

1 *Be it Enacted by the People of the State of Colorado:*

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3 **SECTION 1.** The constitution of the state of Colorado is amended BY THE ADDITION OF A
4 NEW ARTICLE to read:

5
6 **ARTICLE XXX**
7 **COLORADO HOUSING INVESTMENT FUND**
8

9 **Section 1. Purpose and findings.** AS SAFE, DECENT, ACCESSIBLE, AND AFFORDABLE HOUSING
10 CREATES A FOUNDATION FOR FAMILY STABILITY, EDUCATIONAL ACHIEVEMENT, PERSONAL
11 HEALTH, COMMUNITY SUSTAINABILITY, AND ECONOMIC DEVELOPMENT, IT IS THE INTENT OF THE
12 VOTERS OF COLORADO TO ESTABLISH A HOUSING INVESTMENT FUND TO PROVIDE A DEDICATED,
13 STATEWIDE SOURCE OF REVENUE TO SUPPORT THE CREATION AND PRESERVATION OF AFFORDABLE
14 HOUSING OPPORTUNITIES FOR RESIDENTS OF THE STATE FROM VERY LOW-INCOME HOUSEHOLDS,
15 LOW-INCOME HOUSEHOLDS, AND WORKFORCE HOUSEHOLDS, INCLUDING, BUT NOT LIMITED TO,
16 PERSONS WITH SPECIAL NEEDS AND THE HOMELESS.

17
18 **Section 2. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

19
20 (1) "AFFORDABLE HOUSING" MEANS HOUSING WHERE TOTAL HOUSING COSTS,
21 COMPRISED OF EITHER RENT, RENTER'S INSURANCE, AND UTILITIES, OR MORTGAGE PAYMENTS,
22 HOMEOWNER'S INSURANCE, PROPERTY TAXES, DUES TO A HOMEOWNERS' ASSOCIATION, LAND
23 LEASE PAYMENTS, AND UTILITIES, REPRESENT NO MORE THAN THIRTY PERCENT OF GROSS
24 HOUSEHOLD INCOME.

25
26 (2) "AFFORDABLE HOUSING STOCK" MEANS SAFE AND SANITARY SHELTERS,
27 TRANSITIONAL HOUSING, PERMANENT SUPPORTIVE HOUSING, AFFORDABLE RENTAL OR
28 AFFORDABLE OWNERSHIP UNITS, AND HOUSING FOR PEOPLE WITH SPECIAL NEEDS.

29
30 (3) "AREA MEDIAN INCOME" HAS THE SAME DEFINITION AS MAY BE PROMULGATED BY
31 THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OR ANY SUCCESSOR
32 AGENCY.

33
34 (4) "FUND ADMINISTRATOR" MEANS THE DIVISION OF HOUSING IN THE DEPARTMENT OF
35 LOCAL AFFAIRS OR ANY SUCCESSOR AGENCY.

36
37 (5) "HOUSEHOLD" MEANS ALL THE PERSONS WHO OCCUPY A HOUSING UNIT.

38
39 (6) "LOW-INCOME HOUSEHOLD" MEANS A HOUSEHOLD WHOSE INCOME IS AT OR BELOW
40 EIGHTY PERCENT OF THE AREA MEDIAN INCOME OR SUCH OTHER DEFINITION AS MAY BE
41 PROMULGATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OR
42 ANY SUCCESSOR AGENCY.

43
44 (7) "VERY LOW-INCOME HOUSEHOLD" MEANS A HOUSEHOLD WHOSE INCOME IS AT OR
45 BELOW FIFTY PERCENT OF THE AREA MEDIAN INCOME OR SUCH OTHER DEFINITION AS MAY BE

1 PROMULGATED BY THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT OR
2 ANY SUCCESSOR AGENCY.

3
4 (8) "WORKFORCE HOUSEHOLD" MEANS A HOUSEHOLD WITH AT LEAST ONE PRIMARY
5 WAGE EARNER WORKING IN A COMMUNITY OR REGION WITH A DOCUMENTED SHORTAGE OF
6 HOUSING THAT IS AFFORDABLE TO ITS WORKERS AND WHOSE HOUSEHOLD INCOME IS AT OR BELOW
7 ONE HUNDRED TWENTY PERCENT OF THE AREA MEDIAN INCOME.
8

9 **Section 3. Colorado housing investment fund – creation – use and allocation of moneys**
10 **from the fund.** (1) TO PROVIDE AFFORDABLE HOUSING OPPORTUNITIES FOR RESIDENTS OF THE
11 STATE FROM VERY LOW-INCOME HOUSEHOLDS, LOW-INCOME HOUSEHOLDS, AND WORKFORCE
12 HOUSEHOLDS, THE COLORADO HOUSING INVESTMENT FUND IS HEREBY CREATED IN THE STATE
13 TREASURY. THE COLORADO HOUSING INVESTMENT FUND SHALL BE ADMINISTERED BY THE
14 DIVISION OF HOUSING IN THE DEPARTMENT OF LOCAL AFFAIRS OR ANY SUCCESSOR AGENCY. THE
15 FUND SHALL CONSIST OF ALL MONEYS TRANSFERRED INTO THE FUND PURSUANT TO SECTION (4) OF
16 THIS ARTICLE AND ANY MONEYS RECEIVED FOR THE FUND FROM ANY OTHER PUBLIC OR PRIVATE
17 SOURCE. ANY MONEYS IN THE FUND AT THE END OF ANY FISCAL YEAR SHALL REMAIN IN THE FUND
18 AND SHALL NOT REVERT TO THE GENERAL FUND.
19

20 (2) AFTER COSTS OF ADMINISTERING THE COLORADO HOUSING INVESTMENT FUND ARE
21 DEDUCTED, MONEYS IN THE FUND SHALL BE USED FOR GRANTS AND LOANS TO SUPPORT THE
22 STATEWIDE CREATION AND PRESERVATION OF AFFORDABLE HOUSING STOCK THROUGH:
23

- 24 (a) NEW CONSTRUCTION;
- 25
- 26 (b) ACQUISITION OF REAL PROPERTY;
- 27
- 28 (c) PREDEVELOPMENT;
- 29
- 30 (d) DEFRAYING COSTS OF COMPLIANCE WITH LOCAL ORDINANCES;
- 31
- 32 (e) BUILDING REHABILITATION;
- 33
- 34 (f) ASSISTANCE WITH DOWN PAYMENTS AND CLOSING COSTS;
- 35
- 36 (g) ENERGY EFFICIENCY IMPROVEMENTS;
- 37
- 38 (h) ACCESSIBILITY MODIFICATIONS AND CONSTRUCTION; AND
- 39
- 40 (i) FORECLOSURE AND HOMELESSNESS PREVENTION.
- 41

42 (3) THE FUND ADMINISTRATOR SHALL CONDUCT PUBLIC HEARINGS AND COMPLETE
43 NEEDS ASSESSMENTS TO DETERMINE THE ANNUAL FUNDING PRIORITIES FOR THE ALLOCATION OF
44 MONEYS PURSUANT TO PARAGRAPH (a)(I) OF SUBSECTION (4) OF THIS SECTION. THE FUND
45 ADMINISTRATOR SHALL BE AUTHORIZED TO AMEND THE ANNUAL FUNDING PRIORITIES WITHOUT

1 PUBLIC HEARING AFTER THE OCCURRENCE OF ONE OR MORE NATURAL DISASTERS THAT CREATE
2 NEW NEEDS FOR AFFORDABLE HOUSING.

3
4 (4)(a) THE MONEYS IN THE COLORADO HOUSING INVESTMENT FUND SHALL BE ALLOCATED
5 AS FOLLOWS:

6
7 (I) FORTY PERCENT OF THE MONEYS IN THE FUND SHALL BE AVAILABLE ON A COMPETITIVE
8 BASIS TO ANY LOCAL HOUSING AUTHORITY, PUBLIC NONPROFIT CORPORATION, PRIVATE FOR-
9 PROFIT OR NONPROFIT CORPORATION, LOCAL GOVERNMENT, OR SPECIAL DISTRICT. MONEYS THAT
10 ARE MADE AVAILABLE TO SUCH ENTITIES AND ARE NOT ENTIRELY OBLIGATED IN THE FISCAL YEAR
11 IN WHICH THEY WERE RECEIVED MAY BE CARRIED FORWARD AND OBLIGATED IN THE NEXT FISCAL
12 YEAR. MONEYS MADE AVAILABLE THROUGH THE STATEWIDE ALLOCATION SHALL BE OBLIGATED
13 IN ACCORDANCE WITH ANNUAL FUNDING PRIORITIES ESTABLISHED BY THE FUND ADMINISTRATOR
14 PURSUANT TO SECTION 3 (3) OF THIS ARTICLE. PAYMENT OF PRINCIPAL AND INTEREST ON ANY
15 LOAN MADE FROM MONEYS ALLOCATED PURSUANT TO THIS PARAGRAPH (a)(I) OF THIS SUBSECTION
16 (4) SHALL BE DEPOSITED IN THE COLORADO HOUSING INVESTMENT FUND; AND

17
18 (II) SIXTY PERCENT OF THE MONEYS IN THE FUND SHALL BE AVAILABLE TO LOCAL
19 GOVERNMENTS FOR DISTRIBUTION TO ANY LOCAL HOUSING AUTHORITY, PUBLIC NONPROFIT
20 CORPORATION, PRIVATE FOR-PROFIT OR NONPROFIT CORPORATION, LOCAL GOVERNMENT, OR
21 SPECIAL DISTRICT. MONEYS SHALL BE MADE AVAILABLE BY APPLICATION TO THE FUND
22 ADMINISTRATOR FOR USE IN ACCORDANCE WITH A LOCAL OR REGIONAL HOUSING PLAN BASED ON
23 LOCAL OR REGIONAL NEEDS ASSESSMENTS. PAYMENT OF PRINCIPAL AND INTEREST ON ANY LOAN
24 MADE FROM MONEYS ALLOCATED PURSUANT TO THIS PARAGRAPH (a)(II) OF THIS SUBSECTION (4)
25 SHALL BE DEPOSITED WITH THE LOCAL GOVERNMENT THAT DISTRIBUTED THE LOAN FOR
26 REDISTRIBUTION IN ACCORDANCE WITH A LOCAL OR REGIONAL HOUSING PLAN BASED ON LOCAL OR
27 REGIONAL NEEDS ASSESSMENTS AS DETERMINED BY THE LOCAL GOVERNMENT.

28
29 (b) NOT LESS THAN FIFTY PERCENT OF THE MONEYS MADE AVAILABLE FOR LOANS OR
30 GRANTS FROM THE FUND IN A FISCAL YEAR SHALL BENEFIT VERY LOW-INCOME HOUSEHOLDS.

31
32 (c) ANY MONEYS DISTRIBUTED PURSUANT TO PARAGRAPH (a)(II) OF THIS SUBSECTION (4)
33 NOT EXPENDED WITHIN THREE YEARS OF THE DATE OF APPROVAL OF SUCH DISTRIBUTION SHALL
34 REVERT TO THE COLORADO HOUSING INVESTMENT FUND. IN THE YEAR OF A REVERSION, SUCH
35 MONEYS SHALL BE ALLOCATED AS PROVIDED IN PARAGRAPH (a) OF THIS SUBSECTION (4).

36
37 **Section 4. Generate revenue for Colorado housing investment fund – real estate transfer**

38 **tax.** (1) NOTWITHSTANDING SECTION 20 (8) (a) OF ARTICLE X OF THIS CONSTITUTION, AND IN
39 ADDITION TO ANY DOCUMENTARY FEE PROVIDED BY LAW, ON AND AFTER JULY 1, 2009, WHEN THE
40 TOTAL CONSIDERATION PAID BY THE PURCHASER, INCLUSIVE OF THE AMOUNT OF ANY LIEN OR
41 ENCUMBRANCE AGAINST THE REAL PROPERTY GRANTED OR CONVEYED AND ALL CHARGES AND
42 EXPENSES REQUIRED TO BE PAID FOR THE MAKING OF SUCH GRANT OR CONVEYANCE, EXCEEDS FIVE
43 HUNDRED DOLLARS, A REAL ESTATE TRANSFER TAX SHALL BE IMPOSED AT THE RATE OF FOUR
44 CENTS FOR EACH ONE HUNDRED DOLLARS, OR MAJOR FRACTION THEREOF, OF CONSIDERATION PAID
45 FOR THE REAL PROPERTY. ALL REVENUE FROM THE REAL ESTATE TRANSFER TAX IMPOSED BY THIS
46 SECTION SHALL BE TRANSFERRED INTO THE COLORADO HOUSING INVESTMENT FUND.

1
2 (2) WITH REGARD TO THE STATE AND ANY DISTRICT THAT COLLECTS OR SPENDS THE
3 REVENUE GENERATED PURSUANT TO THIS SECTION, ALL SUCH REVENUE AND SPENDING SHALL BE
4 EXEMPT FROM ANY LIMITATION CONTAINED IN SECTION 20 OF ARTICLE X OF THIS CONSTITUTION
5 OR ANY OTHER LIMIT ON REVENUE OR SPENDING UNDER COLORADO LAW.
6

7 **Section 5. Authority of general assembly.** THE GENERAL ASSEMBLY SHALL ENACT, IN 2009,
8 LEGISLATION AS NECESSARY TO FURTHER THE PURPOSE OF THIS ARTICLE, INCLUDING BUT, NOT
9 LIMITED TO, ESTABLISHING A MAXIMUM PERCENTAGE OF THE COLORADO HOUSING INVESTMENT
10 FUND THAT CAN BE SPENT ON ADMINISTRATION, DESIGNATING REQUIRED REPORTS BY LOCAL
11 GOVERNMENTS AND THE FUND ADMINISTRATOR CONCERNING THE USES AND EFFECTS OF MONEYS
12 RECEIVED FROM THE FUND, ESTABLISHING FORMULAS FOR ALLOCATING MONEYS FROM THE FUND
13 TO DESIGNATED CLASSES OF LOCAL GOVERNMENTS, AND ESTABLISHING THE MEANS FOR THE
14 COUNTIES' COLLECTION OF REVENUE AS PROVIDED IN SECTION 4 OF THIS ARTICLE AND ITS TIMELY
15 TRANSMISSION TO THE FUND.
16

17 **Section 6. Effective date.** THE EFFECTIVE DATE OF SECTION 5 OF THIS ARTICLE SHALL BE
18 JANUARY 15, 2009. THE EFFECTIVE DATE OF SECTIONS 1, 2, 3, AND 4 OF THIS ARTICLE SHALL BE
19 JULY 1, 2009.