



The Colorado Department of Local Affairs (DOLA), with funding from HB21-1271, offers state assistance to local governments to promote the development of innovative affordable housing strategies in a manner that is compatible with best local land use practices. HB21-1271 creates three new grant programs:

- Affordable Housing Development Incentives Grant Program (“Incentives Grant Program”)
- Planning Grant Program
- Affordable Housing Guided Toolkit and Local Officials Guide Program (“Toolkit Program”)

The Community Development Office within DOLA’s Division of Local Government will manage the Incentives Grant Program and the Planning Grant Program. DOLA’s Division of Housing will manage the Toolkit Program. Municipalities, counties, and city/counties are eligible for all three grant programs. Federally recognized tribes are eligible for the Toolkit Program.

## [Affordable Housing Development Incentives Grant Program](#)

The Incentives Grant Program provides grants to municipalities and counties to develop one or more affordable housing developments in their community that are livable, vibrant, and driven by community benefits.

Incentive grants can help cover tap fees, infrastructure, parks/playgrounds, and other needs and amenities of the affordable housing project. A portion of the grant can be used to develop amenities in the neighborhood where the affordable housing development is located. Local governments are encouraged to pick one or two shovel-ready projects that can spend all of the funds by June 2024. To qualify for these funds, municipalities and counties must adopt at least three strategies from the menu of policy and regulatory options listed in the bill.

### Funding

- Funds are made available from legislation created in HB21-1271.
- Approximately \$37.7 million in funding is available for award.
- Incentives Grant Program awards are expected to be approximately \$500,000-\$1,000,000.
- A dollar for dollar match is suggested to be competitive, although applicants may consult with their Regional Manager before submitting their application about a reduced match.

### Timeline

- The program guidelines and application will be posted on DOLA’s website by Sept. 1, 2021.
- This program will begin accepting applications in 2022.

## [Planning Grant Program](#)

The Planning Grant Program provides grants to municipalities and counties to help them understand their housing needs and adopt policy and regulatory strategies in order to qualify for the Affordable Housing Development Incentives Grant Program. Of note, the Planning Grant Program can fund housing needs assessments to help local governments guide their policy and regulatory approach to reducing barriers to affordable housing development; the application for funding must also include work to adopt a qualifying strategy (from the options listed in the bill). Communities that apply for a Planning grant do not have to apply for an Incentives grant.



## Funding

- Funds are made available from legislation created in HB21-1271.
- Approximately \$6,800,000 in funding is available for award.
- Planning Grant Program awards are expected to be approximately \$50,000-\$200,000.
- A dollar for dollar match is suggested to be competitive, although applicants may consult with their Regional Manager before submitting their application about a reduced match.
- Planning applications should align with the list of qualifying strategies in statute.

## Timeline

- The Planning Grant Program will be launched first, in order to give local governments an opportunity to adopt policy and regulatory tools necessary to qualify for Incentives Grants.
- Program guidelines and application will be posted on DOLA's website as soon as possible.
- The Planning Grant Program will open for applications as soon as possible thereafter, ideally by August 2021. Applicants are required to work with your respective DOLA [Regional Manager](#) during the application process. Applications are to be submitted through the Division of Local Government [Online Grants Portal](#) per the Notice of Funding Available when published.
- DOLA will continue to take applications and make awards until the funding is depleted.
- The review process for accepted applications is anticipated to take approximately one month.
- Upon completion of the review process, the DOLA Executive Director will make all final award decisions, and those awarded can expect approximately 2 months to get under contract.

## Affordable Housing Guided Toolkit

The Toolkit Program will fund hands-on assistance to local governments to help them understand their housing needs, engage their communities, analyze development sites, attract developers, and make policy and regulatory changes in support of affordable housing development.

## Funding

- \$1.6M in funds are made available from legislation created in HB21-1271 to support the cohort program and to fund local policy and regulatory work.

## Timeline

- Program guidelines and application materials will be posted on DOLA's website by Sept. 1, 2021.
- This program is currently under development. Contact [Andrew.Paredes@state.co.us](mailto:Andrew.Paredes@state.co.us) for more information.

**Contact your DOLA Regional Manager or [Christy.Wiseman@state.co.us](mailto:Christy.Wiseman@state.co.us) for more information. To be sure to hear about program launch dates, sign up for CDO's e-newsletter-[cdola.colorado.gov/community-development-planning](http://cdola.colorado.gov/community-development-planning).**