



# PROPOSITION 123

## THE BASICS - WHAT IS IT?

A program approved by Colorado voters in 2022 that establishes the *State Affordable Housing Fund* – a sustainable funding source for Colorado communities to make progress in addressing housing affordability challenges. Proposition 123 is an opportunity to access dedicated and sustainable source of funding for affordable housing projects and initiatives for communities.

### WHAT IS THE PROCESS? (SEE BACK FOR MORE DETAIL)



### WHY PARTICIPATE?

By making a commitment to increase housing at a rate of 3% per year over a period of three years, local governments “unlock” access to project and program funding not only for the local government but also for local housing partners such as nonprofits, developers, residents and other third party entities. Without filing a commitment, the *State Affordable Housing Fund* will not be available to support projects or programs in that jurisdiction.

## 2023 FUNDING FORECAST

Fiscal Year 2022-2023 - \$160 million (actual)

Fiscal Year 2023-2024 - \$320 million (estimated)

Funding for future years estimated at \$320 million annually depending on taxable income

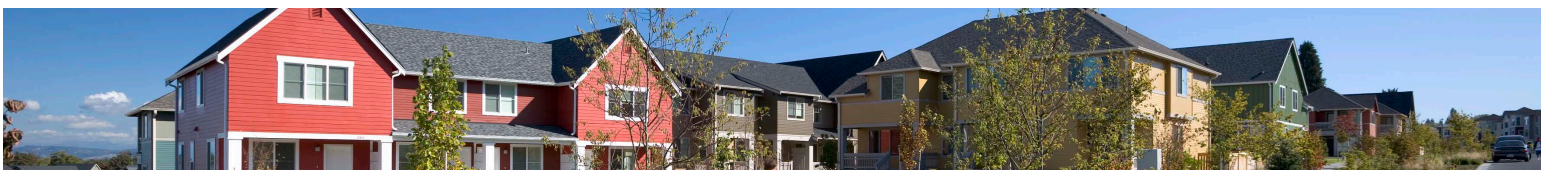


DOLA receives 40% of funds. The Affordable Housing Support Fund is distributed by DOH & DLG:  
Year 1: \$64 million  
Year 2: \$128 million



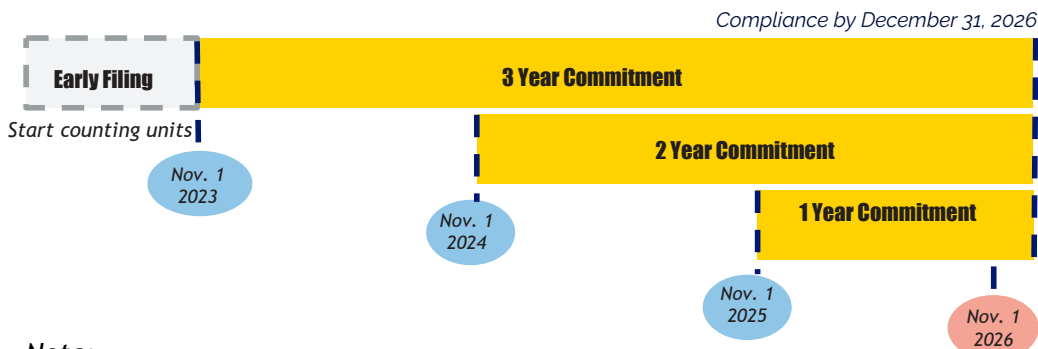
OEDIT receives 60% of funds. The Affordable Housing Financing Fund is administered by CHFA:  
Year 1: \$96 million  
Year 2: \$192 million





## PROCESS OVERVIEW

- 1 DEVELOP YOUR BASELINE**  
Localities must determine their baseline amount of affordable housing in compliance with statutory definitions in order to file a commitment. Communities may develop their baseline using the baseline reference data table or the baseline assistance tool. The baseline assistance tool can be used to:
  1. Customize a baseline to reflect current conditions.
  2. Estimate the amount of affordable housing at individual price levels.
  3. Learn about data sources and math used in baseline development.
  
- 2 FILE YOUR COMMITMENT**  
Commitments may be filed by authorized local government officials by **November 1<sup>st</sup>** to unlock funding for 2023-2026. Alternatively, local governments could make a 1- or 2-year commitment by filing by November 1st of either 2024 or 2025.
  
- 3 BEGIN COUNTING UNITS**  
Begin counting units and unlock funding once your commitment is accepted.



**Note:**  
Per the graphic above, the overall commitment will be to increase housing 9% over a three-year period with compliance by December 31, 2026.

*Establish New Baseline & Fast Track Approval in Place*

## HELPFUL TOOLS

Baseline Reference Data Table



<https://bit.ly/3QtZqLN>

Baseline Assistance Tool



<https://bit.ly/co-123-baseline>

Commitment Filing Site



<https://bit.ly/co-123-commit>

**Visit the website to view recorded webinars, see FAQs and submit your own questions about commitments and baselines.**

[EngageDOLA.org/prop-123](https://EngageDOLA.org/prop-123)

*DOLA invites you to a Technical Assistance workshop to learn how your community can participate in the program.*