

RECEIVED REVISED

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ELECTIONS

#103

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

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

**ARTICLE XXX  
COLORADO HOUSING INVESTMENT FUND**

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

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

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

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

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

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

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

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

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

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

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

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

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

- (a) NEW CONSTRUCTION;
- (b) ACQUISITION OF REAL PROPERTY;
- (c) PREDEVELOPMENT;
- (d) DEFRAYING COSTS OF COMPLIANCE WITH LOCAL ORDINANCES;
- (e) BUILDING REHABILITATION;
- (f) ASSISTANCE WITH DOWN PAYMENTS AND CLOSING COSTS;
- (g) ENERGY EFFICIENCY IMPROVEMENTS;
- (h) ACCESSIBILITY MODIFICATIONS AND CONSTRUCTION; AND
- (i) FORECLOSURE AND HOMELESSNESS PREVENTION.

(3) THE FUND ADMINISTRATOR SHALL CONDUCT PUBLIC HEARINGS AND COMPLETE NEEDS ASSESSMENTS TO DETERMINE THE ANNUAL FUNDING PRIORITIES FOR THE ALLOCATION OF MONEYS PURSUANT TO SUBPARAGRAPH (I) OF PARAGRAPH (a)(1) OF SUBSECTION (4) OF THIS SECTION. THE FUND ADMINISTRATOR SHALL BE AUTHORIZED TO AMEND THE ANNUAL FUNDING

PRIORITIES WITHOUT PUBLIC HEARING AFTER THE OCCURRENCE OF ONE OR MORE NATURAL DISASTERS THAT CREATE NEW NEEDS FOR AFFORDABLE HOUSING.

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

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

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

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

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

**Section 4. ~~Generate r~~Revenue for Colorado housing investment fund – real estate transfer tax.** (1) NOTWITHSTANDING SECTION 20 (8) (a) OF ARTICLE X OF THIS CONSTITUTION, AND IN ADDITION TO ANY DOCUMENTARY FEE PROVIDED BY LAW, ON AND AFTER JULY 1, 2009, WHEN THE TOTAL CONSIDERATION PAID BY THE PURCHASER, INCLUSIVE OF THE AMOUNT OF ANY LIEN OR ENCUMBRANCE AGAINST THE REAL PROPERTY GRANTED OR CONVEYED AND ALL CHARGES AND EXPENSES REQUIRED TO BE PAID FOR THE MAKING OF SUCH GRANT OR CONVEYANCE, EXCEEDS FIVE HUNDRED DOLLARS, A REAL ESTATE TRANSFER TAX SHALL BE IMPOSED AT THE RATE OF FOUR CENTS FOR EACH ONE HUNDRED DOLLARS, OR MAJOR FRACTION THEREOF, OF CONSIDERATION PAID

FOR THE REAL PROPERTY. ALL REVENUE FROM THE REAL ESTATE TRANSFER TAX IMPOSED BY THIS SECTION SHALL BE TRANSFERRED INTO THE COLORADO HOUSING INVESTMENT FUND.

(2) WITH REGARD TO THE STATE AND ANY DISTRICT THAT COLLECTS OR SPENDS THE REVENUE GENERATED PURSUANT TO THIS SECTION, ALL SUCH PROCEEDS SHALL BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE CHANGE AND SHALL NOT BE CONSTRAINED BY ANY LIMITATION CONTAINED IN SECTION 20 OF ARTICLE X OF THIS CONSTITUTION OR ANY OTHER LIMIT ON REVENUE OR SPENDING UNDER COLORADO LAW.

**Section 5. Authority of general assembly.** THE GENERAL ASSEMBLY SHALL ENACT ON OR BEFORE JUNE 30, 2009, IN 2009, LEGISLATION AS NECESSARY TO FURTHER THE PURPOSE OF THIS ARTICLE, INCLUDING BUT, NOT LIMITED TO, ESTABLISHING A MAXIMUM PERCENTAGE OF THE COLORADO HOUSING INVESTMENT FUND THAT CAN BE SPENT ON ADMINISTRATION, DESIGNATING REQUIRED REPORTS BY LOCAL GOVERNMENTS AND THE FUND ADMINISTRATOR CONCERNING THE USES AND EFFECTS OF MONEYS RECEIVED FROM THE FUND, ESTABLISHING FORMULAS FOR ALLOCATING MONEYS FROM THE FUND TO DESIGNATED CLASSES OF LOCAL GOVERNMENTS, AND ESTABLISHING THE MEANS FOR THE COUNTIES' COLLECTION OF REVENUE AS PROVIDED IN SECTION 4 OF THIS ARTICLE AND ITS TIMELY TRANSMISSION TO THE FUND.

**Section 6. Effective date.** ~~THE EFFECTIVE DATE OF SECTION 5 OF THIS ARTICLE SHALL BE JANUARY 15, 2009. THE EFFECTIVE DATE OF SECTIONS 1, 2, 3, AND 4 OF THIS ARTICLE SHALL BE JULY 1, 2009.~~ SECTIONS 5 AND 6 OF THIS ARTICLE SHALL TAKE EFFECT ON JANUARY 14, 2009. SECTIONS 1, 2, 3, AND 4 OF THIS ARTICLE SHALL TAKE EFFECT ON JULY 1, 2009.

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