

**SB21-242: HOUSING DEVELOPMENT GRANTS HOTELS TENANCY SUPPORT PROGRAM**

Concerning the expansion of the allowable uses of the housing development grant fund, and, in connection therewith, making an appropriation.

**Details**

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<b>Bill Sponsors:</b>	Senate – Gonzales (D) and Pettersen (D) House – Gonzales-Gutierrez (D) and Woodrow (D)
<b>Committee:</b>	Senate Local Government Committee
<b>Bill History:</b>	4/12/2021- Introduced in Senate, Assigned to Local Government Committee
<b>Next Action:</b>	Hearing in Senate Local Government

**Bill Summary**

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The bill allows the Division of Housing within the Department of Local Affairs (DOLA) to use the housing development grant fund for rental assistance, tenancy support service programs, and awarding grants and loans to local governments and nonprofit organizations for the purchase of underutilized hotels, underutilized motels, and other underutilized properties. The division shall define the terms underutilized hotels, underutilized motels, and other underutilized properties. The bill expands those who are eligible to benefit from these programs to include unhoused individuals. The bill transfers \$15 million from the General Fund to the Housing Development Grant Fund specifically for rental assistance, tenancy support service programs, and awarding grants and loans. The bill requires DOLA to report on the programs provided to unhoused individuals related the programs as well as the grants and loans awarded.

**Issue Summary**

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**Housing**

Colorado has a shortage of rental homes that are affordable and available to those households with extremely low incomes.<sup>1</sup> There are approximately 165,000 extremely low income renter households in Colorado but a shortage of 114,000 rental homes that are affordable and available for those renters.<sup>2</sup> Because of the shortage, nearly 75% of extremely low income renter households have a severe cost burden.

Even before the onset of the COVID-19 pandemic, Coloradans were experiencing housing instability. In 2019, 6.7% of Coloradans (360,000) were worried that they would not have a stable place to live in the next two months.<sup>3</sup> More than half of those that reported this worry also reported problems paying for food and medical bills. Additionally, nearly half of those reporting housing instability reported their health being fair or poor (44.1%), their oral health being poor or fair (46.8%), and having poor mental health (45.8%). People of color were more likely to report housing instability than white Coloradans. Further, 14.4% of Coloradans who are not U.S. citizens reported instability, which is more than double that of citizens (6.5%).

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<sup>1</sup> Extremely low incomes are defined as those at or below the federal poverty level (FPL) or 30% of their area median income (AMI). National Low Income Housing Coalition (n.d) *Colorado*. Retrieved from <https://nlihc.org/housing-needs-by-state/colorado>

<sup>2</sup> National Low Income Housing Coalition (n.d) *Colorado*. Retrieved from <https://nlihc.org/housing-needs-by-state/colorado>

<sup>3</sup> Colorado Health Institute (June 9, 2020). *Making a Home for Health: Supporting Health by Putting Housing First*. Retrieved from <https://www.coloradohealthinstitute.org/research/making-home-health>

## People of Color Are More Likely to Report Housing Instability

Race/Ethnicity and Stable Housing, 2019

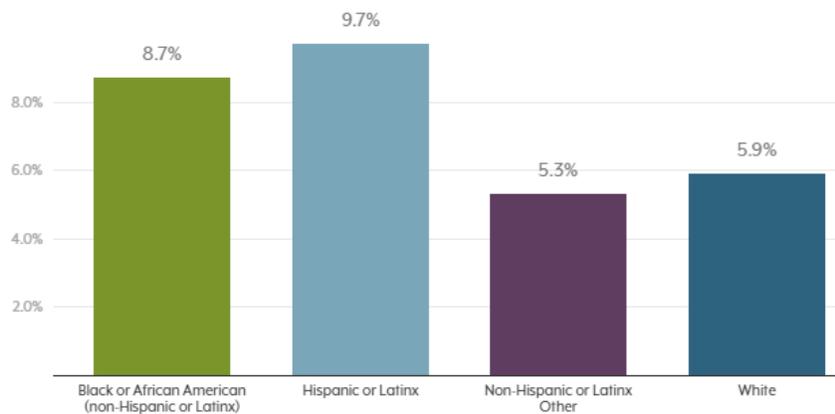


Chart: Colorado Health Institute - Source: Colorado Health Access Survey

Colorado has about 10,857 people experiencing homeless on a given night.<sup>4</sup> Larimer County's temporary COVID-19 shelter, day shelter, and inclement weather shelters, operated by Homeward Alliance and Fort Collins Rescue Mission, serve up to 200 people daily. More households than ever before are on the brink of housing instability in Larimer County. This is reflected in the increased number of people per week currently seeking services through Murphy Center for Hope program. The Murphy Center is a collaboration between 20 independent organizations that serves as a hub of services for people who face homelessness or housing instability. Between October 1, 2020, and December 31, 2020, the Murphy Center served 1,124 unduplicated people, averaging 125 check-ins per day. Just under 50% of the people served identified themselves as living with a disability and 35% of the people served were ages 50 or older. The Murphy Center has recorded an increase of roughly 30 new entries to homelessness each week.

### Supporters

- Colorado Municipal League
- League of Women Voters

### Opponents

- Any opposition has not been made public at this time.

### About this Brief

This brief was prepared by Health District of Northern Larimer County staff to assist the Health District Board of Directors in determining whether to take an official stand on various health-related issues. The Health District is a special district of the northern two-thirds of Larimer County, Colorado, supported by local property tax dollars and governed by a publicly elected five-member board. The Health District provides medical, mental health, dental, preventive and health planning services to the communities it serves. This brief is not a complete analysis of this policy issue. This brief is accurate to staff knowledge as of date printed. For more information about this brief or the Health District, please contact Alyson Williams, Policy Coordinator, at (970) 224-5209, or e-mail at [awilliams@healthdistrict.org](mailto:awilliams@healthdistrict.org).

<sup>4</sup> National Alliance to End Homelessness (2019) *Colorado*. Retrieved from <https://endhomelessness.org/homelessness-in-america/homelessness-statistics/state-of-homelessness-report/colorado/>