

PLANNING & DEVELOPMENT MEMORANDUM
#30-2026

DATE: Sept. 28, 2026

TO: Honorable Mayor Meredith Leighty and City Council Members

THROUGH: Jason Loveland, Acting City Manager *AL*

FROM: Becky Smith, Director of Planning & Development *BS*
Mara Owen, Sustainability Coordinator

SUBJECT: CR-122 - Proposition 123 Affordable Housing Commitment 2027-2029

PURPOSE

To consider CR-122, a resolution acknowledging the City's existing expedited review process for affordable housing projects and committing to increase the number of affordable housing units in the City. The resolution, if approved, would be filed with the Colorado Department of Local Affairs (DOLA) in accordance with the requirements of Proposition 123.

BACKGROUND

Proposition 123 was approved by voters in 2022, creating the State Affordable Housing Fund, a dedicated revenue stream for the development of affordable housing. To be eligible for this funding, affordable housing projects must be in a jurisdiction that has submitted a Proposition 123 Local Government Affordable Housing Commitment to DOLA. The City of Northglenn has not yet filed a commitment. Legislative changes effective May 26, 2026, revised how jurisdictions calculate their affordable housing unit goals and added flexibility for meeting those goals through waivers and incentives.

Benefits of Filing a Commitment

Filing a Proposition 123 Commitment provides access to two avenues for funding:

1. The Affordable Housing Financing Fund is available to affordable housing developers, such as Security Properties for the Greens project, as well as local governments and housing authorities. Funding is available for activities including land banking, modular and factory-built home financing, new construction, and rehabilitation of existing affordable housing. Funds are also available for affordable homeownership programs, rental assistance, down payment assistance, homelessness programs, and single-family rehabilitation programs.
2. The Local Planning Capacity Grant provides direct grant funding to increase the capacity of local government planning departments to address affordable housing. The Planning and Development Department would become eligible to apply for this funding, which can be used broadly.

Filing a Commitment

To file a Proposition 123 Commitment, the City must satisfy two requirements:

1. The City must demonstrate that it already has an expedited review process for affordable housing or is committed to creating one. Northglenn already meets this requirement. CR-122 follows DOLA's model language for demonstrating compliance and satisfies this requirement.

2. The City must commit to a three-year affordable housing unit goal. This goal is calculated by multiplying average building permits by a job growth multiplier and the number of years in the commitment period. The goal is based on the City's average new residential building permits for 2023-2025. Based on this formula, Northglenn's three-year unit goal for the 2027-2029 cycle is approximately 88 units. The City will be expected to report on progress toward this goal at the end of the cycle.

The Greens Affordable Housing Project

City Council approved Resolution No. 26-88 on July 13, 2026, to assign Private Activity Bond (PAB) funds to the Greens Affordable Housing Project, an upcoming redevelopment aimed at preserving long-term housing affordability in the City. The project is expected to have 89 units set at 40% of the Area Median Income (AMI). Because these units are deeply affordable, Proposition 123 applies a multiplier of 1.2, potentially resulting in 106.8 units counted toward the City's three-year unit goal. The project would also include 38 units set at 45% AMI. Although these units would not qualify for a multiplier, they would count as 38 units toward Northglenn's three-year goal. Combined, the Greens Affordable Housing Project is projected to contribute 144.8 units toward Northglenn's Proposition 123 Commitment, far exceeding the goal of 88 units and potentially enabling the City to meet its full three-year commitment as early as 2027, well ahead of the 2029 deadline for this cycle.

Key Program Participation Information

The upcoming commitment cycle runs from Jan. 1, 2027 through Dec. 31, 2029. This is the three-year period during which the City's unit goal must be met. The deadline to file a commitment with DOLA for this cycle is Nov. 1, 2026.

The State provides two types of waivers for jurisdictions that need additional flexibility:

- A Good Faith Effort Waiver is available to jurisdictions that have taken meaningful steps toward their unit goal but fall short by the end of the cycle. This waiver preserves the jurisdiction's compliance status and continued funding eligibility.
- An Adjustment Waiver is available if conditions change during the cycle, such as a market shift, affecting a jurisdiction's ability to meet its original goal. This waiver allows for the goal to be adjusted based on current conditions.

If Northglenn does not meet its commitment goal by the end of the three-year cycle, the City may file a Good Faith Effort Waiver to remain in compliance and eligible for Proposition 123 funds. Any funding already received for projects during the commitment cycle would not need to be repaid.

As the Greens Affordable Housing Project alone is projected to exceed Northglenn's three-year goal, the risk of noncompliance appears low for the 2027-2029 cycle.

BUDGET/TIME IMPLICATIONS

If CR-122 is approved, staff will send a copy to DOLA and file the City's Proposition 123 Affordable Housing Commitment for the 2027-2029 cycle by Nov. 1, 2026.

Once the commitment is accepted, Affordable Housing Financing Funds will become available for projects in the City beginning in 2027. The Planning and Development Department will also be eligible to apply for the Local Planning Capacity Grant. Grant application cycles occur twice annually, typically in February and September.

STAFF RECOMMENDATION

Staff recommends approval of CR-122.

STAFF REFERENCE

If Council members have any questions, please contact Becky Smith, Director of Planning & Development, at bsmith@northglenn.org or 303.450.8741.

CR-122 – Proposition 123 Affordable Housing Commitment 2027-2029

SPONSORED BY: MAYOR LEIGHTY

COUNCIL MEMBER'S RESOLUTION

RESOLUTION NO.

No. CR-122
Series of 2026

Series of 2026

A RESOLUTION ACKNOWLEDGING EXISTING EXPEDITED REVIEW FOR AFFORDABLE HOUSING PROJECTS

WHEREAS, the voters of Colorado approved Proposition 123 in 2022, creating the State Affordable Housing Fund to make certain funds available to local governments as defined by C.R.S. § 29-32-104; and

WHEREAS, the City of Northglenn, Colorado, is a home rule municipality duly and regularly organized and validly existing as a body corporate and politic under and by virtue of the Constitution and laws of the State of Colorado and is eligible for Proposition 123 funding and programming; and

WHEREAS, the City of Northglenn recognizes the importance of allowing affordable and attainable housing to be developed for its workforce and its residents; and

WHEREAS, the City of Northglenn will file a Proposition 123 commitment to increase affordable housing as defined in C.R.S. § 29-32-105; and

WHEREAS, the City of Northglenn's current process for reviewing proposed housing development projects already meets the requirement for a 90-calendar-day review process; and

WHEREAS, the City of Northglenn acknowledges that affordable housing development projects are currently reviewed and decisions are rendered within 90 calendar days of receipt of a complete application, in alignment with the requirements of C.R.S. §§ 29-32-105(2) et seq., as determined by the Planning and Development Department; and

WHEREAS, the City of Northglenn recognizes that all affordable housing development projects, including mixed-use projects in which at least 50% of the residential units are affordable as defined in C.R.S. §§ 29-32-101 et seq., are currently receiving this expedited review; and

WHEREAS, the City of Northglenn recognizes the following application types that already receive and will continue to receive expedited review: Site Plan, Development Plan, Conditional Use Permit, Building Permit, Special Use Permit, Variance or Waiver, Change of Use Permit, and Administrative Modifications; and

WHEREAS, the City of Northglenn recognizes the allowable extensions in C.R.S. §§ 29-32-105(2)(b) and (c), both for applicants and the City, and recognizes the circumstances under which the current standard and expedited review timelines may be extended.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The City formally acknowledges that its current development review process already meets the 90-day expedited review requirement for affordable housing projects and commits to continuing this 90-day review period to ensure the timely review of affordable housing projects in compliance with the requirements of C.R.S. §§ 29-32-105(2) et seq.

DATED, at Northglenn, Colorado, this _____ day of _____, 2026.

MEREDITH LEIGHTY
Mayor

ATTEST:

JOHANNA SMALL, MMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney