

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 14-0716.01 Jason Gelender x4330

HOUSE BILL 14-1093

HOUSE SPONSORSHIP

Duran,

SENATE SPONSORSHIP

Newell,

House Committees

Business, Labor, Economic, & Workforce Development
Appropriations

Senate Committees

Business, Labor, & Technology
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE ESTABLISHMENT OF THE CREATIVE DISTRICT**
102 **COMMUNITY LOAN FUND, AND, IN CONNECTION THEREWITH,**
103 **MAKING AND REDUCING APPROPRIATIONS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill establishes the creative district community loan fund. The fund consists of moneys appropriated or transferred to the fund by the general assembly, matching moneys received by the creative industries division of the office of economic development (division) from any

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.

SENATE
3rd Reading Unamended
April 30, 2014

SENATE
Amended 2nd Reading
April 29, 2014

HOUSE
3rd Reading Unamended
April 15, 2014

HOUSE
Amended 2nd Reading
April 14, 2014

community development finance institution with which the division enters into a memorandum of understanding regarding contributions to the fund, and any other moneys contributed to the fund by any foundation or other public or private person. Subject to annual appropriation by the general assembly, a maximum loan amount limitation, and a matching moneys requirement, the division may make loans or loan guarantees from the creative district community loan fund to any person who is developing, constructing, or redeveloping commercial real estate, mixed-use projects, or community facilities within a state-certified creative district that will support the purposes or growth of the district. The division may retain up to 5% of the moneys appropriated or transferred to the fund by the general assembly for administrative costs, and any unexpended and unencumbered moneys from an appropriation made by the general assembly from the fund remain available for expenditure by the division in the next fiscal year without further appropriation.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-48.5-315 as
3 follows:

4 **24-48.5-315. Creative district community loan fund - creation**
5 **- use of fund - reporting.** (1) THE CREATIVE DISTRICT COMMUNITY LOAN
6 FUND IS CREATED IN THE STATE TREASURY. THE PRINCIPAL OF THE FUND
7 CONSISTS OF MONEYS APPROPRIATED OR TRANSFERRED TO THE FUND BY
8 THE GENERAL ASSEMBLY, MATCHING MONEYS **LEVERAGED** BY THE
9 DIVISION FROM ANY COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION,
10 AS DESCRIBED IN SECTION 38-38-100.3 (20) (j), C.R.S., WITH WHICH THE
11 DIVISION ENTERS INTO A MEMORANDUM OF UNDERSTANDING REGARDING
12 **LOAN PARTICIPATION AND ADMINISTRATION OF** THE FUND, AND ANY OTHER
13 MONEYS **LEVERAGED IN** THE FUND BY ANY FOUNDATION OR OTHER PUBLIC
14 OR PRIVATE PERSON. ALL INTEREST AND INCOME DERIVED FROM THE
15 DEPOSIT AND INVESTMENT OF THE FUND AND ALL UNEXPENDED AND
16 UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF ANY

1 FISCAL YEAR REMAIN IN THE FUND UNLESS EXPENDED AS AUTHORIZED BY
2 PARAGRAPH (c) OF SUBSECTION (2) OF THIS SECTION.

3 (2) (a) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
4 ASSEMBLY AND SUBJECT TO THE FOLLOWING LIMITATIONS, THE DIVISION
5 MAY MAKE OR PARTICIPATE IN LOANS OR LOAN GUARANTEES FROM THE
6 CREATIVE DISTRICT COMMUNITY LOAN FUND TO ANY PERSON WHO IS
7 DEVELOPING, CONSTRUCTING, OR REDEVELOPING COMMERCIAL REAL
8 ESTATE, MIXED-USE PROJECTS, COMMUNITY FACILITIES, OR
9 INFRASTRUCTURE SUCH AS SIDEWALK IMPROVEMENTS, PATHWAYS FOR
10 WAYFARING, AND SIGNAGE, WITHIN A STATE-CERTIFIED CREATIVE
11 DISTRICT OR A PROPOSED CREATIVE DISTRICT THAT IS A CANDIDATE FOR
12 CERTIFICATION THAT WILL SUPPORT THE PURPOSES OR GROWTH OF THE
13 DISTRICT:

14 (I) THE MAXIMUM AMOUNT THAT THE DIVISION MAY LOAN FROM
15 THE FUND FOR ANY SINGLE PROJECT IS TWO HUNDRED FIFTY THOUSAND
16 DOLLARS;

17 (II) ONE OR MORE PUBLIC OR PRIVATE ENTITIES MUST PROVIDE
18 MATCHING MONEYS OR IN-KIND CONTRIBUTIONS OF PROPERTY, OR BOTH,
19 WITH A TOTAL VALUE EQUAL TO AT LEAST THREE TIMES THE AMOUNT
20 LOANED BY THE FUND;

21 (III) THE DIVISION SHALL GIVE HIGHER PRIORITY TO A LOAN OR
22 LOAN GUARANTEE APPLICATION FOR A PROJECT THAT IS IDENTIFIED IN OR
23 COMPATIBLE WITH A DISTRICT'S STRATEGIC PLAN.

24 (b) THE DIVISION MAY RETAIN UP TO EIGHT PERCENT OF THE
25 MONEYS TRANSFERRED OR APPROPRIATED BY THE GENERAL ASSEMBLY TO
26 THE CREATIVE DISTRICT COMMUNITY LOAN FUND IN A FISCAL YEAR TO
27 OFFSET ITS ADMINISTRATIVE COSTS UNDER THIS SECTION.

1 (c) ANY UNEXPENDED AND UNENCUMBERED MONEYS FROM AN
2 APPROPRIATION MADE PURSUANT TO THIS SUBSECTION (2) REMAIN
3 AVAILABLE FOR EXPENDITURE BY THE DIVISION IN THE NEXT FISCAL YEAR
4 WITHOUT FURTHER APPROPRIATION.

5 (d) THE PRIORITY OF ANY LIENS FILED IN CONNECTION WITH A
6 LOAN MADE BY, PARTICIPATED IN, OR GUARANTEED BY THE DIVISION AS
7 AUTHORIZED BY PARAGRAPH (a) OF THIS SUBSECTION (2) IS DETERMINED
8 EXCLUSIVELY BY THE ORDER IN WHICH THE LIENS WERE FILED.

9 (3) THE OFFICE OF ECONOMIC DEVELOPMENT SHALL INCLUDE IN ITS
10 ANNUAL REPORT SUBMITTED TO THE GENERAL ASSEMBLY PURSUANT TO
11 SECTION 24-48.5-101 A SUMMARY OF ALL LOANS AND LOAN GUARANTEES
12 MADE OR PARTICIPATED IN PURSUANT TO SUBSECTION (2) OF THIS SECTION
13 DURING THE PRECEDING FISCAL YEAR. THE SUMMARY MUST INCLUDE, AT
14 A MINIMUM:

15 (a) THE AMOUNT OF EACH LOAN OR LOAN GUARANTEE;

16 (b) A DESCRIPTION OF THE PROJECT FOR WHICH THE DIVISION
17 MADE EACH LOAN OR LOAN GUARANTEE INCLUDING A DESCRIPTION OF THE
18 RECIPIENT'S USE OF THE LOAN MADE OR GUARANTEED;

19 (c) A DESCRIPTION OF ANY ECONOMIC IMPACTS, INCLUDING BUT
20 NOT LIMITED TO JOB CREATION OR RETENTION AND CAPITAL INVESTMENT
21 OR RETENTION IN THE STATE RESULTING FROM THE LOAN OR LOAN
22 GUARANTEE.

23 **SECTION 2. Appropriation - adjustments to 2014 long bill.**

24 (1) For the implementation of this act, the general fund appropriation
25 made in the annual general appropriation act to the controlled
26 maintenance trust fund created in section 24-75-302.5 (2) (a), Colorado
27 Revised Statutes, for the fiscal year beginning July 1, 2014, is decreased

1 by \$100,000.

2 (2) In addition to any other appropriation, for the fiscal year
3 beginning July 1, 2014, there is hereby appropriated, out of any moneys
4 in the general fund not otherwise appropriated, to the creative district
5 community loan fund created in section 24-48.5-315 (1), Colorado
6 Revised Statutes, the sum of \$100,000, to be used for purposes consistent
7 with the creation of the fund.

8 (3) In addition to any other appropriation, there is hereby
9 appropriated, out of the creative district community loan fund, to the
10 governor - lieutenant governor - state planning and budgeting, for the
11 fiscal year beginning July 1, 2014, the sum of \$100,000, or so much
12 thereof as may be necessary, to be allocated to economic development
13 programs for the creative district community loan program.

14 **SECTION 3. Act subject to petition - effective date.** This act
15 takes effect at 12:01 a.m. on the day following the expiration of the
16 ninety-day period after final adjournment of the general assembly (August
17 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a
18 referendum petition is filed pursuant to section 1 (3) of article V of the
19 state constitution against this act or an item, section, or part of this act
20 within such period, then the act, item, section, or part will not take effect
21 unless approved by the people at the general election to be held in
22 November 2014 and, in such case, will take effect on the date of the
23 official declaration of the vote thereon by the governor.