



**COLORADO**

Office of Economic Development  
& International Trade

Business Funding & Incentives

# Supporting Innovative Housing in Colorado

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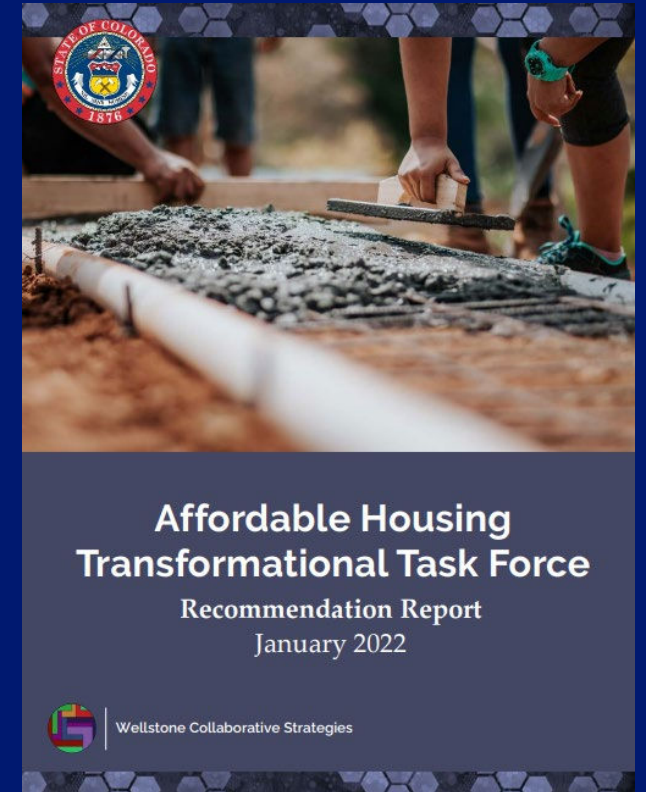
# Challenges and Opportunities for Innovative Housing in Colorado

## Colorado Affordable Housing Task Force (2021-22):

- Need over 300,000 housing units
- Biggest supply constraints: labor, weather, permitting
- Modular/off-site housing can help solve these issues

## Recommendation: Create the Innovative Housing Incentive Program (IHIP) to support manufacturers.

- Performance-based grants for existing businesses
- Low-interest, revolving loans for new factories



# Colorado's modular industry today

2021

**1.2%** of new homes built using modular

**91%** shipped from out-of-state

**129** total modular boxes built in Colorado

2024

**3.7%** of new homes built using modular

**43%** shipped from out-of-state

**1,015** total modular boxes built in Colorado

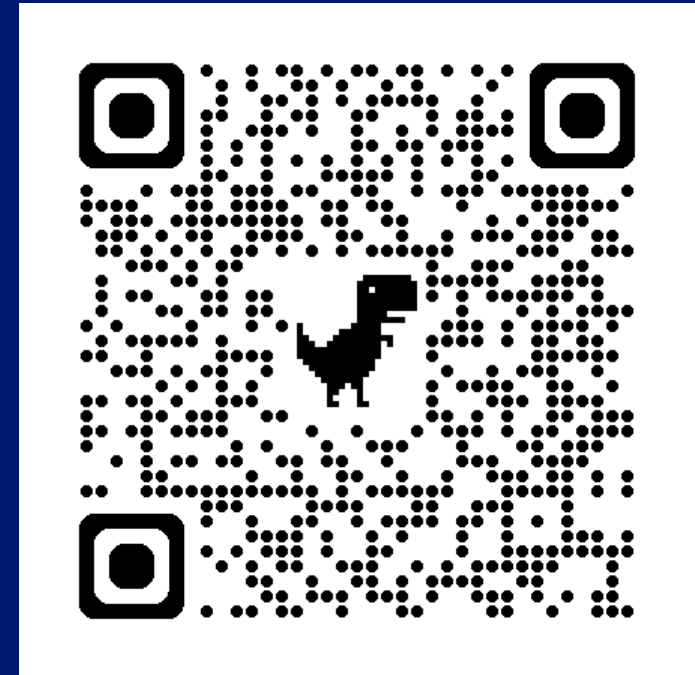
# Proposition 123: Colorado Affordable Housing Financing Fund

- Loans and equity investments to support low- and middle-income housing developments
- Innovative housing prioritization
  - Set-aside and prioritization for modular and panelized construction
  - Factory deposits are an eligible use
  - Funding for factory loans



# Proposition 123: Eligible Projects and Uses

- Eligible projects
  - Must be in a “committed jurisdiction”
  - Low (60% average AMI) to middle-income (up to 120% AMI) rental housing
  - New builds and preservation
  - Shovel-ready
  - Debt projects can be paired with LIHTC
- Eligible uses
  - Hard and soft costs
  - Factory deposits



# Policy Support for Innovative Housing

- SB-002 (2025)
  - Established regional building codes for modular construction
- HB24-1152 (2024)
  - Requires metropolitan jurisdictions to allow and support development of accessory dwelling units
  - Grants for local gov't and loans for low-to-moderate income residents