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Gov. Polis Signs Bill Increasing State Affordable Housing Tax Credits

(DENVER) – Colorado Housing and Finance Authority (CHFA) announced the passing of HB19-1228, which increases the amount of state Affordable Housing Tax Credits available for annual allocation by CHFA from \$5 million to \$10 million for 2020 through 2024. CHFA is the allocating agency for state Affordable Housing Tax Credit (state AHTC) program in Colorado. HB19-1228 was sponsored by Representative Shannon Bird, Representative Brianna Titone, Senator Rachel Zenzinger, and Senator Jack Tate. The bill was signed into law by Gov. Polis earlier today at a ceremony held at ALTO, an affordable apartment community developed by Gorman & Company and Unison Housing in Westminster, Colo.

Bill co-sponsor Representative Shannon Bird said, "The unique benefit of the CHFA tax credit is that it is part of a solution, rather than a band-aid, to concerns we have about keeping people out of poverty, breaking cycles of intergenerational poverty and giving a critical hand up - instead of a hand out. I feel honored to have sponsored this important piece of legislation that will help ensure that more working families will have a safe, quality, affordable place to call home."

The state AHTC is a vital resource in Colorado, directly supporting 4,796 affordable rental housing units since 2015, and leveraging \$534 million in new private sector investment in Colorado housing.

"The increase in state AHTC will result in much needed additional affordable rental housing to serve Coloradans at a time when rents continue to rise and half of renters statewide are housing cost burdened. The state AHTC program is now equipped to strengthen our communities further, providing opportunities for Colorado's low- and moderate-income

workforce, seniors, families, and others in need," said Cris White, CHFA executive director and CEO.

A bipartisan, broad-based coalition of business and housing industry leaders, social service providers, and nonprofit organizations supported HB 19-1228.

State Representative Brianna Titone and bill co-sponsor said, "Everyone deserves a place to call home. AHTC is the perfect vehicle for incentivizing affordable housing development to ensure that all our citizens can enjoy the Colorado way of life."

The state AHTC program is based on the federal Low Income Housing Tax Credit (LIHTC) program which was created in 1986 under President Reagan and is recognized as the most successful affordable housing program nationwide. The program incentivizes private-sector investment in the development and preservation of affordable rental housing. Historically, the median household income of residents living in state AHTC-supported units is \$34,598 or approximately 42 percent of the Area Median Income statewide.

"The rising cost of living continues to impede Coloradans who are struggling to find an affordable place to live or even just to maintain the living quarters that they have," said Senator Rachel Zenzinger. "This bill is an effective tool that will also encourage all those developers who have been so eager to partner with us in these community-wide housing efforts."

The development of the 4,796 units directly supported with state AHTC since 2015 is estimated to generate over \$1.9 billion in economic impact in Colorado, and support 11,920 jobs. To date, the state AHTC program is estimated to leverage \$8.3 in economic impact for every \$1 of state investment.

State Senator Jack Tate said, "This initiative is a great example of how a public-private partnership can produce the high-quality developments we need to help lower-income Coloradans find good housing. It is a win-win for Colorado."

About CHFA

CHFA strengthens Colorado by investing in affordable housing and community development. Created in 1973, CHFA invests in loans to low- and moderate-income homebuyers through our network of participating lenders, and makes loans to affordable multifamily rental housing developers and small and medium sized businesses. CHFA also provides education and technical assistance about affordable housing and economic development. CHFA is a self-sustaining public enterprise. CHFA issued debt is not the obligation of the state. For more information about CHFA please visit www.chfainfo.com, call its Denver office at 1.800.877.chfa (2432), or its Western Slope office at 1.800.877.8450.

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