

# IN THE KNOW:

## MAKING HOUSING AFFORDABLE

Colorado faces a housing crisis that worsens each year. A scarcity of housing at all income levels, high demand to live in Colorado, and restrictive zoning laws have contributed to skyrocketing rent and home prices. In the 2022 Colorado legislative session, lawmakers took on several of these problems, passing bills to increase the stock of affordable and workforce housing, as well as extending legal protections and purchase agreement opportunities for mobile home residents. There remains much more work to be done, but the legislature took productive steps toward solving this crisis.



- The housing bills passed by lawmakers largely followed recommendations of the [Colorado Affordable Housing Task Force](#).
  - [SB22-159](#) will distribute \$150 million in below-market, low-interest loans to develop or maintain affordable housing stock.
  - [HB22-1304](#) establishes grant programs totaling \$178 million for similar purposes. Together these programs will utilize some of the one-time federal funds distributed to the state through the American Rescue Plan.
  - [SB22-160](#) creates a \$35 million loan and grant program to help mobile home owners purchase their mobile home parks. Grants will be available for non-profits assisting mobile home park residents as well as those supporting rent stabilization programs.

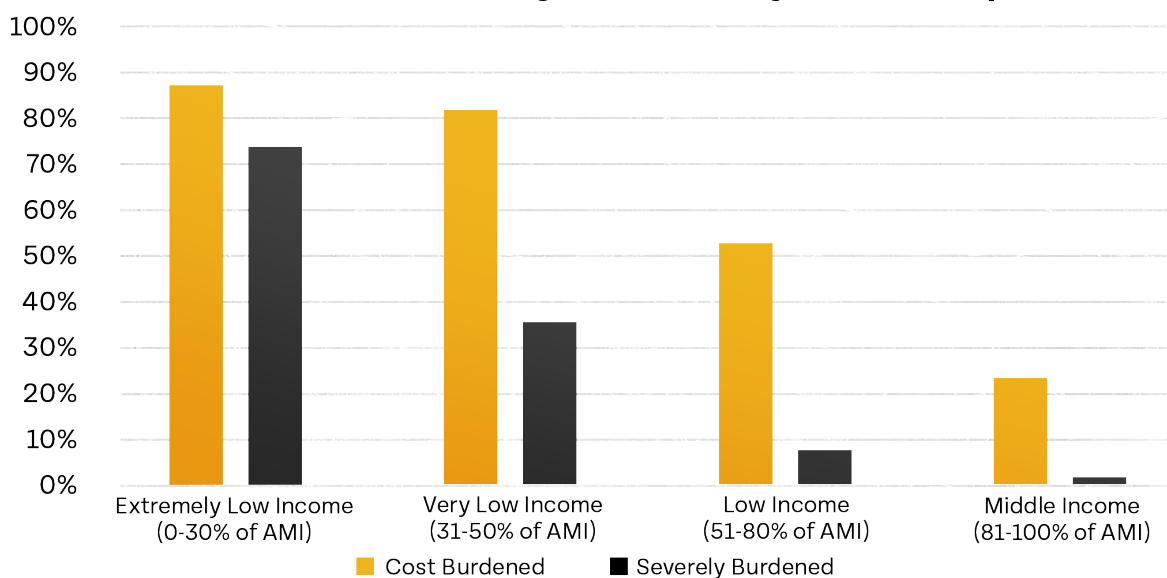


- Other available tools include improving tenant rights and changing the tax code to encourage the building of affordable and workforce housing.
  - [HB22-1287](#) provides greater legal protections for residents of mobile home parks. The bill requires longer lead time of mobile home park sales as well as landlords repair damages to mobile homes. Additionally, if a landlord changes the land agreement governing the park and a resident is forced to move, then monetary compensation must be awarded. A rent control element was removed from the bill and will likely be introduced in the 2023 legislative session.
  - [HB22-1051](#) will expand the state's affordable housing income tax credit. This bill expands the tax credit to \$10 million and extends it through 2031, giving developers financial incentive to develop affordable housing projects.



- Short-term rentals pose a challenging problem as their market share continues to grow. Especially in mountain communities, [this exacerbates the deficit](#) of workforce housing. Some cities have [increased taxes or passed caps on short-term rentals](#). In the 2023 legislative session, state lawmakers should consider a statewide cap as well as increasing the [property tax assessment rate on short-term](#) rentals.

## Colorado Rental Housing Cost Burden by Income Group



Source: Bell Policy Center analysis of National Low Income Housing Coalition data

### Key Context

- According to the National Low Income Housing Coalition, [Colorado is the 9th least affordable state for housing.](#)
- At the state level, for a minimum wage earner to afford a two-bedroom apartment, they would need to work 89 hours per week.
- Despite major housing legislation in recent legislative sessions, Colorado continues to have a lack of affordable and available housing for low- and middle-income Coloradans.

### Percentage Cost Burdened Renters by County

