT FORMED BY A LOCAL GOVERNMENT
18 FOR PREDEVELOPMENT, DEVELOPMENT, OR REDEVELOPMENT COSTS
19 INCURRED PRIOR TO THE COMPLETION OR OCCUPANCY OF HOUSING FOR
20 PERSONS FROM LOW-INCOME HOUSEHOLDS OR VERY LOW-INCOME
21 HOUSEHOLDS OR FOR THE REHABILITATION OF SUCH HOUSING. A PRIVATE
22 FOR-PROFIT OR NONPROFIT CORPORATION MAY APPLY FOR A GRANT OR
23 LOAN FROM THE FUND.

24 (b) (I) IN THE CASE OF A LOAN OF MONEYS IN THE FUND, THE
25 INTEREST RATE ON SUCH LOANS SHALL BE DETERMINED BY THE BOARD
26 AND SET FORTH IN THE LOAN AGREEMENT SIGNED BY THE APPLICANT. IN
27 CONJUNCTION WITH THE MAKING OF THE LOAN, THE FUND SHALL REQUIRE

1 THE BORROWER TO FURNISH COLLATERAL SECURITY IN SUCH AMOUNTS
2 AND IN SUCH FORM AS THE FUND ADMINISTRATOR SHALL DETERMINE TO
3 BE NECESSARY TO ASSURE THE PAYMENT OF SUCH LOAN AND THE
4 INTEREST THEREON AS THEY BECOME DUE. THE LOAN SHALL BE SUBJECT
5 TO THE TERMS AND CONDITIONS IMPOSED BY THE FUND ADMINISTRATOR
6 AND SHALL BE REPAID WITHIN THE TIME AND IN THE MANNER SPECIFIED BY
7 THE FUND ADMINISTRATOR IN THE LOAN AGREEMENT. A LOCAL HOUSING
8 AUTHORITY MAY CONTRACT WITH A PRIVATE FOR-PROFIT OR NONPROFIT
9 CORPORATION TO UNDERTAKE ANY ACTIVITY THAT THE AUTHORITY IS
10 AUTHORIZED TO UNDERTAKE IN ACCORDANCE WITH THE REQUIREMENTS
11 OF THIS PARAGRAPH (b).

12 (II) AS PRINCIPAL AND INTEREST PAYMENTS ARE RECEIVED BY THE
13 FUND FROM THE BORROWER, SUCH MONEYS SHALL BE DEPOSITED IN THE
14 FUND.

15 (4) MONEYS PAID OUT IN GRANTS OR LOANED FROM THE FUND
16 SHALL BE USED TO SUPPORT THE CREATION AND MAINTENANCE OF
17 AFFORDABLE HOUSING STATEWIDE BY MEANS OF, OR FOR, THE FOLLOWING
18 USES OR PURPOSES, WITHOUT LIMITATION:

19 (a) NEW CONSTRUCTION AND THE RELATED INFRASTRUCTURE
20 COSTS OF SHELTER, TRANSITIONAL HOUSING, PERMANENT SUPPORTIVE
21 HOUSING, AFFORDABLE RENTAL, AND AFFORDABLE OWNERSHIP HOUSING
22 STOCK;

23 (b) THE ACQUISITION OF EXISTING REAL ESTATE FOR INTENDED
24 CONVERSION TO SHELTER, TRANSITIONAL, OR AFFORDABLE RENTAL OR FOR
25 AFFORDABLE OWNERSHIP PURPOSES;

26 (c) THE ACQUISITION OF REAL PROPERTY OR THE BANKING OF THE
27 PROPERTY IN ANTICIPATION OF NEW CONSTRUCTION AND

1 PREDEVELOPMENT COSTS;

2 (d) DEFRAIVING THE COST OF AFFORDABLE HOUSING IN
3 CONFORMITY WITH LOCAL INCLUSIONARY ZONING OR INCLUSIONARY
4 HOUSING ORDINANCES;

5 (e) THE REHABILITATION OF A SUBSTANDARD SHELTER,
6 TRANSITIONAL HOUSING, OR AN AFFORDABLE RENTAL AND OWNERSHIP
7 UNIT;

8 (f) ASSISTANCE WITH DOWN PAYMENT OR CLOSING COSTS;

9 (g) ENERGY EFFICIENCY AND IMPROVEMENTS;

10 (h) THE PRESERVATION OF MANUFACTURED HOUSING
11 COMMUNITIES;

12 (i) THE DEVELOPMENT OF SPECIAL NEEDS HOUSING THAT
13 CONFORMS TO ANY OF THE PURPOSES OR USES SPECIFIED IN PARAGRAPHS
14 (a) TO (h) OF THIS SUBSECTION (4); OR

15 (j) FORECLOSURE PREVENTION.

16 (5) (a) IN CONNECTION WITH THE CONSIDERATION OF AN
17 APPLICATION FOR A GRANT FROM THE FUND PURSUANT TO PARAGRAPH (a)
18 OF SUBSECTION (3) OF THIS SECTION OR AN APPLICATION FOR A LOAN FROM
19 THE FUND PURSUANT TO PARAGRAPH (b) OF SUBSECTION (3) OF THIS
20 SECTION, THE FOLLOWING FACTORS SHALL BE CONSIDERED:

21 (I) THE FEASIBILITY OF THE PROJECT THAT IS THE SUBJECT OF THE
22 APPLICATION;

23 (II) THE LONG-TERM ECONOMIC VIABILITY OF THE PROJECT THAT
24 IS THE SUBJECT OF THE APPLICATION;

25 (III) THE ANTICIPATED CONTRIBUTION THAT THE PROJECT WILL
26 MAKE TO THE CREATION OF STRONGER COMMUNITIES AS MEASURED BY
27 SUCH FACTORS, WITHOUT LIMITATION, AS THE PRESERVATION OF OLDER

1 HOUSING STOCK; UNIVERSAL DESIGN STANDARDS; COMMUNITY
2 REINVESTMENT; IMPROVEMENT IN THE RATIOS OF HOME OWNERSHIP;
3 ASSISTANCE WITH THE HOUSING OF KEY WORKERS; ENSURING THE
4 AFFORDABILITY OF LONG-TERM HOUSING; CREATING ENVIRONMENTALLY
5 RESPONSIBLE HOUSING STOCK; TARGETING THE NEEDIEST POPULATIONS;
6 OR REDUCING NEGATIVE IMPACTS ON TRANSPORTATION INFRASTRUCTURE;

7 (IV) THE ABILITY OF THE PROJECT TO MEET A LOCALLY IDENTIFIED
8 NEED OR WHETHER THE PROJECT HAS LOCAL SUPPORT;

9 (V) THE ABILITY OF THE PROJECT TO MEET OR FULFILL A PURPOSE
10 OR USE SPECIFIED IN SUBSECTION (4) OF THIS SECTION;

11 (VI) THE ABILITY OF THE PROJECT TO DEMONSTRATE
12 OPPORTUNITIES FOR LEVERAGING MONEYS FROM THE FUND; AND

13 (VII) THE ABILITY OF THE RECIPIENT OF THE GRANT OR LOAN
14 MONEYS TO COMPLETE THE PROJECT IN A TIMELY AND HIGH-QUALITY
15 FASHION.

16 (b) PRIORITY IN THE CONSIDERATION OF A GRANT OR LOAN
17 APPLICATION MAY BE GIVEN TO PROJECTS THAT PROPOSE TO SERVE
18 UNDERSERVED OR HARD-TO-SERVE POPULATIONS OR GEOGRAPHIC AREAS
19 INCLUDING, WITHOUT LIMITATION, PERSONS WITH SPECIAL HOUSING
20 NEEDS, THE HOMELESS, HIGH-COST HOUSING AREAS, PERSONS OF LOW-
21 INCOME HOUSEHOLDS OR VERY LOW-INCOME HOUSEHOLDS, KEY
22 EMPLOYMENT SECTORS, AND ANY OTHER DOCUMENTED NEEDS SEGMENT
23 OF THE STATE'S POPULATION OR GROUP OF PERSONS LOCATED WITHIN A
24 PARTICULAR GEOGRAPHIC AREA OF THE STATE WITH SPECIAL HOUSING
25 NEEDS. MONEYS USED TO ADMINISTER THE FUND MAY BE USED TO
26 CONDUCT STATEWIDE AND REGIONAL NEEDS ASSESSMENTS TO ADJUST
27 PRIORITIES ON A BIENNIAL OR ON A MORE FREQUENT BASIS AS DETERMINED

1 BY THE FUND ADMINISTRATOR.

2 (6) (a) MONEYS PAID INTO THE FUND SHALL BE AVAILABLE TO
3 FUND PROJECTS STATEWIDE BY MEANS OF THE LOCAL GOVERNMENT
4 ALLOCATION SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (6) AND BY
5 MEANS OF THE STATEWIDE OPEN ALLOCATION SPECIFIED IN PARAGRAPH (c)
6 OF THIS SUBSECTION (6).

7 (b) (I) FIFTY PERCENT OF THE MONEYS COLLECTED ANNUALLY
8 SHALL BE AVAILABLE TO LOCAL GOVERNMENTS. MONEYS SHALL BE MADE
9 AVAILABLE BY APPLICATION FOR PROPOSED PROJECTS THAT MEET THE
10 CRITERIA SPECIFIED IN SUBSECTIONS (4) AND (5) OF THIS SECTION AND THE
11 DISTRIBUTION REQUIREMENTS SPECIFIED IN SUBPARAGRAPH (II) OF THIS
12 PARAGRAPH (b). IN CONNECTION WITH THE APPLICATION PROCESS
13 DESCRIBED IN SAID SUBPARAGRAPH (II), THE GENERAL ASSEMBLY
14 ENCOURAGES LOCAL GOVERNMENTS TO PRIORITIZE AND EVALUATE
15 PROJECTS PRIOR TO SUBMITTING AN APPLICATION AND FOR APPLICATIONS
16 TO BE SUBMITTED AS PART OF A PUBLIC PROCESS.

17 (II) IN ORDER TO DETERMINE THE AMOUNT OF MONEYS THAT WILL
18 BE AVAILABLE UNDER THE LOCAL GOVERNMENT ALLOCATION PURSUANT
19 TO THIS PARAGRAPH (b), IN THE CASE OF A LOCAL GOVERNMENT THE
20 POPULATION OF WHICH IS TWENTY-SIX THOUSAND OR MORE PERSONS, THE
21 MONEYS AVAILABLE ON AN ANNUAL BASIS SHALL BE DIVIDED BY THE
22 POPULATION OF THE STATE AT THE TIME THE ALLOCATION IS MADE TO
23 ARRIVE AT A PER CAPITA FACTOR. THE PER CAPITA FACTOR SHALL THEN
24 BE MULTIPLIED BY THE POPULATION OF THE LOCAL GOVERNMENT TO
25 ARRIVE AT FUNDING ELIGIBILITY. IN ORDER TO RECEIVE ITS SHARE OF
26 ALLOCATED FUNDS, THE LOCAL GOVERNMENT SHALL DEMONSTRATE TO
27 THE FUND ADMINISTRATOR THAT IT HAS ADOPTED A HOUSING PLAN AND

1 NEEDS ASSESSMENT AND THAT THE MONEYS WILL BE SPENT IN
2 ACCORDANCE WITH ITS LOCAL OR REGIONAL HOUSING PLAN. THE
3 BALANCE OF THE MONEYS AVAILABLE TO LOCAL GOVERNMENTS SHALL BE
4 DISTRIBUTED ON A COMPETITIVE BASIS TO LOCAL GOVERNMENTS THE
5 POPULATION OF WHICH IS LESS THAN TWENTY-SIX THOUSAND PERSONS
6 THAT HAVE SUBMITTED AN APPLICATION FOR FUNDING FOR A GRANT.
7 UNUSED PORTIONS OF THE LOCAL GOVERNMENT ALLOCATION
8 DISTRIBUTED IN ACCORDANCE WITH THIS PARAGRAPH (b) SHALL BECOME
9 AVAILABLE FOR DISTRIBUTION UNDER THE STATEWIDE OPEN ALLOCATION
10 DESCRIBED IN PARAGRAPH (c) OF THIS SUBSECTION (6). CONSISTENT WITH
11 STATE LAW, MONEYS MADE AVAILABLE TO A LOCAL GOVERNMENT THAT
12 ARE NOT ENTIRELY USED IN THE FISCAL YEAR RECEIVED MAY BE CARRIED
13 FORWARD AND USED IN THE NEXT FISCAL YEAR. A LOCAL GOVERNMENT
14 MAY ASSIGN MONEYS RECEIVED UNDER THIS PARAGRAPH (b) TO ANOTHER
15 LOCAL GOVERNMENT IF THE LOCAL GOVERNMENT THAT IS TO BE THE
16 RECIPIENT OF THE MONEYS SUBMITS A PROPOSAL THAT IS SUBJECT TO THE
17 SAME TERMS AND CONDITIONS AS THE LOCAL GOVERNMENT ASSIGNING
18 THE MONEYS. THE GENERAL ASSEMBLY FURTHER ENCOURAGES ALL LOCAL
19 GOVERNMENTS PARTICIPATING IN THE LOCAL GOVERNMENT ALLOCATION
20 POOL UNDER THIS PARAGRAPH (b) TO SUBMIT REGIONAL PROPOSALS.

21 (c) FIFTY PERCENT OF THE MONEYS MADE AVAILABLE FROM THE
22 FUND ON AN ANNUAL BASIS SHALL BE AVAILABLE ON A COMPETITIVE BASIS
23 TO ALL ELIGIBLE FUND RECIPIENTS. CONSISTENT WITH STATE LAW,
24 MONEYS MADE AVAILABLE TO A LOCAL GOVERNMENT THAT ARE NOT
25 ENTIRELY USED IN THE FISCAL YEAR RECEIVED MAY BE CARRIED FORWARD
26 AND USED IN THE NEXT FISCAL YEAR. MONEYS MADE AVAILABLE
27 THROUGH THE STATEWIDE ALLOCATION UNDER THIS PARAGRAPH (c) SHALL

1 BE TARGETED TO PROJECTS THAT REFLECT THE NEED-BASED INCOMES AS
2 REFLECTED IN THE ANNUAL ALLOCATION PLAN. SPONSORS OF PROJECTS
3 FUNDED WITH MONEYS ALLOCATED UNDER PARAGRAPH (b) OF THIS
4 SUBSECTION (6) MAY ALSO APPLY FOR MONEYS ALLOCATED UNDER THIS
5 PARAGRAPH (c) AS LONG AS THE PROJECT ADEQUATELY DEMONSTRATES
6 THE NEED FOR ADDITIONAL FUNDING UNDER THIS PARAGRAPH (c).

7 (d) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT NOT LESS
8 THAN FIFTY PERCENT OF THE MONEYS MADE AVAILABLE FOR LOANS OR
9 GRANTS FROM THE FUND BENEFIT HOUSEHOLDS EARNING FIFTY PERCENT
10 OR LESS OF THE AREA MEDIAN INCOME.

11 (e) A PROJECT RECEIVING MONEYS PURSUANT TO PARAGRAPH (b)
12 OR (c) OF THIS SUBSECTION (6) SHALL HAVE THREE YEARS FROM THE DATE
13 THE FUNDING OF THE PROJECT HAS BEEN APPROVED TO EXPEND MONEYS
14 ON THE PROJECT. MONEYS THAT HAVE BEEN OBLIGATED FOR PROJECTS
15 THAT HAVE NOT BEEN EXPENDED WITHIN THIS THREE-YEAR PERIOD SHALL
16 REVERT BACK TO THE POOL OF MONEYS MADE AVAILABLE FOR STATEWIDE
17 OPEN ALLOCATION GRANTS UNDER PARAGRAPH (c) OF THIS SUBSECTION (6)
18 FOR REALLOCATION ACCORDING TO THE PREVAILING NEEDS AND
19 PRIORITIES AT THE TIME OF THE REVERSION OF THE MONEYS.

20 **24-69-105. Advisory board - creation - membership -**
21 **appointments.** (1) TO ASSIST THE FUND ADMINISTRATOR IN
22 ADMINISTERING THE FUND, THERE IS HEREBY CREATED AN ADVISORY
23 BOARD TO THE FUND ADMINISTRATOR, REFERRED TO IN THIS ARTICLE AS
24 THE "ADVISORY BOARD". IN ADDITION TO ANY OTHER POWERS OR DUTIES
25 IT MAY BE GRANTED PURSUANT TO THIS ARTICLE, THE BOARD SHALL
26 PROVIDE ADVICE AND COUNSEL TO THE FUND ADMINISTRATOR IN
27 ACCORDANCE WITH THE REQUIREMENTS OF THIS ARTICLE.

1 (2) THE ADVISORY BOARD SHALL CONSIST OF ELEVEN MEMBERS
2 WHO SHALL BE APPOINTED BY THE GOVERNOR FOR TERMS OF FOUR YEARS
3 EACH; EXCEPT THAT, IN THE DISCRETION OF THE GOVERNOR, FOUR OF THE
4 ORIGINAL MEMBERS SELECTED BY CONGRESSIONAL DISTRICT AND TWO OF
5 THE ORIGINAL MEMBERS NOT SELECTED BY CONGRESSIONAL DISTRICT
6 SHALL BE INITIALLY APPOINTED FOR A TERM OF FOUR YEARS EACH, AND
7 THE REMAINING FIVE ORIGINAL MEMBERS SHALL BE INITIALLY APPOINTED
8 FOR A TERM OF TWO YEARS EACH. THEREAFTER, MEMBERS SHALL BE
9 APPOINTED FOR TERMS OF FOUR YEARS EACH. MEMBERS SHALL NOT
10 SERVE MORE THAN TWO CONSECUTIVE FULL TERMS.

11 (3) SEVEN MEMBERS OF THE ADVISORY BOARD SHALL BE
12 APPOINTED BY CONGRESSIONAL DISTRICT. OF SUCH MEMBERS, ONE
13 MEMBER SHALL BE APPOINTED FROM EACH CONGRESSIONAL DISTRICT AND
14 SHALL BE A QUALIFIED ELECTOR THEREOF. FOUR ADDITIONAL PERSONS
15 SHALL BE APPOINTED AS MEMBERS OF THE BOARD WITH EXPERIENCE OR
16 STATUS IN ONE OR MORE OF THE FOLLOWING AREAS:

17 (a) HOUSING DEVELOPMENT;

18 (b) HOUSING FINANCING; OR

19 (c) SERVING AS A REPRESENTATIVE OF THE COMMUNITY OF
20 LOW-INCOME HOUSEHOLDS OR VERY LOW-INCOME HOUSEHOLDS OR THE
21 AFFORDABLE HOUSING COMMUNITY.

22 (4) (a) NOT MORE THAN A SIMPLE MAJORITY OF THE MEMBERS OF
23 THE ADVISORY BOARD SHALL BE MEMBERS OF THE SAME POLITICAL PARTY.

24 (b) NOT LESS THAN TWENTY PERCENT OF THE MEMBERS OF THE
25 ADVISORY BOARD SHALL REPRESENT THE LOW-INCOME HOUSEHOLD
26 COMMUNITY. IN ORDER TO SATISFY THE REQUIREMENTS OF THIS
27 PARAGRAPH (b), THE PERSON SHALL:

1 (I) BE A MEMBER OF A LOW-INCOME HOUSEHOLD OR VERY
2 LOW-INCOME HOUSEHOLD;

3 (II) RESIDE IN AFFORDABLE HOUSING;

4 (III) BE A RESIDENT OF A COUNTY THAT IS PREDOMINATELY RURAL
5 IN CHARACTER; OR

6 (IV) SERVE AS AN EMPLOYEE OR A BOARD OFFICER OF A
7 COMMUNITY-BASED AGENCY OR ORGANIZATION THAT SERVES PERSONS
8 WITH LOW INCOMES.

9 (5) A VACANCY ON THE ADVISORY BOARD MAY OCCUR BY REASON
10 OF DEATH, RESIGNATION, A MOVE BY A MEMBER OUT OF THE
11 CONGRESSIONAL DISTRICT FROM WHICH HE OR SHE WAS APPOINTED, OR
12 THE FAILURE OF A MEMBER TO SATISFY THE OTHER REQUIREMENTS FOR
13 MEMBERSHIP IN THE BOARD AS SPECIFIED IN THIS SUBSECTION (3), AS
14 APPLICABLE. A MEMBER WHO MOVES OUT OF THE CONGRESSIONAL
15 DISTRICT SHALL PROMPTLY NOTIFY THE GOVERNOR OF THE DATE OF THE
16 MOVE, BUT THE NOTICE IS NOT A CONDITION PRECEDENT TO THE
17 OCCURRENCE OF THE VACANCY. THE GOVERNOR SHALL APPOINT A
18 MEMBER TO FILL THE VACANCY FOR THE UNEXPIRED TERM.

19 (6) MEMBERS OF THE ADVISORY BOARD SHALL SERVE WITHOUT
20 COMPENSATION BUT SHALL BE REIMBURSED FOR NECESSARY EXPENSES
21 INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES.

22 (7) THE ADVISORY BOARD SHALL INITIALLY MEET UPON CALL OF
23 THE GOVERNOR. AT ITS FIRST MEETING, THE BOARD SHALL ELECT A
24 CHAIRPERSON FROM AMONG ITS MEMBERSHIP. THE BOARD SHALL SET THE
25 TIME AND PLACE AT WHICH ITS REGULAR AND SPECIAL MEETINGS ARE TO
26 BE HELD. AFTER THE FIRST MEETING OF THE BOARD, ITS MEETINGS SHALL
27 BE HELD ON THE CALL OF THE CHAIRPERSON. THE BOARD SHALL MEET NOT

1 LESS THAN FOUR TIMES A YEAR.

2 (8) THE GOVERNOR MAY REMOVE ANY APPOINTMENT OF THE
3 ADVISORY BOARD FOR MALFEASANCE IN OFFICE, FOR FAILURE TO
4 REGULARLY ATTEND MEETINGS, OR FOR ANY CAUSE THAT RENDERS THE
5 MEMBER INCAPABLE OR UNFIT TO DISCHARGE THE DUTIES OF HIS OR HER
6 OFFICE. ANY SUCH REMOVAL, WHEN MADE, SHALL NOT BE SUBJECT TO
7 REVIEW.

8 **24-69-106. Powers or duties of the advisory board.** (1) IN
9 ADDITION TO ANY OTHER POWERS OR DUTIES SPECIFIED IN THIS ARTICLE,
10 THE ADVISORY BOARD SHALL:

11 (a) CONDUCT PUBLIC HEARINGS AND ASSESS AFFORDABLE
12 HOUSING NEEDS IN ORDER TO PREPARE AN ANNUAL ALLOCATION PLAN FOR
13 MONEYS MADE AVAILABLE FROM THE FUND;

14 (b) PROVIDE ADVICE, COUNSEL, AND RECOMMENDATIONS TO THE
15 FUND ADMINISTRATOR ON MATTERS CONCERNING THE ADMINISTRATION
16 OF THE FUND.

17 **24-69-107. Annual reports.** (1) ANY LOCAL GOVERNMENT THAT
18 RECEIVES MONEYS FROM THE FUND IN ACCORDANCE WITH THE PROVISIONS
19 OF SECTION 24-69-104 (6) (b) SHALL REPORT ANNUALLY TO THE FUND
20 ADMINISTRATOR BY FEBRUARY 15 OF EACH CALENDAR YEAR. THE REPORT
21 REQUIRED BY THIS SUBSECTION (1) SHALL ADDRESS THE MANNER IN WHICH
22 THE LOCAL GOVERNMENT DISTRIBUTED THE MONEYS IT RECEIVED DURING
23 THE PRIOR CALENDAR YEAR, THE SPECIFIC POPULATIONS THE LOCAL
24 GOVERNMENT SERVED THROUGH THE MONEYS DISTRIBUTED, INCLUDING
25 THE NEEDS OF PERSONS WITHIN LOW-INCOME HOUSEHOLDS AND VERY
26 LOW-INCOME HOUSEHOLDS WITHIN THE TERRITORIAL BOUNDARIES OF THE
27 LOCAL GOVERNMENT, AND ANY SUCH ADDITIONAL MATTERS AS THE FUND

1 ADMINISTRATOR MAY REQUIRE TO BE INCLUDED WITHIN THE REPORT.

2 (2) NOT LATER THAN FEBRUARY 15 OF EACH CALENDAR YEAR, THE
3 FUND ADMINISTRATOR SHALL REPORT TO THE ADVISORY BOARD ON THE
4 DISTRIBUTION OF MONEYS FROM THE FUND DURING THE PRIOR CALENDAR
5 YEAR.

6 **24-69-108. Submission of ballot question regarding**
7 **documentary fee increase.** (1) THE SECRETARY OF STATE SHALL SUBMIT
8 A BALLOT QUESTION TO A VOTE OF THE REGISTERED ELECTORS OF THE
9 STATE OF COLORADO AT THE GENERAL ELECTION TO BE HELD IN
10 NOVEMBER 2008, FOR THEIR APPROVAL OR REJECTION. EACH ELECTOR
11 VOTING AT SUCH GENERAL ELECTION SHALL CAST A VOTE AS PROVIDED BY
12 LAW EITHER "YES" OR "NO" ON THE PROPOSITION: "SHALL THE
13 DOCUMENTARY FEE LEVIED IN CONNECTION WITH THE CONVEYANCE OF
14 REAL PROPERTY BE INCREASED FOR THE PURPOSE OF FINANCING THE
15 CREATION AND MAINTENANCE OF AFFORDABLE HOUSING STATEWIDE?"

16 (2) THE VOTES CAST FOR THE ADOPTION OR REJECTION OF SAID
17 ACT SHALL BE CANVASSED AND THE RESULT DETERMINED IN THE MANNER
18 PROVIDED BY LAW FOR THE CANVASSING OF VOTES FOR REPRESENTATIVES
19 IN CONGRESS.

20 **SECTION 2.** 24-32-705 (1), Colorado Revised Statutes, is
21 amended BY THE ADDITION OF THE FOLLOWING NEW
22 PARAGRAPHS to read:

23 **24-32-705. Functions of division.** (1) The division has the
24 following functions:

25 (q) TO SERVE AS ADMINISTRATOR OF THE COLORADO HOUSING
26 INVESTMENT FUND CREATED IN SECTION 24-69-104 (1) IN ACCORDANCE
27 WITH THE PROVISIONS OF ARTICLE 69 OF THIS TITLE;

1 (r) TO PURCHASE AND THEN TEMPORARILY HOLD REAL PROPERTY
2 FOR THE PURPOSE OF PRESERVING THE PROPERTY AS AFFORDABLE AND TO
3 TRANSFER TITLE TO THE PROPERTY TO A LOCAL HOUSING AUTHORITY OR
4 A PRIVATE NONPROFIT CORPORATION.

5 **SECTION 3.** 39-13-102 (2) (b), Colorado Revised Statutes, is
6 amended to read:

7 **39-13-102. Documentary fee imposed - amount - to whom**
8 **payable.** (2) The amount of documentary fee payable in each case shall
9 be as follows:

10 (b) (I) PRIOR TO JANUARY 1, 2009, when the total consideration
11 paid by the purchaser, inclusive of the amount of any lien or encumbrance
12 against the real property granted or conveyed and all charges and
13 expenses required to be paid for the making of such grant or conveyance
14 exceeds five hundred dollars, the documentary fee payable shall be
15 computed at the rate of one cent for each one hundred dollars, or major
16 fraction thereof, of such consideration.

17 (II) ON OR AFTER JANUARY 1, 2009, WHEN THE TOTAL
18 CONSIDERATION PAID BY THE PURCHASER, INCLUSIVE OF THE AMOUNT OF
19 ANY LIEN OR ENCUMBRANCE AGAINST THE REAL PROPERTY GRANTED OR
20 CONVEYED AND ALL CHARGES AND EXPENSES REQUIRED TO BE PAID FOR
21 THE MAKING OF SUCH GRANT OR CONVEYANCE EXCEEDS FIVE HUNDRED
22 DOLLARS, THE DOCUMENTARY FEE PAYABLE SHALL BE COMPUTED AT THE
23 RATE OF FIVE CENTS FOR EACH ONE HUNDRED DOLLARS, OR MAJOR
24 FRACTION THEREOF, OF CONSIDERATION IN THE CASE OF RESIDENTIAL
25 REAL PROPERTY AND TWO CENTS FOR EACH ONE HUNDRED DOLLARS, OR
26 MAJOR FRACTION THEREOF, OF SUCH CONSIDERATION IN THE CASE OF
27 COMMERCIAL OR INDUSTRIAL REAL PROPERTY OR VACANT LAND.

1 **SECTION 4.** 39-13-108, Colorado Revised Statutes, is amended
2 to read:

3 **SECTION 5. Effective date.** (1) Except as provided in
4 subsection (2) of this section, this act shall take effect at 12:01 a.m. on the
5 day following the expiration of the ninety-day period after final
6 adjournment of the general assembly that is allowed for submitting a
7 referendum petition pursuant to article V, section 1 (3) of the state
8 constitution, (August 6, 2008, if adjournment sine die is on May 7, 2008);
9 except that, if a referendum petition is filed against this act or an item,
10 section, or part of this act within such period, then the act, item, section,
11 or part, if approved by the people, shall take effect on the date of the
12 official declaration of the vote thereon by proclamation of the governor.

13 (2) Sections 3 and 4 of this act shall only take effect if the
14 majority of the registered electors voting on the question have given their
15 approval to the question described in section 24-69-108 (1), Colorado
16 Revised Statutes, at the general election to be held in November 2008.