



Support HB24-1434 to Expand and Strengthen the State Affordable Housing Tax Credit

Sponsored by: Rep. Shannon Bird, Rep. Ron Weinberg, Sen. Rachel Zenzinger, and Sen. Cleave Simpson

Colorado's Affordable Housing Tax Credit (state AHTC) raises private sector equity to support the development and preservation of affordable rental housing. It is modeled after the nationally recognized federal Low Income Housing Tax Credit (federal LIHTC) created in 1986 under President Reagan's administration. CHFA is currently authorized to allocate \$10 million in state AHTC through 2031. The program is oversubscribed by a rate of 3 to 1.

HB24-1434 proposes to increase CHFA's state credit authority by \$20 million in 2024-2026; \$16 million in 2027-2029; and \$10 million in 2030-2031. In addition to front loading the amount of credit available for award, the bill also proposes to accelerate the pace at which investors may claim the credit to further amplify AHTC's already significant and positive impacts.

HB24-1434 expands and strengthens the state's most successful affordable housing program which is critical as affordable housing developers continue to navigate a high interest rate environment, diminishing and reduced gap fund resources, increased construction and labor costs, and robust competition for state and federal Housing Tax Credits and other resources.

10,782 housing units directly supported

- Between 2015 - 2023, the state AHTC program has directly supported the development of 10,782 affordable rental units.
- The median household income of residents living in tax credit-supported units is \$25,392, or approximately 32 percent of Area Median Income (AMI).
- The top five employment categories of residents living in state AHTC-supported units are: service industry, professional, construction-related, administrative and clerical, and sales/retail.
- State AHTC has enabled CHFA to better utilize its state and federal Housing Tax Credits to support developments in urban, rural, and rural resort regions of the state.

\$1.7 billion in new private sector investment raised to support Colorado housing

- The sale of the state and federal housing tax credits allocated to state AHTC-supported units will generate over \$1.7 billion in private sector equity investment in Colorado that otherwise would not have occurred.

\$130.7 million in federal 4 percent lihtc leveraged

All states utilize two types of federal LIHTC to support affordable housing:

- Federal 9 percent credit, which is designed to subsidize approximately 70 percent of an affordable development's costs; and
- Federal 4 percent credit, which is designed to subsidize approximately 30 percent of an affordable development's costs.
- Historically, CHFA has leveraged state AHTC with federal 4 percent credit, which helps CHFA better meet the state's varied housing needs, including supportive housing, housing for extremely low-income households, mixed income housing, as well as supporting development in high-cost and rural areas.

\$5.5 billion in economic impact

- The development of the 10,700+ units directly supported with state AHTC is estimated to generate over \$5.5 billion in economic impact in Colorado and support 36,357 jobs.

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The following organizations support HB24-1434

Advantage Capital	Economic Development Council of Colorado	Loveland Housing Authority
Archway Communities	Element Properties	Maiker Housing
Aurora Housing Authority	Emmanuel Missionary Baptist Church	Metro West Housing Solutions
BlueLine Development, Inc.	The Empowerment Program	MGL Partners
Boulder Housing Partners	Enterprise Community Partners	Mile High Development
Brikwell	Evergreen Real Estate Group	Neighborhood Development Collaborative
Broomfield Housing Alliance	Fading West Development	Neuro-Inclusive Housing Solutions
Brothers Redevelopment, Inc.	Fax Partnership, The	Owl Properties LLC
CARE Housing, Inc.	Foothills Regional Housing	Pennrose, LLC
City of Fort Collins	Fraser River Valley Housing Partnership	Perry Rose LLC
City of Golden	Gorman & Company	Project Moxie
City of Greeley	Grand Junction Housing Authority	RaiseHomes LLC
Club 20	Greccio Housing Unlimited, Inc.	RCH Jones Consulting
Colorado Association of Home Builders	Grovewood Community Development	RMM Advisors
Colorado Bankers Association	Hestia Housing Company	Sherman Associates
Colorado Chamber of Commerce	Housing Authority of City of Pueblo	Shopworks Architecture
Colorado Coalition for the Homeless	Housing Catalyst	Southwest Improvement Council
Colorado Counties, Inc.	Housing Colorado	Studio Shed
Colorado Municipal League	Impact Development Fund	Sugar Creek Capital
Commonwealth Development Corporation	Jefferson Center for Mental Health	Thistle Community Housing
Community Housing Partners	The Kelsey	Town of Pagosa Springs
Community Outreach Service Center, Inc.	Kittle Property Group	Urban Ventures LLC
Cornerstone Housing Group LLC	L'Arche Northern Colorado	Volker Development, Inc.
Denver Metro Chamber of Commerce	League of Women Voters of Colorado	Volunteers of America
Douglas County Housing Partnership		Warren Village
Dwelling Development LLC		Wazee Partners, LLC
		Wild Woman CO LLC