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HOUSE BILL 23-1232

BY REPRESENTATIVE(S) McCluskie and Jodeh, Amabile, Bacon, Bird, Boesenecker, Brown, Daugherty, deGruy Kennedy, Dickson, Duran, Froelich, Hamrick, Herod, Joseph, Lieder, Lindstedt, Lukens, Mabrey, Marshall, McLachlan, Michaelson Jenet, Sharbini, Snyder, Story, Valdez, Velasco, Weissman, Woodrow, Young, Kipp, Lindsay, Ortiz, Ricks; also SENATOR(S) Roberts.

CONCERNING CLARIFICATION OF THE SCOPE OF THE AUTHORITY OF THE DIVISION OF HOUSING TO SPEND MONEY FOR CERTAIN TYPES OF GRANTS.

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

SECTION 1. In Colorado Revised Statutes, 24-32-130, **amend** (7) as follows:

24-32-130. Local government affordable housing development incentives grant program - local government planning grant program - creation - report - definitions. (7) All funding of any grants awarded under either the housing development incentives grant program or the planning grant program must be made entirely out of the money transferred from the general fund and the affordable housing and home ownership cash

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

fund created in section 24-75-229 (3)(a), that originates from money the state received from the federal coronavirus state fiscal recovery fund, to the Colorado heritage communities fund created in section 24-32-3207 (1) in accordance with section 24-32-3207 (6). All costs incurred by the division in administering either the housing development incentives grant program or the planning grant program must be paid out of the money transferred under section 24-32-3207 (6). The division may use up to four percent of any money transferred to it under this section to cover its administrative costs in administering or evaluating either the housing development incentives grant program or the planning grant program. All money transferred into the Colorado heritage communities fund in accordance with section 24-32-3207 (6) must be expended ~~by July 1, 2024~~ BEFORE JULY 1, 2025. Any money transferred into the fund in accordance with this subsection (7) that is not expended or encumbered from any appropriation at the end of any fiscal year is available for expenditure ~~by July 1, 2024~~ BEFORE JULY 1, 2025, without further appropriation.

SECTION 2. In Colorado Revised Statutes, 24-32-721.7, **amend** (1)(b) as follows:

24-32-721.7. Affordable housing guided toolkit and local officials guide program - creation. (1) (b) All funding of any assistance awarded under the housing toolkit program must be made entirely out of the money transferred from the general fund to the housing development grant fund created in section 24-32-721 (1) in accordance with section 24-32-721 (6). All costs incurred by the division in administering the housing toolkit program must be paid out of the money transferred in accordance with section 24-32-721 (6). The division may use up to eight percent of any money appropriated to it under this section to cover its administrative costs in administering the housing toolkit program. All money transferred to the housing development grant fund in accordance with section 24-32-721 (6) must be expended ~~over the subsequent three state fiscal years~~ BEFORE JULY 1, 2025. ANY SUCH MONEY THAT IS NOT EXPENDED OR ENCUMBERED FROM ANY APPROPRIATION AT THE END OF ANY FISCAL YEAR IS AVAILABLE FOR EXPENDITURE BEFORE JULY 1, 2025, WITHOUT FURTHER APPROPRIATION.

SECTION 3. In Colorado Revised Statutes, 24-32-727, **amend** (2), (3) introductory portion, (4), (5), (6), (7), (8)(a), and (8)(d) as follows:

24-32-727. Denver-metropolitan regional navigation campuses

grant - regional navigation campuses cash fund - creation - definitions.

(2) A local government or local governments applying together or a community partner in conjunction with one or more local governments may submit an application for a grant to the division in accordance with policies, procedures, and guidelines adopted by the division in order to build or acquire, and then facilitate, ~~a~~ ONE OR MORE regional navigation ~~campus~~ CAMPUSES in the Denver metropolitan area to respond to and prevent homelessness. The division, in collaboration with the department of human services and the behavioral health administration in the department of human services, shall establish the application requirements, which must include a plan by which ~~the~~ AN applicant intends to sustain funding FOR the regional navigation campus OR CAMPUSES after the grant period ends.

(3) Each applicant shall demonstrate how the applicant plans to build or acquire, and then facilitate, ~~a~~ ONE OR MORE navigation ~~campus~~ CAMPUSES that may include, but ~~is~~ ARE not limited to, the following:

(4) In selecting ~~a~~ grant ~~recipient~~ RECIPIENTS, the division, in collaboration with the department of human services and the behavioral health administration in the department of human services, shall consider:

(a) An applicant's commitment to regional and transformational projects that ~~addresses~~ ADDRESS homelessness;

(b) An applicant's commitment to providing wraparound services for the residents at ~~the~~ EACH supportive residential campus;

(c) The impact of ~~the~~ EACH proposed navigation campus in the community where it will be located and in the Denver-metropolitan region as a whole; and

(d) The ability of the applicant to manage ~~the~~ EACH location and determine long-term operational costs and sustainability.

(5) In adopting policies, procedures, and guidelines, the division shall collaborate with the department of human services and the behavioral health administration in the department of human services to create a process that ensures ~~the grant is~~ THAT GRANTS ARE only awarded after a fair and rigorous open competition among eligible applicants. The division shall review applications and select ~~the~~ grant ~~recipient~~ RECIPIENTS in

collaboration with partnering agencies.

(6) The division, A grant recipient, or any other person who receives money from the division pursuant to this section shall comply with the compliance, reporting, record-keeping, and program evaluation requirements established by the office of state planning and budgeting and the state controller in accordance with section 24-75-226 (5).

(7) On July 1, 2022, the state treasurer shall transfer fifty million dollars from the economic recovery and relief cash fund, created in section 24-75-228, that originates from the money the state received from the federal coronavirus state fiscal recovery fund, to the regional navigation ~~campus~~ CAMPUSES cash fund for the purposes of this section. The division may expend up to ten percent of the money appropriated or transferred to the fund to pay for its direct and indirect costs in administering ~~the grant~~ GRANTS. All administrative costs must be paid out of the money transferred to the fund pursuant to this subsection (7).

(8) (a) The regional navigation ~~campus~~ CAMPUSES cash fund, referred to in this section as the "fund", is created in the state treasury. The fund consists of money transferred to the fund pursuant to subsection (7) of this section and any other money that the general assembly may appropriate or transfer to the fund.

(d) ~~The~~ A grant recipient must expend or obligate any money received pursuant to this section in accordance with section 24-75-226 (4)(d).

SECTION 4. In Colorado Revised Statutes, 24-32-3207, **amend** (6)(d) as follows:

24-32-3207. Colorado heritage communities fund - creation - source of funds. (6) (d) The division of local government in the department shall use the money transferred pursuant to subsection (6)(c) of this section for the creation, implementation, and administration of the local government planning grant program created in section 24-32-130 (5) in accordance with the requirements of section 24-32-130. With respect to any money transferred into the Colorado heritage communities fund pursuant to subsection (6)(c) of this section, the division may use any money that is unexpended or unencumbered as of ~~June 30, 2024~~ JUNE 30, 2023, for

purposes of the local government affordable housing development incentives grant program created in section 24-32-130 (2) as needed in accordance with section 24-32-130.

SECTION 5. In Colorado Revised Statutes, 24-75-402, **amend** (5)(vv) as follows:

24-75-402. Cash funds - limit on uncommitted reserves - reduction in the amount of fees - exclusions - definitions.
(5) Notwithstanding any provision of this section to the contrary, the following cash funds are excluded from the limitations specified in this section:

(vv) The regional navigation ~~campus~~ CAMPUSES cash fund created in section 24-32-727;

SECTION 6. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Steve Fenberg
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO